

Insurance

BUSINESS AMERICA

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ISSUE 9.08



EMPLOYEES VOTE SAVOY TOP INSURANCE WORKPLACE

What the industry's best-rated company is doing to create a prosperous work environment

THE NEXT TECH FRONTIER

How the pandemic put the industry's adoption of AI into warp speed

5-STAR NETWORKS AND ALLIANCES

Which insurance networks are delivering the best support to agents and brokers?

THE ROAD TO RECOVERY

Insuring the nonprofit sector as it makes a comeback from COVID-19



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TOP INSURANCE EMPLOYERS

For the fourth year in a row, *IBA* checked in with insurance professionals to find out which companies are providing the best compensation, benefits, culture and more

PEOPLE

INDUSTRY ICON

While some people might start slowing down after nearly five decades in insurance, Mitch Blaser is starting all over again by co-founding Mosaic Insurance



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BOUNCING BACK

As the nonprofit sector recovers from the impact of COVID-19, what should brokers be looking out for on behalf of their clients?



SPECIAL REPORT

5-STAR AWARDS: NETWORKS AND ALLIANCES

Agents and brokers reveal the insurance networks and alliances that offer top-notch support



FEATURES

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Phil Nisbet details how World Insurance Associates has gone from a brand-new brokerage to a significant M&A force

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CHECK IT OUT ONLINE



The day of reckoning

Insurance billionaire Warren Buffett recently resigned as a trustee of the Bill and Melinda Gates Foundation after 15 years in the role. The 90-year-old chairman and CEO of Berkshire Hathaway exited the Gates Foundation during a period controversy for the charity. Not only is it in the spotlight because of the divorce of its namesake founders, but founder Bill Gates and Michael Larson, money manager of the charity's endowment, have found themselves at the center of allegations of misconduct towards women – accusations that both men strongly deny.

While Buffett, the ninth richest person in the world, appears to be distancing himself from Gates' fall from grace, the insurance juggernaut is facing some controversy of his own after being named in a recent ProPublica investigation into how little income tax the ultra-wealthy pay in the United States.

Where the sting of social inflation has been really sharp is in cases involving large public-facing corporations that 'should know better'

So, we've got billionaire business magnates distancing themselves from each other and dodging controversy at every turn – things aren't looking good for old-school corporate America. This, in turn, is bad news for the insurance industry. Recently, the phenomenon of social inflation has become a huge pain point in liability insurance – especially in litigious societies like the US, Australia and the UK. 'Social inflation' is a term used to describe the rising costs of insurance claims resulting from increased litigation, broader definitions of liability, more plaintiff/claimant-friendly legal decisions and larger jury awards.

Where the sting of social inflation has really been sharp is in cases involving large public-facing corporations that 'should know better' than their alleged misdeeds and 'have too much money anyway.' They're the firms facing the brunt of anti-corporate sentiment, and they're the ones now struggling to secure adequate limits of liability insurance.

This problem clearly isn't going away any time soon, but there are lessons to be learned from it. Large corporations – and the business magnates behind them – must retain impeccable public standing if they want to avoid the potential tsunami of social inflation. One accusation, whether true or not, is enough to trigger a Bill Gates-style fall from grace – one that will likely come with a sizable dent to a company's bottom line.

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Printed in Canada



Insurance
BUSINESS AMERICA

Women in Insurance

UNITED STATES

GROWING FOR GOLD

Insurance is a competitive industry – and, for female professionals, systemic barriers make it all the more demanding. To get ahead in 2021, you'll need to look for innovative, outside-the-box strategies – and who better to get these from than the women who have succeeded on the world's top stage?

Join us at **Women in Insurance** and you'll learn Olympic strategies you can apply in your business. Former medalists share their insights on competition, teamwork and goal-setting – revealing the strategies you need to stand out from the pack in a rapidly changing market.

Insurance Business is proud to announce a few of the keynote speakers who will be joining us:

AUG 31
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BUSINESS AMERICA
Women in Insurance
CHICAGO



ELANA MEYERS TAYLOR
3x Winter Olympian and medalist, *Bobsled*

OCT 14
Insurance
BUSINESS AMERICA
Women in Insurance
CALIFORNIA



JANET EVANS
4x Olympic gold medalist, *Swimming*

SEP 14
Insurance
BUSINESS AMERICA
Women in Insurance
NEW YORK



NANCY KERRIGAN
2x Olympic medalist, *Figure Skating*

OCT 26
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Women in Insurance
TEXAS



DANELLE UMSTEAD
3x Paralympic medalist, *Skiing*

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STATISTICS

INDIVIDUALS' CYBER RISKS ARE GROWING



86%

of Americans purchased or were gifted a new electronic device in the past year



44%

worked remotely from home during the pandemic



57%

admitted to using personal information in their account passwords



30%

estimated that they share their data at least 10 times a day

Source: COVID-19 & Life Online: Americans' Evolving Cyber Risks, Chubb

HAIL-RELATED NATURAL DISASTERS IN APRIL AND MAY

HAILSTORMS TO COST US INSURERS BILLIONS

Severe weather during April and May caused huge economic damage – Aon estimates that losses to insurers are likely to reach into the billions of dollars. Hailstorms have been the primary culprit; one of the worst storms during this period hit highly populated urban areas in Texas and Oklahoma on April 28, delivering hailstones the size of baseballs and causing significant economic losses. According to Steve Bowen, managing director and head of catastrophe insight at Aon Impact Forecasting, “public perception often assumes that tornadoes drive the bulk of annual severe convective storm [SCS] damage costs. The reality is that large hail typically accounts for a majority of thunderstorm-related losses in North America during any given year, and April 2021 was a case in point.”

HAIL, TORNADOES, FLOODING

- Location: **Plains, Southeast**
- Date: **May 6-11**
- Economic losses: **\$350 million+**

HAIL, TORNADOES, FLOODING

- Location: **Rockies, Plains**
- Date: **May 29-31**
- Economic losses: **\$100 million+**

BUSINESSES URGE VACCINATIONS AMID WORKPLACE REOPENING

As the US economy opens up and restrictions are eased, employers are increasingly encouraging their employees to get vaccinated, but most are stopping short of requiring it, according to a report by Willis Towers Watson. The majority of firms surveyed said they offer incentives such as schedule flexibility or paid time off for employees to get vaccines.

52%

of employers will require vaccinated employees to wear masks indoors

69%

of employers will require unvaccinated employees to wear masks indoors

28%

of employers said they will require employees to be vaccinated

82%

of employers said they're communicating the value of vaccination to their employees

Source: COVID-19 Vaccination and Reopening the Workplace Survey, Willis Towers Watson

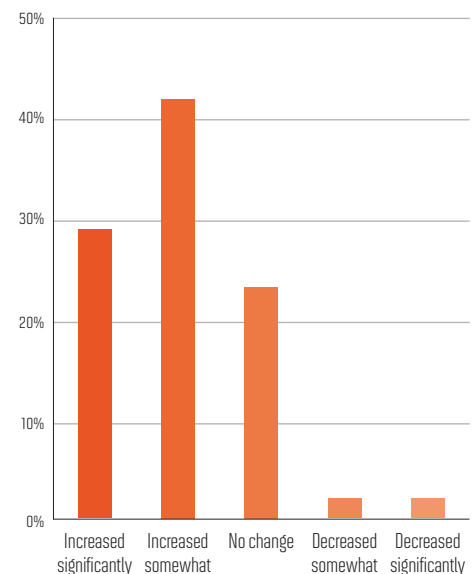


Source: Aon Global Catastrophe Recap April 6 May 2021

US FIRMS MAKING STRIDES IN DE&I

Diversity, equity and inclusion (DE&I) is now a top priority for US businesses, and most organizations reported positive progress in this area, according to a new survey by Marsh and RIMS. Tellingly, 54% of firms said they now consider a lack of DE&I an enterprise risk, as it can expose them to difficulties in attracting and retaining talent, as well as increased litigation.

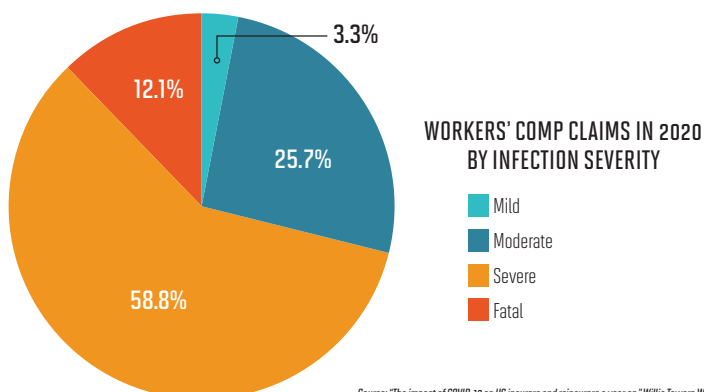
HOW COMPANIES RATED THEIR PROGRESS ON DE&I OVER THE PAST FIVE YEARS



Source: Marsh & RIMS, Excellence in Risk Management XVIII

COVID-19 HITS WORKERS' COMPENSATION

More than a year into the COVID-19 pandemic, Willis Towers Watson has projected a loss of around \$6.8 billion for workers' compensation in the US for the 2020 accident year. WTW noted that the majority of COVID-19-related workers' comp claims have come from healthcare workers.



Source: "The impact of COVID-19 on US insurers and reinsurers a year on," Willis Towers Watson

BUSINESS RESILIENCE VARIES BY RISK TYPE

A business's level of preparedness for common risks depends on the risk in question, according to a recent report by Beazley. More than half of business leaders feel they are 'very prepared' to handle cyber risks, but that figure drops considerably for supply chain risks, perhaps due to numerous points outside the company's control.

PROPORTION OF BUSINESS LEADERS WHO FEEL VERY PREPARED TO HANDLE THE RISK



Source: New World, New Risks, Beazley

NEWS ANALYSIS

All in on AI

The pandemic has changed a lot in the insurance industry, including how quickly companies are turning to artificial intelligence solutions to transform their business

WHEN IT came time to pick a name for the company he founded in 2017, Corvus founder and CEO Phil Edmundson turned to his passion for birding for inspiration. Corvus, which provides AI-driven solutions for commercial brokers, shares its name with the genus of birds that includes crows, rooks and ravens – birds that use tools to accomplish their tasks.

“So we thought it would be a nice metaphor for using tools and technology to improve commercial insurance,” Edmundson says, adding that “birding had a great moment during COVID. A lot of people got outside again and thought it would be a nice way to see the world.”

Birding isn't the only thing that's seen an uptick in interest over the past year and a half. A recent survey by consulting firm Bain & Company found that digital adoption

occasion, it also noted that brokers' adoption of digital tools remains low in most of the 17 countries surveyed, putting them at risk of losing clients to digital-only innovators in the field.

It's not as if the insurance industry wasn't thinking about innovation before the pandemic hit. In the years leading up to it, several larger players had been looking into AI and machine learning to speed up processes, prevent losses and contain costs, while a number of new insurtech players like Corvus took flight to meet that demand.

But the pandemic's impact has increased interest among insurance companies eager to see what role AI can play in their digital transformation. And for anyone who thinks the rate of AI adoption in insurance might slow down, Edmundson has just one thing to say: fasten your seat belts.



“There's going to be a lot more change coming, and it's going to bring a lot of value to brokers and to policyholders”

Phil Edmundson, Corvus

by consumers in the insurance sector grew by about 20% globally in 2020, marking nearly a fourfold increase in the compound annual growth rate compared to the previous four years.

While the study pointed to examples of companies with legacy systems rising to the

“We're an industry plagued by old architecture, by ancient hardware and software tools that don't allow for modern-day computing at the highest scale,” he says. “There's going to be a lot more change coming, and I'm excited about it because it's going to bring a lot of value to brokers



and to policyholders.”

That's what Daniel Moore, COO of QBE North America, is counting on. QBE recently teamed up with Chicago-based ModelOp to deploy AI models for claims triage, claims processing and fraud detection. While the results show a marked increase in customer satisfaction, Moore says the actual process of getting the solution up and running was an eye-opener for his team.

“When we started, we thought it would be quite easy – you almost forget how much actual work you do behind the scenes when you're just looking at a claim,” he says. “And so building out all those capabilities – to identify the claim, to understand what's in the claim – it was one of the bigger challenges for us.”

ModelOp co-founder Stu Bailey says



FOUR BIG BENEFITS OF AI



Faster claim processing

Insurance companies collect massive amounts of data, but data alone is not a great advantage. AI can process information, simplify and speed up claims, and provide deeper data analysis, leading to faster service and increased customer loyalty.



Fraud prevention

AI can use pattern recognition to detect fraudulent claims better than a human adjuster through data modeling.



Lead management

AI can extract valuable insights from customer data for insurance marketers and personalize recommendations to buyers based on their purchase history and other data points.



Better customer experience

AI systems use natural language processing to interact with human callers while more easily settling claims by evaluating complaints and addressing customer requests.

experiences like QBE's show that it's an exciting time for companies looking at AI as the next big thing in the industry.

Moore says there's more than one right answer to that question, noting that figuring out who owns which parts of the process



"I think we're getting to the point where there are a lot of examples of what to do right"

Stu Bailey, ModelOp

"I think we're getting to the point where there are a lot of examples of what to do right," he says.

Bailey adds that the challenge for organizations now is finding the right governance model that allows AI to integrate with existing systems to facilitate full automation.

will be an ongoing part of the AI discussion. But based on the results QBE has seen so far, he believes meeting those challenges will be worth it.

"We often think of AI and machine learning and a lot of the tools out there in the context of our core business," Moore

says, "but the reality is there are opportunities for us to use it in terms of how we're understanding our employee population and what's motivating them, or understanding a lot of our internal activities. It always starts with someone asking an interesting question." **IB**

CORPORATE

ACQUIRER	TARGET	COMMENTS
Applied Underwriters	Generali	Applied has purchased Generali's US specialty businesses, including Generali Warranty Services
Ascot Insurance Company	Boston Indemnity Company	The deal marks Bermuda-based Ascot's entry into the US contract and commercial surety market
CRC Group	Constellation Affiliated Partners	The acquisition will double the size of CRC Group's specialty programs division, making it one of the largest program managers in North America
Gallagher	Stellar Benefits Group	Founded in 2003, Stellar Benefits offers health and welfare programs for businesses of all sizes
High Street Insurance Partners	First Security Insurance	The acquisition of the 102-year-old agency, which offers home, auto and business cover, marks High Street's entry into North Carolina
HUB International	First Florida Insurance; Ward Insurance Agency	First Florida focuses on high-net-worth personal lines insurance; Oregon-based Ward Insurance Agency specializes in the construction, healthcare, hospitality, manufacturing and wood products industries
Jencap Group	WorldWide Hole 'N One	Based in the UK, WHNO began as a niche insurance provider but now underwrites an array of contingency insurance products
Liberty Mutual	State Auto Group	The acquisition is valued at \$2.29 billion and will add 3,400 independent agencies across 33 states to Liberty Mutual's roster
Obsidian Insurance Holdings	Western Home Insurance Company	The addition of Western Home will give Obsidian's program managers access to nationwide admitted insurance capabilities



Liberty Mutual makes \$2.3 billion deal for State Auto

Liberty Mutual has signed a definitive agreement to acquire State Auto Group, a super-regional insurance holding company headquartered in Columbus, Ohio, for approximately \$2.29 billion. The acquisition will give Liberty Mutual roughly 3,400 new independent agencies across 33 states, making it the second largest carrier in the US independent agency distribution channel. State Auto generates around \$2.3 billion in premium and will significantly expand Liberty Mutual's market share in personal lines and small commercial insurance.

"State Auto Group's capabilities and product expertise are an ideal complement to Liberty Mutual's domestic personal lines and small commercial business, and we welcome 2,000 talented associates to our family," said Liberty Mutual chairman and CEO David Long.

PRODUCTS



Pathpoint launches coverage for vacant properties

In response to demand from agents for more efficient vacant property coverage, digital E&S distributor Pathpoint has introduced new coverage for vacant buildings or land. Pathpoint's Vacants policy is available as either monoline GL, property or package coverage with a term length of three, six, nine or 12 months. The coverage is available for land or properties that are under renovation or less than 30% occupied. Buildings up to three stories, up to 25,000 square feet and built as early as 1900 are eligible, and Pathpoint said it will also consider coastal and wind-exposed property.



Beazley enhances Virtual Care policy

Specialist insurer Beazley has updated its Virtual Care policy for the telehealth sector. The policy now includes standard affirmative bodily injury coverage across all four core modules: medical malpractice and professional liability, technology and media liability, cyber liability and breach response, and general and products liability. It also provides more choice over first- and third-party cyber coverage and risk services, and it includes clinical trials financial injury liability coverage to protect against negligence, errors, omissions or failure during a clinical investigation and evaluation work.



Loadsure introduces pay-as-you-go cargo insurance

Tech-based MGA Loadsure has launched the industry's first API solution for international per-shipment cargo insurance, accessible immediately through the Loadsure platform. The solution allows those moving US freight to secure up to \$2 million of all-risk international coverage, regardless of the mode of transport. Loadsure's digitalization of the process also extends to claims – according to the company, its platform can reduce errors, deliver real-time claims status, accelerate claims settlements, and provide quick and secure payments.



Rokstone unveils global marine cargo facility

International specialty reinsurance MGA Rokstone has launched an \$18 million global facultative general marine cargo facility backed by A-rated carriers. The launch builds on Rokstone's expansion of its geographic and digital presence and the diversification of its specialty product range. The facility includes \$5 million for niche selective cargo treaties, and Rokstone also announced plans to roll out additional direct wholesale capacity. The MGA has welcomed Robert Birchard, an industry veteran with 43 years of experience at Lloyd's, to lead and grow its marine division.



EMRI, CIC partner to form environmental captive

Environmental Risk Managers Inc. (ERMI) and CIC Services have teamed up to launch EnviroCap, an environmental captive program that allows businesses to hold their own legally compliant insurance company with tailored coverage through an A-rated carrier. "With the pollution market hardening, critical coverages may be reduced or lost," said CIC Services' Tim Welles. "The advantage of EnviroCap ... is that it gives control to the captive owner for coverage, pricing and claims, while allowing the captive parent the opportunity to direct investment choices and receive favorable tax treatment."

PEOPLE

NAME	LEAVING	JOINING	NEW POSITION
Ameesh Vakharia	Truist Bank	USAA	Executive vice president and chief strategy officer
Dave Brune	Munich Re	Cover Genius	President, Americas
Eric Schwabach	Aon	Guy Carpenter & Company	Senior managing director, Aon Reinsurance Solutions
Grahame Millwater	N/A	Acrisure	Head of global insurance
Jeff Arricale	ProSight Specialty	Liberty Company Insurance Brokers	Chief financial officer
John McCaleb	The Hartford	Iroquois Group	Regional vice president, Midwest
John Pickersgill	AXA XL	Charles Taylor	Chief commercial officer
Kevin Doyle	N/A	Risk Placement Services	Chicago area president, PGC brokerage
Mario Paluzzi	Logistics Dynamics	Reliance Partners	Chief technology officer
Mark Biderman	N/A	Liberty Company Insurance Brokers	Board member and chair of audit committee
Matt Petka	Willis Re	Guy Carpenter & Company	Managing director, GC Access
Neil Alldredge	N/A	National Association of Mutual Insurance Companies	President and CEO
Riley Underwood	Willis Re	Guy Carpenter & Company	Senior vice president, GC Access
Simon Wilson	N/A	Markel International	President
Troy Dehmann	HSBC	Beazley	Chief operating officer

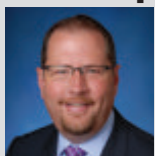
Beazley gets new COO



Beazley has appointed Troy Dehmann as its new chief operating officer. Dehmann has more than 20 years of experience in finance, operations and business transformation in the financial services sector. Prior to joining Beazley, he was global COO for finance operations and core finance at HSBC, where he previously served as global COO of business finance and global head of cost management.

"I am thrilled to join Beazley at this time as we continue to scale and strengthen our operational capability," Dehmann said. "I look forward to working with our teams to ensure they are supported and well resourced to deliver excellent products and services in this flexible, hybrid world of work."

NAMIC appoints president and CEO



The National Association of Mutual Insurance Companies (NAMIC) has named Neil Alldredge as its new president and CEO. Alldredge has been with NAMIC since 1999 and most recently served as senior vice president of corporate affairs. Prior to taking over the corporate affairs division in 2017, Alldredge led NAMIC's state legislative, regulatory and international advocacy efforts for 17 years.

NAMIC board chair Bob Zak described Alldredge as "the absolute right choice at the right time to lead the association into the future. With his extensive knowledge of the organization, deep advocacy experience and strong relationship with its membership, there is great confidence in his prospective leadership of NAMIC as its president and CEO."

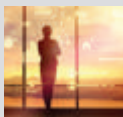
WORKERS' COMP UPDATE

NEWS BRIEFS



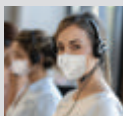
Omaha National expands its coverage to New York

Workers' comp insurer Omaha National has expanded into its 13th state with its entry into the New York market. "We are pleased to offer our superior underwriting and claims management processes to the New York market," said Chris LaMantia, chief marketing officer at Omaha National. "By controlling claims costs, we save employers money and help them get back to lower. Bringing these services to New York is a significant step toward our goal of eventually providing coverage nationally."



Foresight appoints new vice president of claims

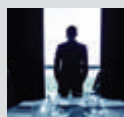
Foresight Risk & Insurance Services has named Laura Gomez Thomas as vice president of claims, charged with overseeing the company's claims program. Thomas brings more than 30 years of insurance claims experience to the workers' comp insurer; she joins from Sedgwick, where she focused on providing the best strategies for captive programs. Foresight founder and CEO David Fontain said the company is "looking forward to the dedicated and personalized claims handling approach that Laura will bring to Foresight."



ICW Group launches nurse triage hotline for injured workers

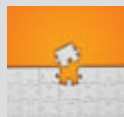
ICW Group Insurance Companies has unveiled a new nurse triage hotline for its workers' compensation policyholders. The hotline offers employees 24/7 access to both English- and Spanish-speaking nurses who specialize in treating non-emergency workplace injuries. In addition to speaking with a nurse, users can share pictures of cuts and burns to allow the nurse to

determine if a visit to the doctor is needed or if the injury can be self-treated. The hotline aims to eliminate costly and unnecessary overtreatment, ultimately providing cost savings to businesses and reducing lost work time due to injuries.



Builders Insurance Group names CFO, treasurer

Builders Insurance Group has promoted Matthew Burnett to the role of senior vice president, chief financial officer and treasurer. Burnett first joined Builders in June 2020 as a director of accounting and finance/controller; over the last four months, he has also served as interim CFO. In his new role, Burnett will lead the company's financial operations, including the financial reporting, financial planning and analysis, treasury management, actuarial and premium accounting functions. "I am pleased that Matthew is joining the leadership team at Builders," said Builders Insurance Group CEO Todd Campbell. "He brings great experience and financial expertise to the CFO role, including 25 years in the industry."



BMS Re acquires independent reinsurance broker

Independent specialist insurance and reinsurance broker BMS has acquired Trean Intermediaries, which specializes in workers' compensation, property & casualty, accident & health, personal auto, public entity and professional liability lines for insurer and MGA clients. BMS initially founded Trean Intermediaries in 2013 as a joint venture with Trean Corporation. Now that it has acquired the company in full, BMS Re will absorb all Trean Intermediaries staff and infrastructure. Trean president Sean Ryan will assume the newly created role of deputy CEO of BMS Re.

Attracting preferred risks

The post-pandemic workers' compensation market holds plenty of opportunities, but carriers will have to work for the best business

While net premiums in the US workers' comp market declined 10% to \$42 billion in 2020 due to job losses and decreased payrolls during the COVID-19 pandemic, a reduction in general loss activity within the same period meant that carriers were in good shape heading into 2021.

"In general, it was good for the industry, particularly when coupled with the idea that there's going to be a pretty powerful rebooting of the economy, and we have reason to believe there will be a somewhat safer work environment in the future," says Gary Pearce, chief risk architect at Aclaint. "One knock-on effect of that is that the average buyer may have a slightly more favorable loss experience modification, which will create some good news in terms of future insurance costs for a while. I think we'll also see what I call a re-stacking of the relative attractiveness of classes of business moving forward, where underwriters will need to reassess their prior thoughts regarding the risk levels of different industries."

As the US continues on the path to recovery from the pandemic, Pearce predicts that carriers will be looking to attract "preferred risks."

"I think the better carriers are looking on the pandemic as a market disruption opportunity, which has given them a chance to cherry-pick business and write some more

discriminating accounts,” he says. “The questions they’ll be asking themselves are: How do we go forward from this? Do we have a business plan that will enable us to thrive in a recovery environment?”

Pearce adds that the winners will be the insurers that can attract and retain preferred risks – but that’s easier said than done.

“I think the better carriers are looking on the pandemic as a market disruption opportunity”

“Anybody can fly an airplane in calm weather when they’re just scooting along in the atmosphere, but you want a talented pilot when the weather is bad or other things go haywire,” he says. “That’s true when you’re buying insurance as well. You have to arrange your program with an eye toward how things will go when the going gets rough, either because the carriers aren’t getting investment income or because you, as an insured, have had a shock loss, or there are environmental factors such as COVID-19 that turn the world upside down.

“You need carrier partners who are going to stick with you over those times. And so insurers have got to build that reputation, and they need to have that infrastructure and that financial standing – and those things aren’t built and earned overnight.”



Mike Hoberman

President, TPA
North America
BROADSPIRE

Years in the industry

Nearly 30

Fast fact

Before he became president of Crawford & Co. subsidiary Broadspire in February, Hoberman served as the company’s chief client officer

■ Q&A

Using data to control claims

● Crawford & Co. offers a comprehensive workers’ compensation service model. What does that entail?

[It’s] an integrated clinical claim model that addresses barriers for recovery and holistic return to functionality. Through predictive modeling, claims are identified that have clinical obstacles that need to be addressed to facilitate a safe and timely return to work.

● How do you help clients lower their overall claims costs?

By providing programs that focus on a holistic approach and overall well-being of the employee, including managing the right clinical services at the right time, focusing on advocacy from day one and maintaining open communication with the injured worker.

Powered by data science, strategic client-specific engagements with a cross-functional team are used on a regular basis to discover and drive changes to program design and optimize for client objectives. This occurs at both the macro (loss pick) and micro (claim) level. Specialized cross-functional teams engage to optimize tools and design options that can focus on high-value targets such as litigation avoidance, return-to-work and claim closure.

Analytics is at the forefront of everything claim-related. This data is then utilized to manage clinical services at the right time within the claim cycle.

● In the context of COVID-19, what expectations do injured workers have today? How are you meeting those expectations?

Injured workers want to be informed and understand how to avoid COVID-related complications. We can provide educational videos to injured employees to guide them through an injury. Adjusters and case managers go through soft skills training, which focuses on communication and the way injured employees stay informed of the handling of their claim.

● How is Crawford using technology to enhance workers’ compensation solutions?

Each claim is different, and the technology points to areas that need extra attention, thereby giving the adjuster the opportunity to address obstacles early in the process. In addition to the predictive models mentioned above, we also have several specific platforms designed to help clients.

Our machine learning platform and control testing framework is allowing us to proliferate efficacious models at scale throughout the life of claims of different lines and client objectives. Our quality engineering platform has been critical in surpassing commodity-type quality standards and being able to achieve near perfect quality for any given client’s concept of quality. Our virtual peer-based investigative platform allows our consultative analysts and our clients to see program patterns that allow risk managers to have optimal command and control to achieve best-in-class outcomes.



TECHNOLOGY UPDATE

Getting the most out of risk modeling

In addition to gathering new data, insurers also need to focus on developing analytics capabilities



While estimating risk has always been a core part of insurance, the tools and techniques used to model risk have changed over time, according to Chris Cooksey, head of predictive analytics at Guidewire.

“Computing power has made more rigorous statistical and machine learning approaches available, but adoption has been gradual as insurers gain the necessary expertise and grapple with the regulatory implications,” Cooksey says, adding that there are differences in what each insurer is priori-

tizing when it comes to risk modeling.

“The challenges vary quite a lot depending on the size of the insurer and their investment in predictive modeling,” he says. “Larger insurers are focused on expanding their use of analytics to all their lines of business, as well as their other operations such as claims. Smaller insurers struggle with how they can stay competitive in a cost-efficient way since they do not have the data volume of the larger insurers.”

While risk modeling priorities might

differ, nearly all insurers would like to get more out of their investment in analytics, Cooksey notes. For insurers looking to use predictive risk modeling to gain an advantage, he suggests a more holistic approach.

“It isn’t just gathering data and creating a model, and it isn’t just a one-time investment,” he says. “The intended implementation for any model should be considered from the outset, as well as how the performance of the model can be monitored and verified.

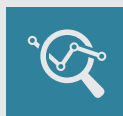
“It isn’t just gathering data and creating a model, and it isn’t just a one-time investment”

Only by getting models implemented and measuring their performance can insurers know they are getting value.”

Cooksey believes that if insurance companies’ goal is to increase predictive analytics, they need to focus less on “research and development” and more on “development and maintenance.”

“Efficient, scalable approaches to building ‘normal’ risk models and maintaining them over time should be considered as a necessary complement to the highly skilled, ‘new problem’-oriented research teams,” he says. “By recognizing this split in their risk modeling, insurers can efficiently scale while keeping their skilled modelers focused on tasks that require that level of expertise.”

NEWS BRIEFS



Howden data analytics division unveils new platform

HX, Howden’s data analytics and advisory division, has launched NOVA, a new platform that helps users better understand the insurance market. NOVA combines unique data sets, loss trends, regulatory submissions and broader market financials to give users an overview of the insurance market and competitive dynamics across business lines and regions. The platform enables users to identify better market opportunities, anticipate trends, evaluate portfolio performance, mitigate risk and make data-supported decisions.



Sapiens adds new modules to DigitalSuite

Sapiens International has added two new cloud-native components to its DigitalSuite platform: Sapiens Journey Composer and Form Composer. Created and designed exclusively for the insurance market, the two modules allow users to introduce and manage existing journeys and workflows or plan and create new ones without the need to write code. Both modules feature drag-and-drop functionality, as well as a library of widgets and components to help insurers accelerate time to market and reduce costs.



Jason Liu
CEO
ZYWAVE

Years in the industry
3

Fast fact
Liu starts every morning – seven days a week – with a long run, which he says gives him time to think and allows him to make better decisions throughout the day

■ Q&A

Making the most of comparative rating

● **Zywave recently acquired IBQ Systems, a personal lines comparative rating company. How does this acquisition enhance your quoting solutions for independent agents?**

Zywave's addition of IBQ bolsters our existing portfolio of quoting and proposal solutions, which encompasses all lines of business. In particular, this acquisition benefits our personal lines comparative rating offerings. In the coming months, our team will work to combine the best features from IBQ's tools with Zywave's existing personal lines comparative rater, TurboRater, to provide an enhanced offering that will deliver a best-of-breed rating solution to independent agents offering personal lines.

Additionally, the acquisition expands our connectivity to include additional carriers, particularly in the Pacific Northwest, which provides our customers with even more coverage options.

● **How can brokers and agents make the best use of comparative rating solutions?**

Today's consumers have been conditioned to get quotes quickly online. Their expectations for fast, reliable and easy-to-use technology have never been higher. Exceeding consumer expectations on behalf of agents and brokers is one of Zywave's top priorities. And comparative rating solutions do just that by enabling agents to help their customers quickly and easily identify the coverage they need for the best price.

Comparative rating solutions are best used when combined with the expertise of the independent agent

and broker consumer offering. That is the personal touch of an agent dedicated to a client and unmatched knowledge of getting the best coverage for the individual. If an agent or broker wants to use a comparative rating solution optimally, their focus should be on providing their clients with a fast, accurate quote.

● **How can comparative rating solutions be made more efficient?**

When it comes time for consumers to obtain a quote from an independent agency, their broker's comparative rater should provide them with the best possible consumer experience. That means not just providing a quote, but also data, benchmarking and modeling. A tool that enables data to auto-populate makes the process more efficient, while benchmarking and modeling allow agents to be more consultative.

Improving the efficiency of comparative rating technology means providing agents with more carrier options, improving the speed and accuracy of returning rates to consumers and fine-tuning the process for agents to get quotes.

● **Should brokers be worried about consumer-facing insurance comparison websites?**

Not at all. Independent brokers and agents offer a unique and powerful advantage in the insurance industry: the power of choice. Consumer-facing insurance comparison websites simply cannot provide the number of options as a broker. More options mean finding the best coverage for the individual's needs.



Insurance regulator launches innovation program

The Pennsylvania Insurance

Department has rolled out Keystone Smart Launch, a new program that helps reduce barriers to launching cutting-edge insurance products by speeding up the regulatory process. The program is open to both established insurers and startups. "Bringing a new product to the market can be a frustrating process, but Smart Launch will make it easier to navigate the regulatory considerations and challenges that can bar progress and innovation," said Pennsylvania Insurance Commissioner Jessica Altman.



Bold Penguin joins IVANS Distribution Platform

Commercial insurance

exchange Bold Penguin has teamed up with the IVANS Distribution Platform, which focuses on commercial lines marketing and sales distribution. Bold Penguin's connection to the IVANS Distribution Platform will expand agency access to more insurers. The platform supports both straight-through processing and more complex risks that require the attention of an underwriter. It also identifies market appetite to increase efficiency and submission volume and lower declination rates.



WTW updates its loss reserving software

Willis Towers Watson

has launched a new version of its loss reserving software. The updated ResQ 5.2 delivers a significant upgrade to the functionality of the software's reserving and IFRS 17 reporting capabilities. It also includes a new drag-and-drop Data Explorer function, which makes it easier to export information from ResQ for a wide range of uses without needing to write code. Users can also export diagnostics to aid analysis and use the results in a variety of other systems.

INDUSTRY ICON

A NEW CHAPTER BEGINS

Mosaic Insurance's **Mitch Blaser** has built a long and successful career based on relationships and innovation – and he has no plans to stop just yet

ASK MOST people, and they'll likely tell you their plan is to find a nice place to retire at the end of their career – a tropical island, perhaps. After 48 years in the insurance business, Mitch Blaser got the island part right. But retirement? He's not quite there yet.

"It's just the way I'm wired," he says. "It's been an exciting journey so far, and I felt like I had another one in me. So why not?"

Blaser is sitting in a boardroom in Hamilton, Bermuda, talking about Mosaic Insurance. It's still early in the company's existence, and there isn't much to look at in the room aside from the white walls – but blank canvases seem to be a passion of his.

"It was an opportunity to do something that brings together all those years of experience – to say, 'What would you do with a blank slate?'" Blaser says. "You don't get those opportunities many times in life, so if you have one, go for it."

The path to Mosaic

Blaser's insurance career began in New York City in 1973. After graduating from George Washington University, he returned to his hometown to join Marsh, where, as a member of the leadership team, he acted as

both global CFO and head of technology and corporate services.

After 28 years at Marsh, he accepted a position as CFO for the Americas at Swiss Re. While he was there, he was approached by his longtime colleague and friend, Bob Clements – "one of the all-time great mentors anyone could ever ask to have," Blaser says – about starting a new venture.

Iron-Starr Excess Agency and IronServe.

It was also at Ironshore that he met Mark Wheeler, the co-CEO of Mosaic. Wheeler's Pembroke Managing Agency had been purchased by Ironshore, and he came on board to serve as CEO of Ironshore International. The two became fast friends, traveling the world while building out their international platform.

"I am energized by the opportunity to build something basically from scratch. I was able to do that at Ironshore; there's a certain thing that gets your blood going"

And so in 2007, Blaser found himself in Bermuda as a founding executive of Ironshore, a global property & casualty insurer with \$1 billion in private equity capital that would grow to more than 800 employees in 15 countries. Blaser held several key roles over the 10 years he was with the company, including CFO and COO of Ironshore Inc., CEO of Ironshore Bermuda, and CEO of

When Ironshore was acquired by Liberty Mutual Group in 2017, Blaser stayed on to become chief transformation officer of the company's commercial lines division. But the lure of starting fresh was always there, and in February 2021, he and Wheeler launched their brainchild: specialty risk insurer Mosaic.

"I am energized by the opportunity to build something basically from scratch," Blaser says.



PROFILE

Name: Mitch Blaser

Title: Co-founder and co-CEO

Company: Mosaic Insurance

Based in: Hamilton, Bermuda

Years in the industry: 48

INDUSTRY ICON

“I was able to do that at Ironshore; there’s a certain thing that gets your blood going.”

The company’s main underwriting vehicle is Lloyd’s of London Syndicate 1609 (named after the year a shipwreck brought the first English settlers to Bermuda), but it also plans to partner with third-party capital providers. Mosaic’s initial lines of business include cyber, political violence, political risk, financial and professional lines, and transactional liability.

“What’s exciting is that it has different aspects of the insurance business coming together in one model and forming a beautiful picture,” Blaser says. “That’s why we named it Mosaic.”

His team picked lines of business based on the risks they feel are “extremely relevant

middle of us trying to get started, and all of a sudden, everything had to become virtual,” Blaser says. “Obviously, navigating that – being able to get the right people on the screen at the right time and being able to provide all the information that was needed for an approval of a syndicate – became more complicated. It wasn’t like there was a roadmap for this.”

The hard work paid off, though, when Mosaic became the first independent syndicate approved by Lloyd’s since 2018. More importantly, the sudden need for innovation supported the fledgling company’s technology strategy.

“I don’t think there’s ever been a time when not having a legacy infrastructure is almost as important as not having a legacy balance sheet,” Blaser says. “One of the big

“One of the big conundrums in the insurance industry is its historical inability to reduce frictional costs. Today’s technology allows you to do a lot more with a lot less”

today” and will continue to be relevant in the future. A key component of Mosaic’s strategy is tapping into the company’s collective expertise in predicting where growth opportunities lie.

“Without talented underwriters, it wouldn’t work,” Blaser says. “Obviously, the talent attraction is a big part of our strategy, and that’s where my hundred years in the business and experience in underwriting came together – to attract that talent.”

Blending tech and tradition

Another important part of Mosaic’s strategy is technology. In an interesting twist, trying to get things off the ground in the middle of a global pandemic might have actually helped.

“This pandemic showed up right in the

conundrums in the insurance industry is its historical inability to reduce frictional costs. Today’s technology allows you to do a lot more with a lot less. It’s very modular, and it gives you the chance to plug and play, as opposed to building software out.”

Still, while Blaser is a big fan of technology and its possibilities, there’s at least one area of the business where he prefers to do things the old-fashioned way.

“When I was in my 20s, I was the CFO of Marsh International, and I had the opportunity to globe-trot and do major deals,” he says. “The people I met along the way became lifelong friends. Those kinds of relationships are very important in terms of how you build a career, how you think about your life in this business. Relationships still matter.” **IB**

MOSAIC INSURANCE AT A GLANCE



DATE FOUNDED
February 2021



HEADQUARTERS
Hamilton, Bermuda



NUMBER OF STAFF
45 and growing



MARKETS SERVED
Bermuda, London, Asia
and the US



LINES OF BUSINESS
MGA, political risk, political
violence, professional liability,
financial institutions, cyber



Step up your data strategy

Data modernization is the key if insurance companies want to survive in today's volatile environment, writes **Akhilesh Ayer**

INSURANCE COMPANIES are facing the double whammy of lower premiums and higher claims due to ongoing market upheavals. This makes data-led transformation more crucial than ever to drive enhanced digital experiences and reduce costs.

The global insurance analytics market is expected to grow to \$20.6 billion by 2026. However, the Swiss Re Institute points out that due to the low quality of data, less than 10% of organizations have scaled their machine learning (ML) and artificial intelligence (AI) pilots – a requisite for data-driven transformation.

Every crucial insurance process relies on clean, high-quality and real-time data. Isolated data science programs fail because of inadequate data quality and governance. Data modernization, in my view, requires a three-pronged strategy: adopting a center of excellence (CoE) model for value delivery, setting up an augmented data governance function and leveraging the power of intelligent cloud.

The CoE is the fulcrum for organizing analytics talent, embedding analytics within the enterprise's DNA, operationalizing analytics, introducing self-service analytics, and ultimately reducing cost and time per insight. The CoE should:

- prioritize use cases and develop the analytics roadmap
- enable data governance and set up standardized methods and best practices
- ensure continuous innovation and improvement

- create a central data and information vocabulary
- facilitate agile and efficient ways of working
- enable co-development with business-IT collaboration

The CoE can develop time-bound analytics development roadmaps for master data management, data governance and ML deployment. This enables insurance companies to build analytical applications swiftly and implement ML-led solutions.

“Every crucial insurance process relies on clean, high-quality and real-time data. Isolated data science programs fail because of inadequate data quality and governance”

The value delivery team can then adopt a test-and-learn approach to ensure optimal return on investment. It is advisable to start with a proof of concept phase and then move to subsequent stages in an agile fashion.

While the CoE approach lays the groundwork for enabling data governance, building an augmented governance function hinges on data governance structures and policies; consistent data definitions; clarity of data ownership; standards for collecting, storing and using data; and data security guidelines.

These should be mapped using a well-defined governance model with a focus on information maturity and data quality. A governance model might be business-unit-

or function-based, where the ownership and management of data assets is based on value chain processes (such as claims) or business units (sales and marketing). The model could also be based regionally or on the subject of the data itself. Regardless of the approach taken, the role of the data governance team and data stewards remains unchanged.

When enterprises move data to the cloud, they also modernize their data platforms. In addition, the cloud can help drive digital innovations and enhance the customer experience. Cloud adoption is central to the new, data-driven insurance enterprise. It can enable companies to become more agile, resilient and adaptive.

Intelligent cloud and AI offer opportunities for insurance companies to accelerate their data analytics journey. Breakthroughs are happening in four areas for cloud-led, out-of-the-box integrations that are enabling AI and ML innovations using open-source technologies. These include algorithmic and engineering modules such as text recognition, natural language processing and speech recognition; algorithmic services such as ML studios, chatbots and deep learning;

pre-trained models such as video-object and face recognition; and AI infrastructure such as back-end management information (MI) training infrastructure and embedded MI computing.

COVID-19 has altered the business landscape for good. To remain competitive, insurers should act now and initiate data modernization and accelerate their transformation programs. **IBA**

Akhilesh Ayer is the head of research & analytics (RGA) at business process management firm WNS. He is responsible for running WNS' RGA business while enabling the analytics agenda in client organizations.





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Top INSURANCE EMPLOYERS ★ ★ ★ ★ ★ ★ 2021



IBA surveyed thousands of insurance professionals to uncover the industry's best places to work

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TOP INSURANCE EMPLOYERS 2021

THE EVOLUTION OF THE WORKPLACE

MEANINGFUL WORK. Good pay. Great benefits. Plenty of paid time off. Diversity, equity and inclusion (DE&I) programs. Career development paths. Mix all of these elements with some intangible factors, and you've got the recipe for a great work environment.

"Overall, today's candidates desire a competitive salary, flexibility and clear development opportunities," says Judy Busby, senior vice president of executive search and corporate strategy at The Jacobson Group, an insurance staffing agency. "Insurers need to take a fresh approach to their total rewards, seek feedback from current employees and continue to evolve their programs in order to recruit and retain top talent. Those who don't will lose out to more employee-focused and progressive competitors."

As someone with her finger on the pulse of



"Insurers will need to be much more intentional about how they retain talent than they have in the past"

Judy Busby, The Jacobson Group

the insurance industry labor market, Busby has witnessed an interesting rhythm over the past year and a half. Since the COVID-19 pandemic set in and sent employees around the world into remote working arrangements, The Jacobson Group has had to help its clients adapt to new demands, from shifting employee expectations to remote onboarding. In addition to coaching clients to interview and hire candidates without

ever meeting them face-to-face, Busby has been educating clients on how these factors have led to a much different labor market today – one where there's more movement and competition.

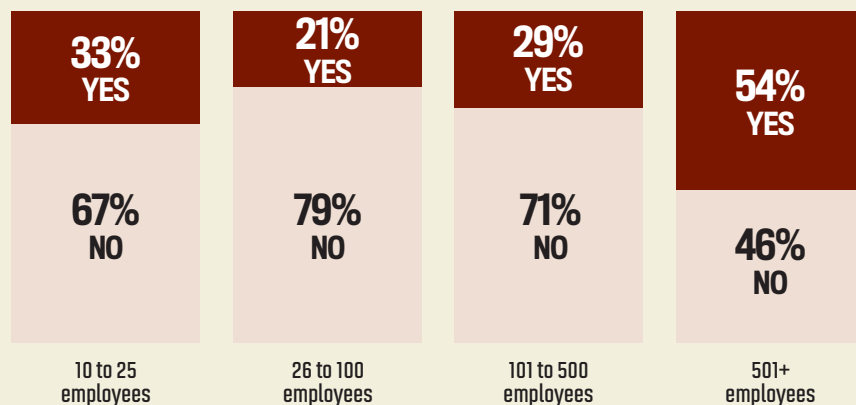
"The insurance industry remained relatively stable throughout the events of the past year – unemployment is low, and the industry added jobs in the midst of a pandemic," Busby says. "Along with many industries, there's a lot of movement within insurance right now. Employees who were holding out on making a career move in the earlier stages of the pandemic are reevaluating their options. In the next year, insurers will need to be much more intentional about how they retain talent than they have in the past. I'm encouraging leaders to be future-focused and have candid conversations with their employees to discuss their professional aspirations and be strategic in building and maintaining their loyalty."

Employee development is a high priority at Brown & Ridging (B&R), one of this year's Top Insurance Employers.

"We pride ourselves on being the best company in the industry at developing people internally and encouraging people to advance in their career at B&R," says president and CEO Jeff Rodriguez. "We promote from within,

COMPENSATION AND INCENTIVES AT THE TOP INSURANCE EMPLOYERS

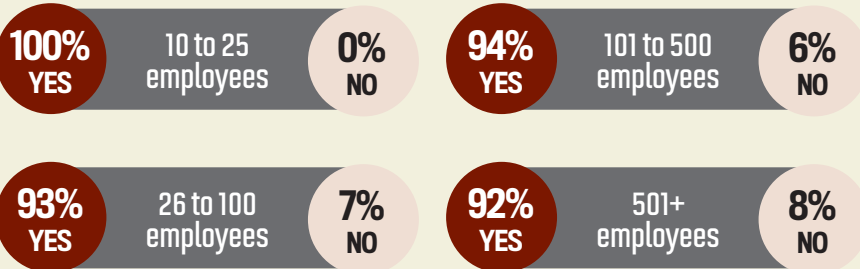
Does your organization offer an employee equity program?





EMPLOYEE DEVELOPMENT AT THE TOP INSURANCE EMPLOYERS

Does your organization offer any training, mentorship or leadership development programs?



nurture new people and try very hard to make our culture very welcoming and encouraging. The overwhelming majority of our brokers, production team leads and administrative leadership are all homegrown from within the company, and we are very proud of that.”

Rodriguez believes the insurance labor market isn’t what it could be because carriers and brokers haven’t been investing in developing the next generation of employees.

“The industry is predominantly filling its ranks by hiring from competitors, which we also do, but many companies are not doing their part to bring new people into the industry, which is creating a long-term issue in the industry,” Rodriguez says. “People have a choice where they work, and we will always strive to be a top-choice employer by having a culture that attracts top industry talent, and we will also do our part by being a leading company in recruiting people from outside the industry and from risk management programs at the university level.”

Reaching across the generations

Unlike some in the labor market, Busby doesn’t place much value in labeling employees based on their generational affiliation, preferring to focus on the individual.

“It’s important to recognize that generalizations about the generations should serve as a rough guide and that they’re not going to

ring true for all members of the cohort,” she says. “Instead, focus on individual employee motivators and finding creative ways to meet their preferred work and communication styles. Celebrate the different experiences and perspectives multigenerational teams have to offer and create a workplace that connects the generations by promoting knowledge-sharing, team camaraderie and growth.”

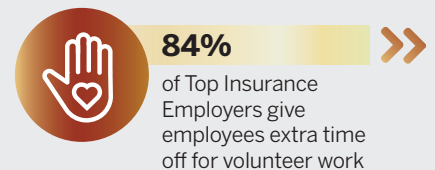
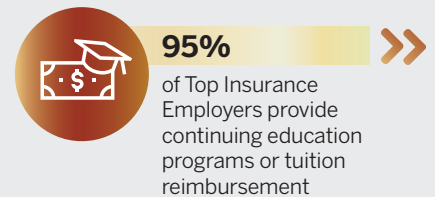
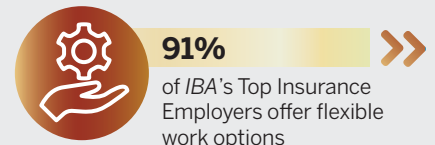
In the face of new industry trends and labor conditions, Rodriguez says B&R is determined to create a culture that embraces growth and change to help empower career advancements. He’s concentrating on making ongoing education and professional development a universal organizational priority, along with multigenerational knowledge transfer.

“We are constantly striving to have an organizational mindset that we can – and must – all learn from each other so that people who have been around a long time are as interested and open to learning and being mentored by a brand-new employee as the junior employee is to learn and be mentored by a senior person,” Rodriguez says. “In a changing world, experience is not the be all, end all; sometimes new information is as important as years of knowledge. As an analogy, wouldn’t you like to be treated by a doctor with 30 years of experience, partnered with a recent medical school graduate who recently learned new informa-

METHODOLOGY

To find and recognize the best employers in the insurance industry, IBA first invited organizations to participate by filling out an employer form, which asked companies to explain their various offerings and practices. Next, employees from nominated companies were asked to fill out an anonymous form evaluating their workplace on a number of metrics, including benefits, compensation, culture, employee development and commitment to diversity and inclusion.

To be considered, each organization had to reach a minimum number of employee responses based on overall size. Organizations that achieved an 80% or greater average satisfaction rating from employees were named a Top Insurance Employer for 2021.



TOP INSURANCE EMPLOYERS 2021

DIVERSITY, EQUITY AND INCLUSION AT THE TOP INSURANCE EMPLOYERS

Does your organization offer any programs aimed at recruiting or retaining women, individuals from minority groups, people with disabilities and/or LGBTQ+ individuals?

● YES ● NO

10 to 25 employees

22%

78%

26 to 100 employees

40%

60%

101 to 500 employees

65%

35%

501+ employees

85%

15%



“In a changing world, experience is not the be all, end all; sometimes new information is as important as years of knowledge”

Jeff Rodríguez, Brown & Riding

tion and techniques?”

That kind of approach will place employers in good standing as they enter a new era – one where traditional work practices are combined with virtual equivalents empowered by the latest technologies.

“As offices reopen, leaders should recognize that corporate culture is not dependent on all employees working on-site,” Busby says. “We’re all challenged to reassess when on-site team-building is truly beneficial versus when these connections can be built and strengthened virtually. This will take more effort, and managers will need to be more intentional

about fostering relationships among team members. However, it is possible to provide the flexibility individual employees need while also cultivating a strong culture.”

The best versus the rest

To determine the Top Insurance Employers, IBA surveyed thousands of employees from companies across the country, asking them to weigh in on several aspects of their workplace, from compensation and benefits to employee development and culture. The majority of those surveyed were from relatively small companies – a total of 63% worked at orga-

nizations with 100 employees or fewer, while 21% hailed from firms with between 101 and 500 employees, and 16% worked at companies with more than 500 employees.

The size of the business didn’t seem to be a major factor in the quality of retirement programs, paid time off, education credits, career pathing and onboarding support. However, larger businesses were much more likely to have comprehensive benefits, along with robust DE&I programs.

As for what employees value most in their workplace, culture was one factor that came up again and again in the survey comments. One employee described their company’s culture as “second-to-none and a catalyst in the success that we have seen so far in 2021. Everyone feels included, and a certain ‘togetherness’ is promoted in order to make everyone feel comfortable.” Another respondent noted that “many companies try to form a culture and feel of ‘family’; in all my years of experience, this is the one that has done it.”

Transparency and communication were also mentioned frequently when employees were asked what their organizations are doing well. “The communication among employees and upper management is open, and that creates an atmosphere of camaraderie and rapport, which motivates employees to do their very best work all the time,” one respondent said of their employer. Another said their employer “does a great job in making sure that each employee has a voice and feels heard if/when there are concerns or just ideas for new projects. I have worked at many different organizations, and this is my first job in a decade-plus in which I feel truly valued and listened to.”

Along the same lines, many respondents lauded their companies for their response to the COVID-19 pandemic. Several said they appreciated their employers’ clear communication and transparency, while others praised their companies for facilitating a smooth transition to remote work and being supportive and flexible about childcare arrangements. Some companies even sent their employees

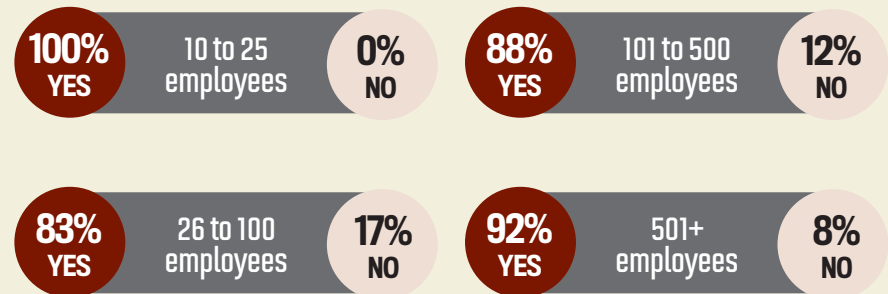


‘survival kits’ or care packages to help them cope during the height of the pandemic.

Finally, employees made it clear that they value companies that are willing to invest in their development and growth. “I believe our organization does an amazing job hiring bright, intuitive and eager individuals directly from universities that help all of our teams grow and develop,” one respondent said. Another praised their company for “leadership and growth from within,” adding: “Young people often find true mentorship – both personal and professional – in our leaders, most of whom have grown in the organization themselves.”

CULTURE AT THE TOP INSURANCE EMPLOYERS

Does your organization offer any employee recognition programs or awards?



Saving the Chemical Industry Money on their Insurance Premiums



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PROGRAM HIGHLIGHTS

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- Limits Available up to 5,000,000;
- Minimum Premiums Starting at **\$3,500 (NEW!)**;
- Limited Pollution Coverage up to \$1,000,000 available;
- \$250,000 of Product Withdrawal Expense Coverage;
- Hired and Non-Owned Auto Liability;
- 10% Premium Credit Upon Completion of “Product Care” Stewardship;
- 12% Commission to Retail Broker on All New Business.

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Contact Ames & Gough at 703-827-2277 or email us at csipius@amesgough.com for more information.

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TOP INSURANCE EMPLOYERS 2021

Top INSURANCE EMPLOYERS

★ ★ ★ ★ ★ ★ ★ 2021

10 TO 25 EMPLOYEES

Continental Underwriters Inc.
Miller-Schuring Agency
Navion Insurance Associates
RPR Insurance
The Viti Companies

101 TO 500 EMPLOYEES

Align Financial Holdings
Brown & Riding
Corvus Insurance
HomeServices Insurance
Reliance Partners
Rich & Cartmill
Savoy Associates
SeibertKeck Insurance Partners
Shepherd Insurance
The Liberty Company Insurance Brokers
The Zebra
USG Insurance Services
Vermont Mutual Insurance Group

501+ EMPLOYEES

Risk Placement Services
Phone: 866-595-8413
Email: contactrps@rpsins.com
Website: rpsins.com



Ryan Specialty Group
Phone: 312-784-6001
Email: info@ryansg.com
Website: ryansg.com



Acentria Insurance
Applied Underwriters
Assurance Agency
Burns & Wilcox
Sompo International
USI Insurance Services
Utica National Insurance Group

26 TO 100 EMPLOYEES

RightSure Insurance Group

Phone: 520-901-7010
Email: info@rightsure.com
Website: rightsure.com

WAFD Insurance Group

Email: wafinfo@wafdinsurance.com
Website: wafdinsurance.com



Worthy Insurance Group

Phone: 773-945-9000
Email: hello@worthyinsurance.com
Website: worthyinsurance.com



Alkeme Insurance

American Risk Management Resources Network

Darr Schackow Insurance Agency

Deland, Gibson Insurance

Euclid Transactional

Frank Winston Crum Insurance

Glenwood Insurance Agency

Great Lakes General Agency

Gridiron Insurance Underwriters

JAG Insurance Group

Mahowald

MountainOne Insurance Agency

Ollis/Akers/Arney

Peel & Holland

Provident Insurance Programs

Riverlands Insurance Services

Statewide Underwriting Services

Synapse Services

Tangram Insurance Services

Teague Insurance Agency

Texan Insurance

TexCap Insurance

The Starke Agency

Topa Insurance Company

VAST, an Acrisure Partner Agency



RIGHTSURE INSURANCE GROUP

Phone: 520-901-7010
Email: info@rightsure.com
Website: rightsure.com

RIGHTSURE

Under the guidance of founder Jeff Arnold, RightSure Insurance Group rose from the ashes of a billion-dollar financial firm that was a casualty of the Great Recession. Based in Arizona, RightSure is an independent insurance agency offering a wide variety of coverages to clients in 42 states. A hybrid of an agency insurtech and an aggregator, the company leverages the latest technology to maintain outstanding customer service.

That's not always easy during challenging times. In the face of COVID-19, RightSure encountered the same difficulties as everyone else: revised retail shopping requirements, new childcare burdens and challenging market conditions. However, it was able to leverage its position as a tech-focused insurance provider to empower its workforce to work well remotely.

"Long before 2020, we prided ourselves on affording our staff the flexibility to work in office and/or remote, thereby allowing us to remain focused on providing an excellent customer experience as our highest priority,"

says Shaun Monet Kunkel, vice president of finance at RightSure.

As a technology-focused company, RightSure continually and systematically seeks tools, business models and prisms to challenge traditional viewpoints. During the pandemic, the company deployed artificial intelligence and chatbots across its departments to better optimize its customer service capabilities. And it's regularly investing in its people.

"We constantly train and develop everyone within our organization so we can deliver the most knowledgeable and personal interaction at every level," says Felicia Duarte, executive vice president at RightSure. "Our training and professional advancement goes beyond the industry education needed, as we often offer and are fortunate that our staff engages in many community and charity events."

Despite the many changes – and the isolating effects – of the pandemic, RightSure became a tighter-knit operation. "We really gave our folks more insight

into the business as far as performance and marketplace challenges than ever before and used the time to afford leadership and business to pull our people more into the organization," Kunkel says.

"We actually became more integrated and closer as a company," Duarte adds. "We brought on purposeful changes designed not only to maintain but also increase our speed, agility and perception."

RIGHTSURE AT A GLANCE



2008
Year founded



2
Number of offices



52
Number of employees

TOP INSURANCE EMPLOYERS 2021



Left: Patrick G. Ryan, founder, chairman and CEO
Right: Tim Turner, president

RYAN SPECIALTY GROUP



Phone: 312-784-6001
Email: info@ryansg.com
Website: ryansg.com

Ryan Specialty Group (RSG) prides itself on being in the talent business. “Maintaining Ryan Specialty’s culture is paramount to the success of the business and permeates all of its operations, whether it be managing global HR operations, talent acquisition, compensation, benefits, organizational development and, of course, when working with teammates and clients,” says founder, chairman and CEO Patrick G. Ryan.

Founded in 2010, RSG is a rapidly growing service provider of specialty products and solutions for insurance brokers, agents and carriers. RSG provides distribution, underwriting, product development, administration and risk management services by acting as a wholesale broker and a managing underwriter.

As a leading insurance employer, RSG has introduced a Diversity, Equity and Inclusion Council dedicated to recruiting and retaining employees from diverse backgrounds. Among the DEI initiatives RSG has launched is a collaboration with R.I.S.E. (Ryan Insurance program for Success and Equal opportunity), a pilot program that is establishing a risk management program at a historically Black college or university (HBCU), along with professional development programs at two local Chicago high schools.

“The development, attraction and retention of employees is a critical success factor for us,” says RSG president Tim Turner, who notes that the firm has established RSG University, which is coupled with the everyday, on-the-job mentorship of RSG’s top-echelon leaders. “These leaders are committed to empowering the next generation of insurance talent, and it is this talent that will define the specialty insurance industry for years to come.”

WaFd Insurance Group

A WaFd Bank Company



WAFD INSURANCE GROUP



Email: wafinfo@wafdinsurance.com
Website: wafdinsurance.com

“We’re a bigger agency now than we were, but we still don’t have that corporate feel,” says Duane Henson, president of WAFD Insurance Group. “We’re all one big team working together to ensure our customers have the insurance and protection that they need when they need it.”

Founded in 1967, WAFD Insurance Group is an ever-expanding independent agency that focuses on protecting its clients through all of life’s milestones. WAFD’s dream team of agents offers their full attention and A+ customer service to each client who trusts them with their assets. Over a half century in the insurance industry proves why WAFD Insurance Group has what it takes to cover its customers’ home, auto or business.

“A good agency for us is one that cares about their customers and that cares about their employees so that their clients are taken care of after the transaction’s done and they’re invested in it – that’s when we’ve had our best success,” says Henson, who has spent more than 20 years leading WAFD Insurance Group to become a multi-state agency. “Our philosophy is to get to know each one of our clients and keep the personal touch in insurance.”



RISK PLACEMENT SERVICES

Phone: 866-595-8413
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Website: rpsins.com



Established in 1997 and based in Rolling Meadows, Illinois, Risk Placement Services (RPS) is a wholesale insurance broker and the largest MGA in the country. It has more than 80 offices and locations and four divisions, including national brokerage, MGA/binding, programs and standard lines.

RPS has a commitment to excellence and a dedication to nurturing a 21st-century workforce. Sixty-five percent of employees are female, and 19% are an ethnic minority. Helping to counter the outflow of retiring baby boomers, 42% of employees are under 40. People enjoy working for RPS, which has a 98% retention rate after one year of full-time service.

"RPS is uniquely positioned to be one of the most attractive workplaces in the insurance industry due to our culture, which is fueled by creativity, innovation and teamwork," says Tonya Lauderdale, VP of human resources, who adds that the highlights of working at RPS include training and professional development, employee recognition programs, and a work hard/play hard culture. "As an organization, our

greatest assets are our colleagues and the culture we create as One RPS."

Regardless, she says, there are clouds on the horizon of the national labor market. Fresh off of working from home and experiencing new and sometimes better working conditions, employees across the marketplace are considering their options. Some want to retain work flexibility while seeking out new challenges, while others are "testing the waters" for more competitive compensation packages.

"While insurance has typically been a highly attractive industry due to its unwavering stability, we are seeing priorities of our talent changing," Lauderdale says. "More than ever, talent is seeking a more flexible workplace experience, faster career growth and broader exposure across areas of the industry. Over the past year, we have seen this awakening or shift in people who seek to have it all."

As a result, RPS is focused on maintaining its 'employer of choice' standing by improving the work experience and understanding the labor market to cater to employees seeking greater work-life flex-

ibility, more career opportunities and a sense of purpose. And it's been paying off.

"RPS is extremely proud to have been recognized as a Top Insurance Employer for several years running," Lauderdale says. "We are most proud because we earn this award based on the anonymous responses from our associates. This award in particular is a testament to our commitment of creating an energized and inclusive culture where our team members can bring their best selves to work every day."

RPS AT A GLANCE



1997
Year founded



80+
Number of offices



2,500+
Number of employees



Specialized. Accountable. Independent.

Our clients and employees are our highest priority. We are independently owned and managed by over 40 employees and offer meaningful ownership opportunities. We are constantly growing, with 17 specialty practice areas and 18 offices nationwide.

- ★ **Top Insurance Employer**
- ★ **Top 10 Largest P&C Wholesaler**
- ★ **Five-Star Wholesale Broker**
- ★ **Best Places to Work in Insurance**



213.452.7060 | www.browncandriding.com

www.linkedin.com/company/brown-&-riding



Ryan Spalding, CEO

**WORTHY
INSURANCE GROUP**



Phone: 773-945-9000

Email: hello@worthyinsurance.com

Website: worthyinsurance.com

Employee education, on-the-job training and mentorship have been key in making Worthy Insurance Group a Top Insurance Employer. “We really want to educate people in this industry – we want them to have long-term, long-lasting careers,” says Halima Cegur, director of human resources. “Mentorship is extremely important. Everyone from our CEO to our VP of risk management is there for you.”

Worthy Insurance has been building customized insurance portfolios since 2005. Based in Skokie, Illinois, Worthy has around 30 employees – a strength for both its staff and clients. “We really look at our relationships with our clients holistically,” Cegur says. “One of the many things that sets us apart is that we want to educate our insureds. Whether it’s assisting with audits or coming up with risk mitigation strategies, we treat every situation as an opportunity to educate our team and our customers. We don’t just sell policies; we think of every one of our clients as a friend.”

To achieve the most for its customers, Worthy creates incentives for on-the-job learning through multiple platforms and is proud to provide bonuses for designations. “We take the training and the onboarding piece very seriously – we value designations; we value continuing education,” Cegur says. “We all know the industry is going to start to age out, so it’s really important for us to invest in the future.”



Bouncing back

IBA spoke to experts in the nonprofit insurance sector to find out how it's recovering from the COVID-19 pandemic

NONPROFITS CAN be fragile organizations. Many have meager budgets to begin with, and after suffering fundraising losses in the midst of the COVID-19 pandemic, US nonprofits are in a state of flux – some have had to cut back on programs, while others have experienced unexpected booms.

Eric Smith, managing director of Convelo

Insurance Group, sums up 2020 in the nonprofit space in one word: turbulent. An influx of COVID-19-related claims made things extra difficult for nonprofits, many of which also found themselves on the front lines of the pandemic.

“There was significant pressure on the leadership teams of these nonprofit orga-

nizations to not only serve, but to do so in compliance with CDC requirements and with safety first to protect their staff and volunteers,” Smith says.

However, he adds, nonprofits have been resilient. “Most of our insureds are not only recovering back to their pre-pandemic state, but are in fact expanding,” he says.

SECTOR FOCUS: NONPROFITS

Parvathy Sree, vice president of nonprofit underwriting for AmTrust Financial Services, agrees. She says some nonprofits, such as homeless shelters and schools, adapted particularly well to the challenges.

“Nonprofits with good management and decent financials were able to survive the last year and are seeing the fruits of their hard work and diligence,” Sree says, but she cautions growing organizations to be diligent with loss control and risk mitigation, emphasizing that while claim counts are down and court cases are in limbo, things could change.

Market matters

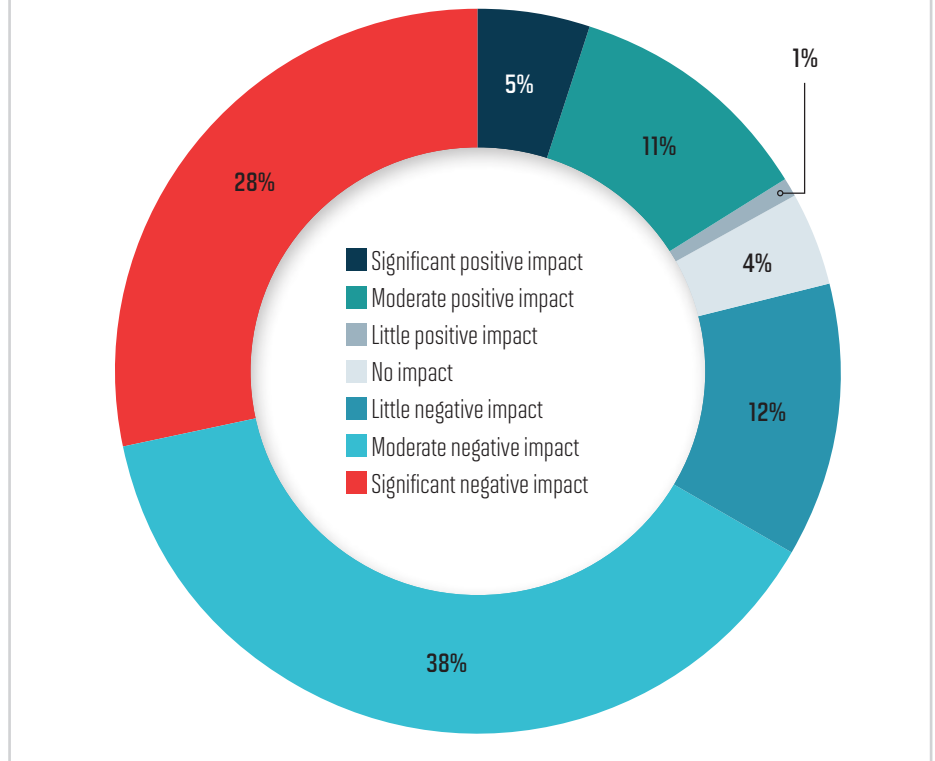
The insurance market for nonprofits was equally difficult last year. “We have seen a hard market combined with the pandemic, and large losses in certain classes made it very challenging,” Sree says, although she notes that pricing has stabilized and auto claims are down.

Pamela Davis, CEO of Nonprofits Insurance Alliance (NIA), describes the market over the past year as “kind of two different worlds. From our perspective, we’ve grown last year. We grew about 25%, which is unheard of for a 30-year-old organization. So, we saw a market where commercial insurance companies really turned their backs on the nonprofit sector, turning away what I would consider to be very good business, very solid organizations for reasons that surely didn’t make any sense to us.

“We’re seeing some of the carriers pull back because of their own financial reasons. We saw some of them pull back pretty dramatically last year. Some of those are starting to come back in again. So, I would expect that it will be somewhat more stable over the next year, although some organizations we still see are somewhat distressed – foster care, child serving in general and animal rescues are still very difficult. And we’re also seeing some sorts of advocacy organizations having some difficulty finding coverage.”

Smith predicts that underwriters will be cautious with commercial P&C lines, while

HOW COVID-19 AFFECTED NONPROFITS



Source: *Persevering Through Crisis: The State of Nonprofits*, The Center for Effective Philanthropy



“Most of our insureds are not only recovering back to their pre-pandemic state, but are in fact expanding”

Eric Smith, Convelo Insurance Group

he sees workers’ comp softening due to lower loss trends.

As for claims, in addition to the standard auto, property and general liability claims, nonprofits are increasingly grappling with cyber losses and cases of abuse.

“The [claims] that are more infrequent but create the most challenge to resolve are of course sexual abuse,” Davis says. “We were one of the first carriers to offer an affirmative sexual abuse policy back in the late ’80s – so we actually said, ‘This is what we will cover’

and didn’t go silent on it.”

In the face of market upheaval, insurers are promoting their offerings or planning new products. At AmTrust, Sree says, the focus has been on “cross-selling to provide more broad-based coverage and providing enhanced coverage for our insureds.”

Meanwhile, Convelo is developing a few new tech-driven programs, which will be available over the next six months or so. Smith says the company is “highly focused on technology to deliver top-of-the-market products



“Nonprofits with good management and decent financials were able to survive the last year and are seeing the fruits of their hard work and diligence”

Parvathy Sree, AmTrust Financial Services

to our broker partners in an efficient, easy-to-use platform. We are using this technology not only to automate systems and make the buying process easier, but also to improve in risk selection and lower claims costs.”

NIA has responded to the pandemic by

rolling out a new communicable disease form on the liability side. “That’s something that really nobody else has done,” Davis says. “But we saw that we have nonprofits who have to continue housing the homeless; they have to continue to work.”

The coverage form delivers \$250,000 of defense inside the limits. “It’s trying to be the coverage that nonprofits need without offering limits that might become opportunistic with some plaintiff attorneys,” Davis says.

An eye on the future

Over the next five years, both Sree and Smith fear that social inflation and large jury awards could impact pricing and risk selection in the nonprofit space. Smith cautions that we’re not out of the woods yet with COVID-19 litigation, which is something Convelo is watching closely.

Davis points to cyber as another key issue nonprofits will have to tackle.

BUILD WITH US

The past 18 months have presented enormous opportunities to learn the lessons, anticipate the hurdles and adapt the model. Tangram is emerging with a clear vision to deliver the best niche solutions and services in the industry. Come and build with us.

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SECTOR FOCUS: NONPROFITS



“I think cybersecurity is going to be a challenge for the whole industry and is something that we pay really, really careful attention to”

Pamela Davis, Nonprofits Insurance Alliance










“I think cybersecurity is going to be a challenge for the whole industry and is something that we pay really, really careful attention to because we consider our data to be very important and not to be compromised,” she says. “We’re also going to be challenged as the nonprofit sector continues to grow. We see that the [commercial] insurance industry has generally been inconsistent in its willingness to provide the sort of coverage that nonprofits need and at the price that they can afford. So, I think our challenge is going to be to be there for the groups of nonprofits that will lead us to take up the coverage when

others might fail them.”

To that end, NIA has made a concerted effort to reach out to brokers to help them determine the right coverage for their nonprofit clients.

“We have been really doing a lot of investing in helping our brokers with training and education and more new products,” Davis says. “We really have a great commitment to making sure that we are a center of excellence and have the ability to help brokers put their best foot forward. So, I think the brokers will be seeing a lot more of us because we have folks who are out there


WHAT DO NONPROFITS NEED COVERAGE FOR?

-  Property damages and bodily injury
-  Third-party damages
-  Work-related accidents or mishaps
-  Auto liability
-  Cyber breaches
-  Legal fees
-  Professional negligence, misconduct or errors
-  Directors & officers
-  Workplace harassment and discrimination

Source: Agency Height

really helping them to understand our problems better and to be better able to serve them in their communities.”

Despite the challenges inherent in insuring nonprofits, Smith says, “we remain dedicated to serving these organizations and will continue to provide top-notch insurance solutions tailored for the niche and various classes of business within. We have built a team at Convelo that has deep roots in the nonprofit/human services niche and understands the specific risks associated with the industry.”

Shree adds that “nonprofits are very resilient and are loyal insureds. We were able to help our insureds in many ways last year by reducing exposures mid-term, suspending autos, etc., to help them reduce their cost. I’m confident the sector will bounce back and grow stronger. Nonprofits should focus on risk control and management and should go with agents and carriers who can help them with that.” 

5-Star AWARDS ★ ★ ★ ★ ★ 2021



NETWORKS AND ALLIANCES

IBA checked in with agents and brokers to find out which insurance networks and alliances are delivering the best support

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5-STAR AWARDS: NETWORKS AND ALLIANCES

THE BENEFITS OF BEING CONNECTED

THERE'S STRENGTH in numbers – and for a small agency or brokerage looking to take the industry by storm, the extra resources and support offered by an insurance network or alliance can be vital. The advantages of being part of a network are readily apparent to TechAssure and Iroquois Group, two winners of IBA's inaugural 5-Star Awards for networks and alliances.

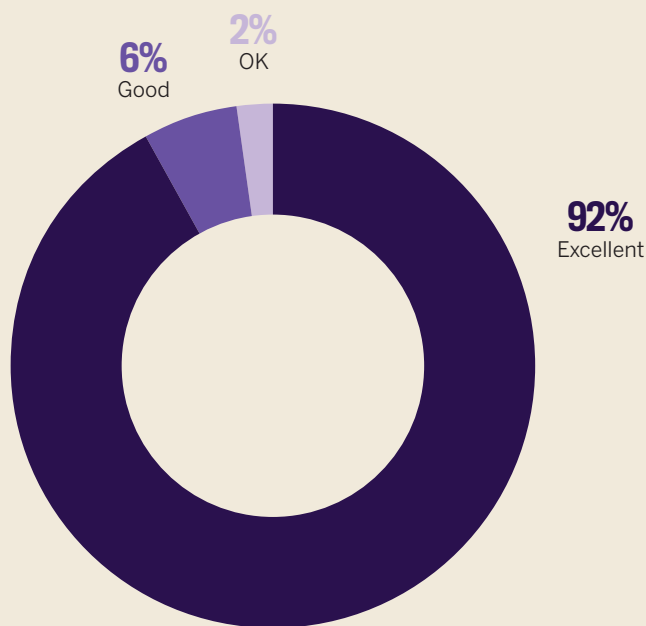
"We are the only broker network in the world solely focused on insuring the innova-



"Having an extensive, highly experienced field force means we can create more personal interactions and develop deeper relationships with our member agencies"

David Ward, Iroquois Group

HOW SATISFIED ARE BROKERS WITH THEIR NETWORKS?



tion ecosystem," says Garrett Droege, executive director of TechAssure, which has 35 member brokerages representing \$10 billion in premium placements. "And being global allows us to deliver multinational insurance programs to our members and their clients. Finally, being invitation-only allows us to maintain the highest-caliber roster of members – which, in itself, is attractive to those looking to learn from and with their peers."

David Ward, a managing partner who covers an eight-state territory in the Southeast US for Iroquois Group, says his network's field team of 50 regional managers and managing partners sets it apart from other networks.

"Having an extensive, highly experienced field force means we can create more personal interactions and develop deeper relationships with our member agencies, as well as support and represent our carrier partners more effectively," he says.

Droege believes agents and brokers who



seek to join a network are most concerned about price and commissions, as well as training on resources and tools. Ward, meanwhile, believes agents and brokers are drawn to Iroquois Group by the chance to increase profitability, gain agency value without losing independence and avoid the entry fees or monthly dues that are common with other networks. Both men say members don't typically leave their networks unless they decide to sell their agencies.

Rising to the challenge

Both Droege and Ward note that network membership has been particularly valuable during an unpredictable time in the insurance market. Droege cites cyber and tech E&O as lines that are particularly volatile right now.

"Working with a specialist will ensure that you have a broker who knows how to navigate the market, access all the available capacity and call in favors where needed," he says.

Ward says the COVID-19 pandemic has been pivotal, affecting small commercial negatively and personal lines positively. However, the trends he's most concerned about – carrier consolidation, baby boomers retiring and not being properly replaced, and rapid technological change – go beyond the current state of the market.

"All in all, it's a fun time to be in this industry, but it's not for the faint of heart," he says. However, he adds, "I am proud of the way Iroquois has evolved over its 40-year history in response to industry changes and am confident we will continue to find a way to add significant value to our member agencies and carrier partners in the years ahead."

Going forward, Droege says TechAssure will be focused on "helping our members weather the hard market and returning to pre-pandemic activities. Everyone has gotten used to [work from home] environments, but so much of what we do takes place in person and can't easily be replicated.

But event planning is a skill that requires frequent exercise, and it will be an adjustment to get things back to where they were. The hard market and cyber claims environment isn't going anywhere any time soon, so helping our members serve their clients the best cyber risk transfer and risk management options will be a key focus."

Amid the industry's ongoing digital evolution, networks that can help agents and brokers keep up with the latest developments will be particularly valuable, Droege points out.

"We have been focused on helping modernize the commercial insurance space by partnering with insurtech companies and investors for years," he says. "A mistake many brokers – and networks – make is that they don't fully recognize the transformation our industry is experiencing, and they continue to operate just as they did five, 10 or 20 years ago. I would challenge any and every organization to be willing to embrace change and don't be afraid to sunset a product, service, structure, etc., if it no longer delivers the value that clients want or need. Brokers and carriers often forget that clients are the ones who determine the experience they wish to have. If you don't offer it, you're replaceable."

What brokers want in a network

To determine which insurance networks and alliances are best meeting agents' and brokers' needs, IBA surveyed hundreds of insurance professionals around the country, asking them what their top criteria would be if they were choosing a network to join today.

Product availability and financial considerations topped the list – 93% of agents and brokers said both product range and commission rates are the most important thing they look for in a network, and almost as many said fees (91%) and entry price (87%) are critical. In fact, when IBA asked agents and brokers what might prompt them to leave their current network, a reduction in commissions or the ability to get lower fees

METHODOLOGY

To select the best insurance networks and alliances for 2021, *Insurance Business America* sourced feedback from agents and brokers over a period of 15 weeks. IBA's research team began by conducting a survey with a wide range of insurance professionals to determine what they value in a network. The team also spoke to hundreds of top brokers across the country by phone, asking them to rate the support they receive from their networks and alliances.

The in-depth information gathered enabled the research team to assign weighted values to each category being rated by brokers. At the end of the research period, the networks and alliances that received the highest rankings from brokers were named 5-Star Award winners.



78%

of agents and brokers said commissions are extremely important when considering a network



77%

said a network's product range is extremely important

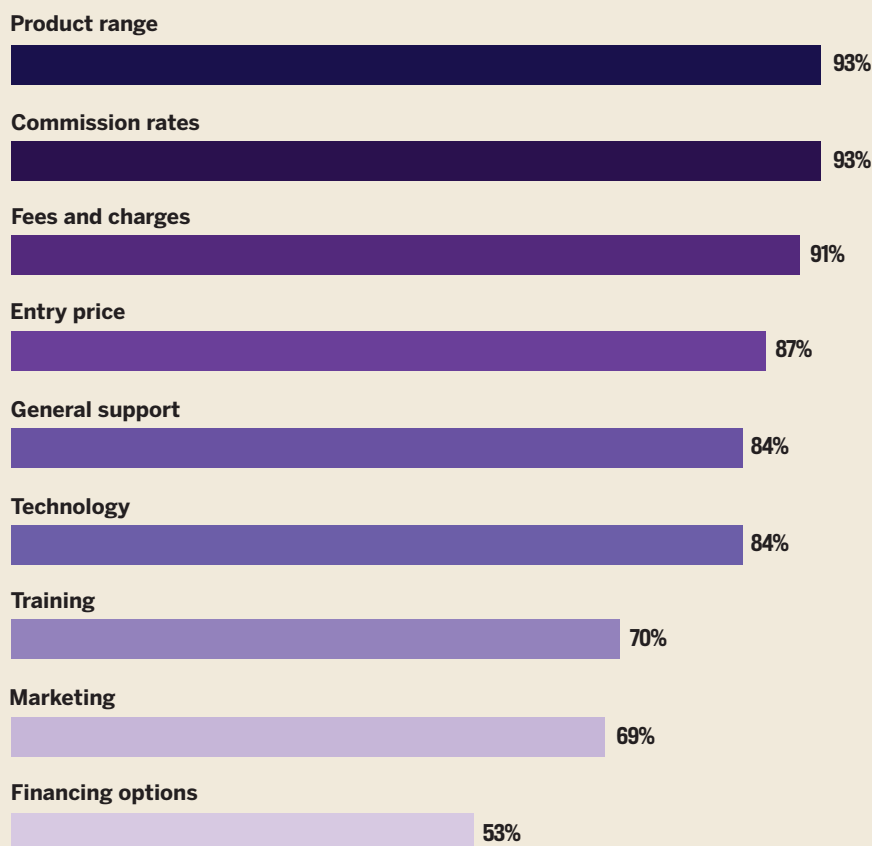


67%

said the fees charged by a network are extremely important

5-STAR AWARDS: NETWORKS AND ALLIANCES

WHAT'S MOST IMPORTANT TO BROKERS WHEN CHOOSING A NETWORK?



“A mistake many brokers – and networks – make is that they don’t fully recognize the transformation our industry is experiencing, and they continue to operate just as they did five, 10 or 20 years ago”

Garrett Droegge, TechAssure

elsewhere were among the few factors that would entice this largely satisfied group of network members to jump ship.

As for product range, it’s a topic that came up frequently when *IBA* asked brokers what they thought their network could do better. Brokers asked for more carriers and exclusive programs, along with expansion into specific lines of business such as workers’ comp and trucking. One broker wished their network would “share markets for out-of-the-ordinary risks.”

Only slightly less important to brokers when choosing a network were the various support mechanisms provided, from general support and technology (both rated important by 84% of brokers) to training (70%), marketing (69%) and financing options (53%). Of these, training was the only area that came up when brokers were asked where their networks could improve – one wished their network would provide “individualized lines training for new agents,” while another said they’d like to see more webinars offered.

Overwhelmingly, *IBA* discovered that brokers are quite happy with their current networks – 92% of those surveyed rated their satisfaction level as excellent, and most said nothing could tempt them to consider leaving their current network.

Many also spoke enthusiastically about the support they receive from their networks. One broker said their network “does a great job at giving enough support when needed, but [doesn’t] get in the way of my business. They do not micromanage or try to control us.” Another commended their network for its ability to “listen to their members, take our recommendations and continuously improve or adjust their service to remain relevant and fit our needs.” A third broker said they consider their network “part of our professional team,” adding that “its people, especially our representative, have been very instrumental in helping us weather the storms that pop up periodically.”



5-Star AWARDS NETWORKS AND ALLIANCES 2021

★ Agency Network Exchange

★ ARM Global Risks

★ Comegys Insurance Agency

★ Insurance Producers Network

★ Iroquois Group

★ New Jersey Agents Alliance

★ Northwoods Corporation

★ Premier Group Insurance

★ Renaissance Alliance

★ SecureRisk

★ Smart Choice

★ TechAssure

★ United Valley Insurance Services

★ Valley Insurance Agency Alliance

★ Worldwide Broker Network

Get a Custom Fit from Iroquois

How is it that The Iroquois Group can work effectively with Member Agencies with \$2 million in premium and others with \$102 million?

Because Iroquois creates a custom fit of markets, resources and benefits to meet each agency's needs.

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What custom fit is right for your agency?

- ☑ Don't want to pay an initiation or monthly fee? We don't charge any.
- ☑ Want to earn superior compensation from your carriers? We can show you how.
- ☑ Don't want interference in how to run your agency? We offer information and options, but you make all decisions for what is best for your agency.
- ☑ Want direct carrier appointments outside the network? Not a problem.



Want to explore what Iroquois could design for your agency?

Visit our website at www.iroquoisgroup.com

BROKERAGE INSIGHT

The road to growth

In its first decade in business, World Insurance Associates has grown aggressively through mergers and acquisitions – and it's only getting started. IBA spoke with M&A director **Phil Nisbet** about lessons learned along the way

IBA: World Insurance seems like an ambitious name. Do you have any secret plans for global domination?

Phil Nisbet: When we started 10 years ago, we had under \$1 million in revenue, so [the name] was very aspirational. We've definitely grown since then. The last time we came out on a list of top brokers in the country, we were number 62 out of 35,000 or so brokers. So that's pretty good, to go from zero to number 62 in 10 years. Our goal is to get inside the top 20 in the next two or three years.

IBA: What's your strategy for growth?

PN: We've been doing pretty much the same thing for the last 10 years: pursuing acquisitions, integrating them, building a company, trying to focus on enhancing the organic growth of the acquired businesses. We're going to keep on doing that. We've got a great private equity sponsor that's been really supportive in helping us scale up the business and bring in some really great senior leadership to support our growth.

IBA: That strategy seems to have worked for you so far. What's the environment like out there for M&A players like World?

PN: We've completed 106 acquisitions since the company started in 2011. It hasn't been

10 a year, though. Last year, we did 41; this year, we'll probably do 40 or 50. It's accelerated over time.

There are a number of serial buyers out there like us, and activity has picked up a lot the past year. I would say a good portion of the increased M&A activity is because of the economy and low interest rates. For us, part of it is we've gotten bigger, which allows us to accelerate our M&A activity, and we got our investment from our private equity firm last year. That's helped us grow our piece of the pie as well.

IBA: How did the pandemic affect your business plans?

PN: An insurance brokerage is a pretty resilient business, especially if you're diversified across different customer types and

industries. It did cause slow organic growth because some customers had to reduce payrolls, but from the M&A side, it didn't have any negative impact. If anything, people got nervous about owning a smaller broker, and they're more willing to consider selling because they see the risks that they can't control. Our volume of M&A has been going up, but that's probably attributable to a number of factors, not just the pandemic.

IBA: Creating that kind of rapid growth through mergers and acquisitions must have come with its own challenges. What are some of the lessons you've learned?

PN: We've always tried to integrate people on the same platform. As we've gotten bigger and integrated more people, it really empha-

STRONGER TOGETHER



In April, Charlesbank Capital Partners, a Boston-based middle-market private equity firm, purchased a majority stake in World Insurance. The remaining 40% stake in the company is owned by more than 300 employees.

"They have been great partners, helping us fund and scale the business, including building out the senior management team, marketing department and strategy, and IT and data analytics platform," Phil Nisbet says of the partnership. "The M&A strategy is to become national in scope, operate as one company, build out our product capabilities and add great partners who enjoy collaborating with others to improve together and use our combined resources to serve clients better."

WORLD INSURANCE ASSOCIATES AT A GLANCE

SPECIALTIES



Personal and commercial insurance lines



Surety and bonding



Employee benefits



Financial and retirement services



Human capital management solutions

Year founded: 2011

Headquarters: Tinton Falls, New Jersey

Locations: 137 (and growing)


Clients: 200,000+

Number of employees: 1,240+

Annual premiums: \$2 billion

Acquisitions to date: 106

Fun fact: It took World Insurance's four founders less than 10 minutes to come up with the company name; the only rule was that it couldn't be anyone's name



“As we’ve increased the pace of our acquisitions, we’ve realized how important it is to integrate everyone and bring them onto the same platform”

sizes the importance of building a company on a common platform. Other M&A strategies involve leaving the acquired firms alone, but that’s definitely not our strategy. As we’ve increased the pace of our acquisitions, we’ve realized how important it is to integrate everyone and bring them onto the same platform. We have a lot of common services that can be shared with acquired firms, and we’ve

found it’s a lot easier to share them when we’re all on the same platform.

IBA: It seems another lesson learned is the value of bringing in people who have the expertise to run a larger enterprise, as you’ve added several new C-suite positions and made a number of other additions and changes

in leadership over the past year.

PN: When you buy smaller agencies, you get some great salespeople, but you don’t typically get people who have run half-a-billion-dollar or billion-dollar businesses, which is what we’re trying to become. Today, we have about \$250 million in revenue, and we’re on our way hopefully to \$1 billion as we continue to grow. **IB**



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Dalton's wife and daughter joined him for the 2019 Mountain Challenge



2
Number of Mountain Challenges Dalton has completed

3rd
His team's finish in the 2017 Mountain Challenge

10,456
Nautical miles of Dalton's longest voyage (New York to Izmir, Turkey, and back)

ALL HANDS ON DECK

Marine insurance executive **Sean Dalton** supports mariners' welfare by taking part in the Mountain Challenge

A FORMER professional mariner and Navy Reservist, Sean Dalton is proud to do work that puts the best interests of mariners first. As head of marine underwriting for Munich Reinsurance America, Dalton and his employer support the Seamen's Church Institute (SCI), a non-denominational organization that provides support to seafarers.

One of SCI's awareness and fundraising initiatives is the Mountain Chal-

lenge, a multiple-day test of endurance that takes place on both land and water and parallels many of the hardships mariners face on a daily basis.

"On day one of my first Mountain Challenge in 2017, our team had to complete a long hike, followed by a 12- to 15-mile canoe segment," Dalton says. "I had assumed the canoe part of the race would be easier than the hiking, but after many hours traversing steep inclines,

paddling at speed was proving extremely difficult. Pushed to our physical limits, our entire team was battling cramps as we made our way down the winding river. I will never forget the sense of relief and accomplishment when we completed the course and got out of the canoe!"

Having competed in 2017 and 2019, Dalton is looking forward to taking on the 2021 Mountain Challenge again in September with his family.

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