



Qualifying Your Career For Best-Class *Your Whole Brain® Underwriting Skills at Work*

Dr. Kyle Steadham, Transamerica
Anne Griswold, Herrmann International

2016 NEHOUA Conference
October 14, 2016
Portsmouth, New Hampshire

Rev. 10-13-16




Objectives

- **Become familiar with the 4 industry-driven challenges facing the professional underwriter today.**
- **Understand how these challenges shape the role of an underwriter.**
- **Apply the concept of Whole Brain® Thinking to prepare yourself for the challenges.**
- **Identify activities to build Whole Brain® Thinking.**

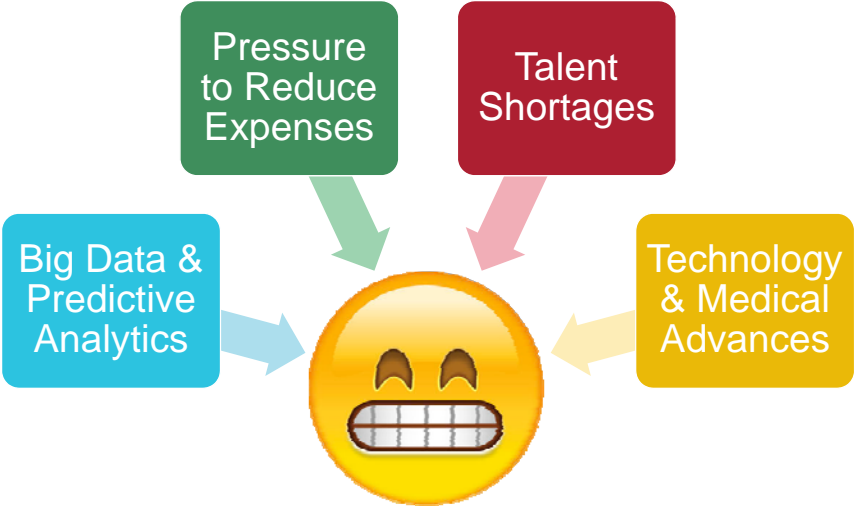





How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

2




4 Challenges Facing Underwriters








How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

3



Big Data and Predictive Analytics

Industry Drivers	Research Evidence	Underwriter Role Required
<ul style="list-style-type: none">• Data Warehousing• Automated Decision Engines⁷	<ul style="list-style-type: none">• 43% of companies have a decision engine (DE) that at least provides an initial recommendation to an UW.¹⁰• 57% companies that don't currently have DE in the same survey plan acquire it in future.¹⁰• Most DEs developed and managed within UW.¹⁰	Decision Scientist ⁵



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

4



Pressure to Reduce Expenses

Industry Drivers	Research Evidence	Underwriter Role Required
<ul style="list-style-type: none">• LEAN and Six Sigma¹¹• Improved requirements⁴• Hiring or salary freezes• Downsizing and restructuring• Use of contractors	<ul style="list-style-type: none">• Up to 50% of total employee work hours are spent on processing tasks that may be necessary but almost always add no value to your products and services.⁹• Processing operations can eat up approximately 30% of each revenue dollar. Every processing minute saved adds up to \$.50-\$.90 in additional income for an insurance company.⁹• Cost of data quality problems exceeds \$600 Billion annually.⁶• 15-20% of the data in a typical organization is erroneous or otherwise unusable.⁶	Efficiency Consultant



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future




Talent Shortages

Industry Drivers	Research Evidence	Underwriter Role Required
<ul style="list-style-type: none">• Knowledge loss from retirements• Lack of targeted professional development plans• Few formal college preparation tracks• Integrating Millennials into the workplace⁸	<ul style="list-style-type: none">• Industry faces a possible 23% decrease in underwriters in 5 years.¹³• 37% of those involved in training new UWs may retire in 5 years.¹³• In 2015 Millennials became the largest share of the workforce. By 2025, the number will be 76% globally.¹	Relationship Manager






How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future




Technology & Medical Advances

Top 9 Industry Drivers ³	Research Evidence	Underwriter Role Required
<div>1. New payment technologies</div> <div>2. Internet of Things (IoT) i.e. sensors</div> <div>3. Wearable medical devices</div> <div>4. Biotechnology</div> <div>5. Semantic technologies</div> <div>6. Gamification</div> <div>7. Artificial intelligence</div> <div>8. Driverless vehicles</div> <div>9. Advanced robotics</div>	<div>• Approx. 60% insurance execs identify their companies as technology mainstreamers, 20% as movers, & 10% as masters.³</div> <div>• Life insurers expect to raise IT spending up to 5.5% of revenues in next 3-5 years.²</div> <div>• 2/3rds have a detailed roadmap to upgrade or replace legacy admin systems.²</div>	<div>Innovator⁵</div>



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

7



Can I Take on Any More Roles?

Traditional Role

Risk Manager

New Role

Decision Scientist


Efficiency Consultant




Relationship Manager

Innovator

Risk Manager

=





How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

8



How Must the Underwriter Adapt?

Decision Scientist⁵

- Increase skill in data analytics, research, process design, technical writing

Efficiency Consultant

- Focus on process improvement, quality, measurement, and change

Relationship Manager

- Navigate between line underwriting and supportive/strategic roles: training, customer service, etc.

Innovator⁵

- Adapt to and/or generate creative solutions independently and collaboratively



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

9



What are Risks of Not Adapting?

- Reduction of job opportunities
- Less frequent pay increases
- Decreased networking opportunities
- Negative reputation in industry
- Increased stress




Image used with permission.






How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

10



“The world we have created is a product of our thinking; it cannot be changed without changing our thinking.”

Albert Einstein



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

11



What Colors Do You See?





How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

12

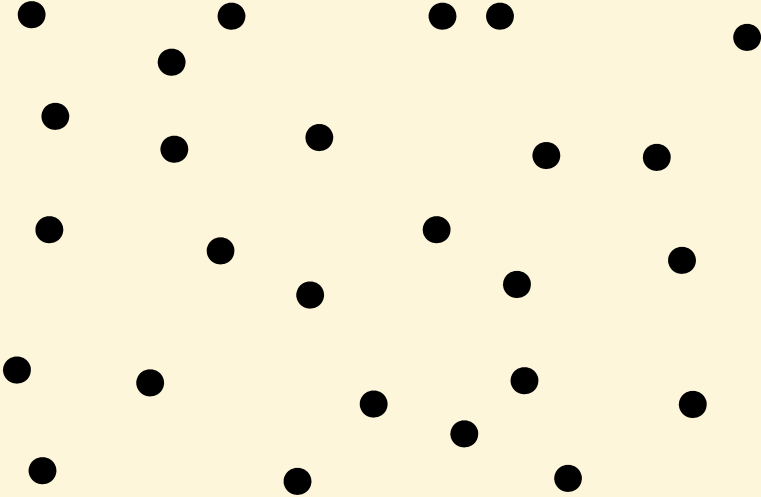





THINKING PREFERENCES



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

13





How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

14

HOW MANY?

TRANSAMERICA
TRANSITION TONIGHT

true

Hennemann
International

How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

15

TRANSAMERICA
TRANSITION TONIGHT

true


Hennemann
International

How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

16

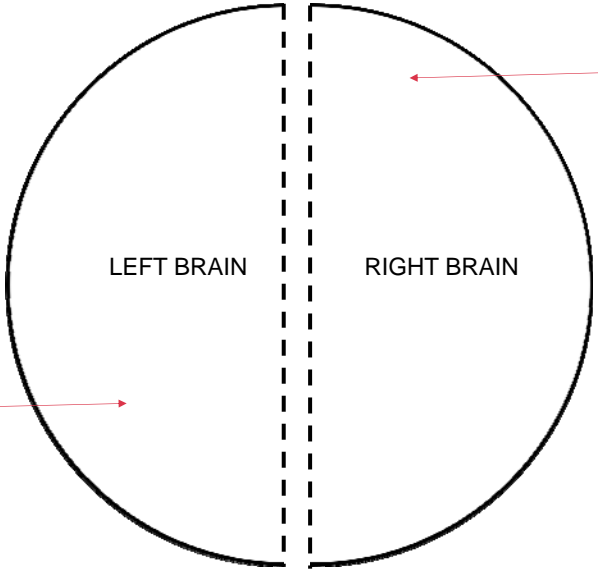
2016 NEHOUA Conference

8



Brain Theory, Abridged

Roger Sperry, 1950s






Logical, analytical, objective, rational, quantitative

Intuitive, emotional, musical, creative, thoughtful, subjective

LEFT BRAIN


RIGHT BRAIN



How To Get Your Career To Best-class: Using Whole Brain® Underwriting Skills Of The Future

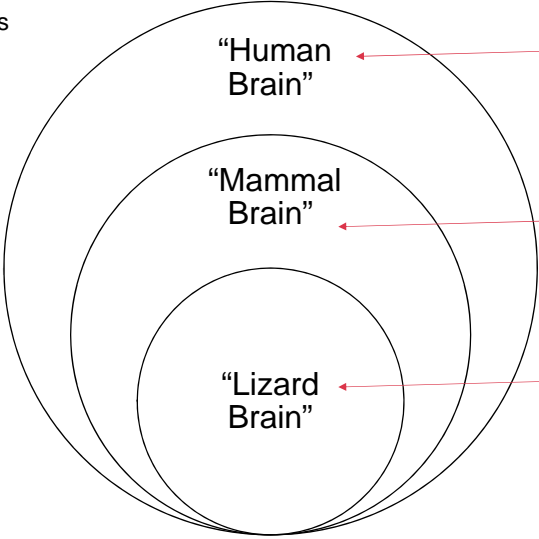
Source: Sperry, R. W. (1961). "Cerebral Organization and Behavior: The split brain behaves in many respects like two separate brains, providing new research possibilities". *Science*. 133 (3466): 1749-1757.

17



Brain Theory, Abridged

Paul MacLean, 1960s-90s



Language, abstract thought, imagination, consciousness




Memories, emotions, habits, reaction

Involuntary functions, "fight or flight"

"Human Brain"

"Mammal Brain"

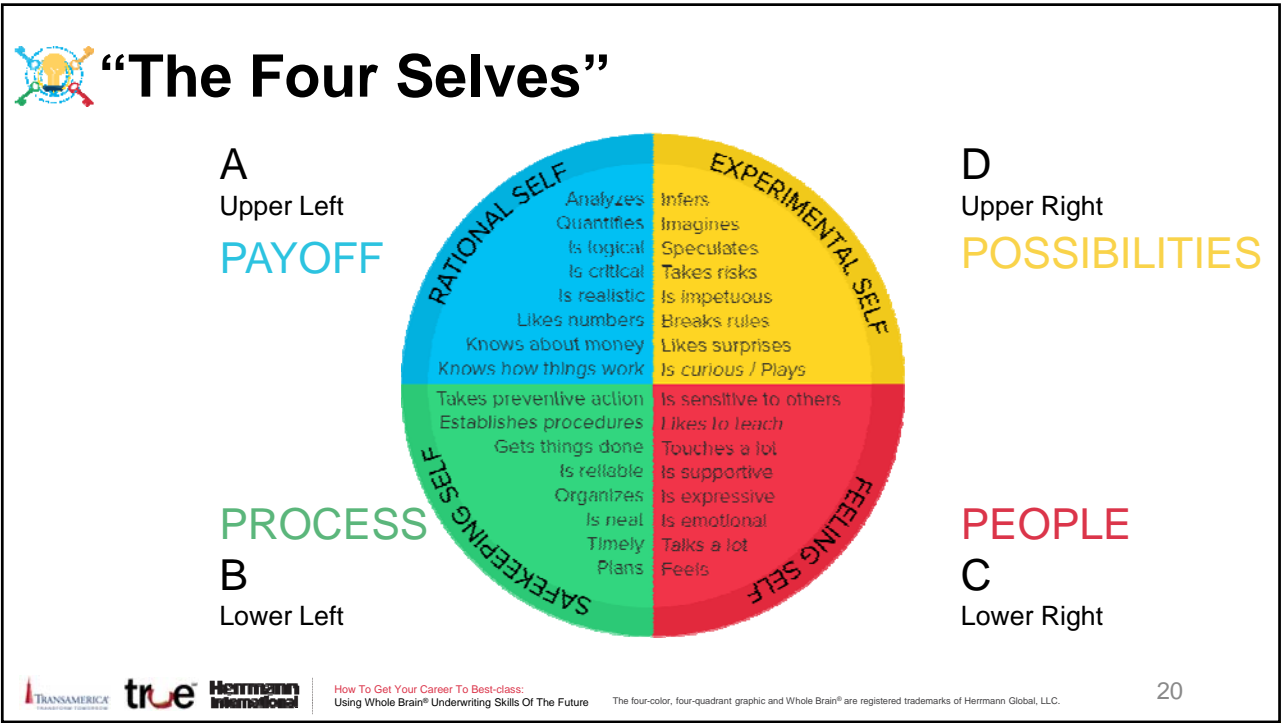
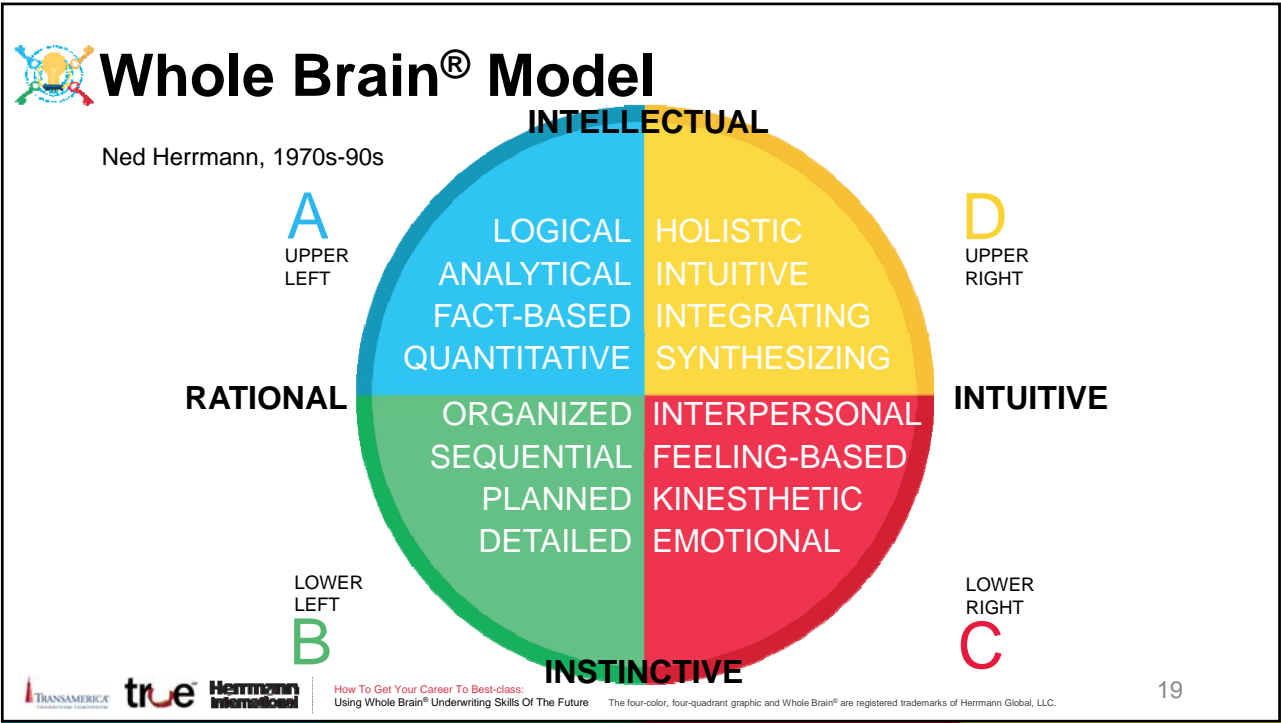
"Lizard Brain"




How To Get Your Career To Best-class: Using Whole Brain® Underwriting Skills Of The Future

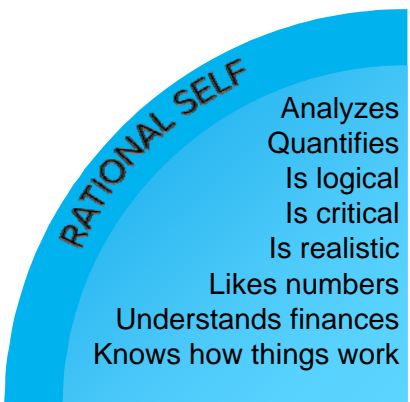
Source: The Triune Brain in Evolution. MacLean, 1960.

18





A Quadrant: The Rational Self






At School: Math, Science, Computers

At Work: Finance, Engineer, Chemist, Technician

Decision Making: Gathers Facts, Argues Rationally


Problem Solving: Forms Theories, Solves Logically, Measures Precisely

Hobbies/Free Time: Model Making, Home Improvements, Computer Games




How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

21



B Quadrant: The Safekeeping Self






At School: Geography, History, Language (grammar)

At Work: Manager, Administrator, Project Management, Travel Agent

Decision Making: Stands Firm, Conservative, Procedural


Problem Solving: Approaches Problems Practically

Hobbies/Free Time: Travel, Fishing, Camping, Spectator Sports, Golf, Reading




How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

22



C Quadrant: The Feeling Self



Involves others
Likes to teach
Seeks feedback
Is supportive
Is expressive
Is considerate
Builds team
Connects




At School: Social Science, Literature, History, Geography, Drama

At Work: Social Worker, Teacher, Trainer, HR Professional, Sales Person

Decision Making: Involves Others, Interpersonal, Intuitive, Emotional


Problem Solving: Considers Others, Intuitive, Picks Up on Nonverbal and Interpersonal Clues

Hobbies/Free Time: Reading, Listening to Music, Travel, Walking, Relaxing




How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

23



D Quadrant: The Experimental Self



Infers
Imagines
Speculates
Takes risks
Learns from mistakes
Breaks rules
Likes variety
Is curious




At School: Science, Math, Arts & Crafts

At Work: Self Employed, Entrepreneur, Artist, Designer, Advertising, Marketing, Sales

Decision Making: Imaginative, Risk Taking, Forward Looking

Problem Solving: Inventive, Intuitive, Sees the Big Picture

Hobbies/Free Time: Arts & Crafts, Creative Writing, Music Playing, Photography



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

24



Activity: What About You?

Circle 12 adjectives that best describe YOU at work.

Analytical

Factual

Directive

Rigorous

Realistic

Intellectual

Objective

Knowledgeable

Bright

Clear

Organized

Planned

Controlled

Detailed

Conservative

Disciplined

Practical

Industrious

Persistent

Evaluative

Friendly

Receptive

Enthusiastic

Understanding

Expressive

Empathetic

Trusting

Sensitive

Passionate

Humanistic

Holistic

Imaginative

Intuitive

Synthesizing

Curious

Spontaneous

Flexible

Open-minded


Conceptual

Adventurous



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

25



Activity: What About You?

Tally each column's score.

Analytical

Factual

Directive

Rigorous

Realistic

Intellectual

Objective

Knowledgeable

Bright

Clear

Organized

Planned

Controlled

Detailed

Conservative

Disciplined

Practical

Industrious

Persistent

Evaluative

Friendly

Receptive

Enthusiastic

Understanding

Expressive

Empathetic

Trusting

Considerate

Passionate

Interpersonal

Holistic

Creative

Intuitive

Synthesizing

Curious




Spontaneous

Flexible

Open-minded


Conceptual

Adventurous

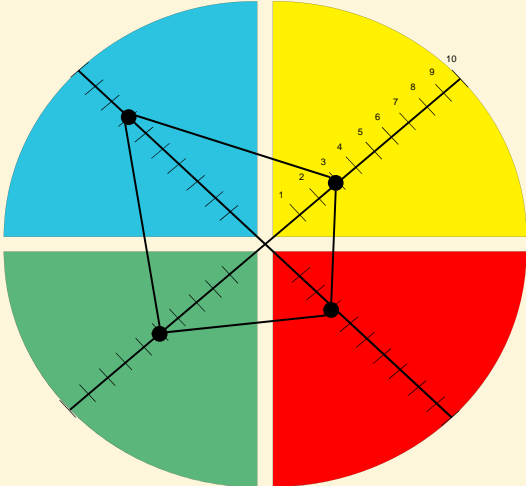


How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

26






Activity: Connect the dots...




Measuring the level of preference of each of the four selves forms the profile.

Only the full 120-question HBDI® Profile can give you accurate thinking preference results.



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

27



Strengths

A

- ☐ Gathering facts
- ☐ Analysis issues
- ☐ Arguing rationally
- ☐ Forming theories
- ☐ Measuring precisely
- ☐ Problem solving logically
- ☐ Financial analysis & decision making
- ☐ Understanding technical elements
- ☐ Critical analysis
- ☐ Working with numbers, statistics, data and precision

B




- ☐ Finding overlooked flaws
- ☐ Approaching problems practically
- ☐ Standing firm on issues
- ☐ Maintain a standard of consistency
- ☐ Providing stable leadership & supervision
- ☐ Reading fine print in documents/contracts
- ☐ Organizing and keeping track of data
- ☐ Developing detailed plans & procedures
- ☐ Articulating plans in an orderly way
- ☐ Keeping records straight

D

- ☐ Taking calculated risks
- ☐ Seeing the “big picture”
- ☐ Recognizing new possibilities
- ☐ Tolerating ambiguity
- ☐ Integrating ideas and concepts
- ☐ Challenging established policies
- ☐ Synthesizing unlike elements into a new whole
- ☐ Problem solving in creative ways
- ☐ Simultaneous processing of different input


C

- ☐ Recognizing interpersonal difficulties
- ☐ Anticipating how others will react
- ☐ Intuitively understanding how others feel
- ☐ Picking up the non-verbal cues of interpersonal stress
- ☐ Collaborating
- ☐ Persuading, negotiating
- ☐ Teaching, Sharing
- ☐ Understanding how processes impact people
- ☐ Considering values






How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

28



Frustrations


A <ul style="list-style-type: none"><input type="checkbox"/> Inarticulate, “off the track” communication<input type="checkbox"/> Excessive “chatter”<input type="checkbox"/> Vague, ambiguous approaches or instructions<input type="checkbox"/> Illogical comments<input type="checkbox"/> Inefficient use of time<input type="checkbox"/> Lack of facts or data<input type="checkbox"/> Inappropriate informality<input type="checkbox"/> Overt sharing of personal feelings<input type="checkbox"/> Fear of challenge or debate<input type="checkbox"/> Impression of not knowing the “right” answer	D <ul style="list-style-type: none"><input type="checkbox"/> Repetition<input type="checkbox"/> Too slow paced<input type="checkbox"/> “Playing it safe” or “by the book”<input type="checkbox"/> Overly structured, predictable<input type="checkbox"/> Absence of humor and fun<input type="checkbox"/> Lack of flexibility, too rigid<input type="checkbox"/> Inability to get concepts or metaphors<input type="checkbox"/> Drowning in detail<input type="checkbox"/> Too many numbers<input type="checkbox"/> Dry, boring topic or style
B <ul style="list-style-type: none"><input type="checkbox"/> Unknown or absence of a clear purpose<input type="checkbox"/> Disorganized<input type="checkbox"/> Hopping around from subject to subject<input type="checkbox"/> Too many ideas at once<input type="checkbox"/> Unpredictable<input type="checkbox"/> Too fast paced<input type="checkbox"/> Unclear instructions or language<input type="checkbox"/> Too much beating around the bush<input type="checkbox"/> Incomplete sentences<input type="checkbox"/> Lack of closure	C <ul style="list-style-type: none"><input type="checkbox"/> Lack of interaction<input type="checkbox"/> Lack of empathy<input type="checkbox"/> Impersonal approach or examples<input type="checkbox"/> Dry or “cold” un-enthusiastic interaction<input type="checkbox"/> Insensitive comments<input type="checkbox"/> No time for personal sharing<input type="checkbox"/> All data, no nonsense<input type="checkbox"/> Lack of respect for consideration<input type="checkbox"/> Overly direct or brusque dialogue<input type="checkbox"/> Critical




How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

The four-color, four-quadrant graphic and Whole Brain® are registered trademarks of Herrmann Global, LLC.




29



Situational “Stretch”



“Life is like a ten speed bicycle –
we all have gears that we never use.”
- Charles Schultz




How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

The four-color, four-quadrant graphic and Whole Brain® are registered trademarks of Herrmann Global, LLC.


30




2016 NEHOUA Conference

15




Optional: Handwriting Exercise





How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

31



How Does Whole Brain® Thinking Apply to Future Underwriters?

**DECISION
SCIENTIST**

**EFFICIENCY
CONSULTANT**

**RELATIONSHIP
MANAGER**

INNOVATOR

Left
Mode

Right
Mode

Upper
Mode

Lower
Mode

A 78

D 65

B 82




C 68

factual
quantitative
critical
rational
mathematical
logical
analytical

imaginative
artistic
intuitive
holistic
synthesiser
simultaneous
spatial

conservative
controlled
sequential
detailed
dominant
speaker
reader


emotional
musical
spiritual
symbolic
intuitive
talker
reader



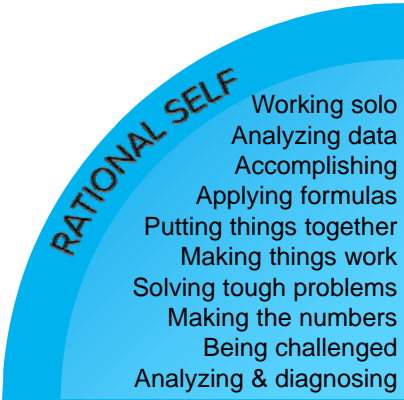
How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

32




The four-color, four-quadrant graphic, HBDP® and Whole Brain® are registered trademarks of Hermann Global, LLC.



How to Think Like a *Decision Scientist*




- Expand your knowledge base on predictive analytics and statistics.
- Participate on actuarial projects.
- Leverage technology to make informed decisions, proactively
- Conduct research projects. Look for ways to use data collected to improve decisions.
- Practice critical thinking with logic puzzles.
- Take on presentations explaining financials or detailed information.




How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future



33



How to Think Like an *Efficiency Consultant*




- Seek out process improvement opportunities.
- Manage vendor affairs or selection.
- Improve organization of underwriting guidelines, policies or procedures.
- Participate in business continuity planning.
- Determine new ways to measure productivity.
- Get certified in Lean or Six Sigma

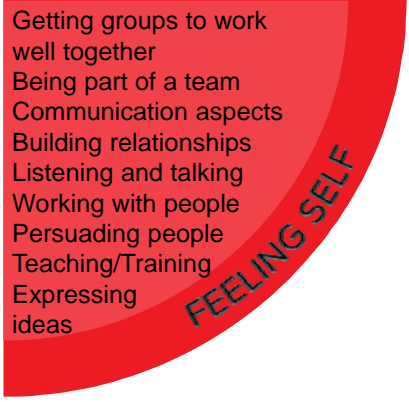


How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

34






How to Think Like a *Relationship Manager*




- Getting groups to work well together
- Being part of a team
- Communication aspects
- Building relationships
- Listening and talking
- Working with people
- Persuading people
- Teaching/Training
- Expressing ideas

- Assist your company in identifying sales opportunities.
- Help with hiring and selection of underwriters
- Participate in social media activities that promote underwriting
- Participate in projects that assess customer or agent feedback.
- Train or mentor others on your strengths.
- Work with leadership to create engagement opportunities.
- Study and apply how changes in demographics and customer attitudes impact underwriting.




How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

35






How to Think Like an *Innovator*



- Designing
- Taking risks
- Providing vision
- Inventing solutions
- Having variety
- Playing around
- Selling ideas
- Championing change
- Developing new things
- Opportunity to experiment

- Pay attention insurance industry and other industries in which your customers participate.
- Participate in product development.
- Conduct research on how new technologies can impact underwriting.
- Be willing to take risks and learn from failure.
- Experiment with using underwriting data in new and different ways.



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

36



Recommended Reading

Decision Scientist



REVISÉD AND UPDATED
PREDICTIVE ANALYTICS
"Mesmerizing & fascinating..."
—The Seattle Times
AN INTRODUCTION FOR EVERYONE
THE POWER TO PREDICT WHO WILL CLICK, BUY, LIE, OR DIE
ERIC SIEGEL
WILEY

Efficiency Consultant



FOREWORD BY JAMES P. WOMACK
BESTSELLING AUTHOR OF LEAN THINKING
THE
LEAN TURNAROUND
How Business Leaders Use Lean Principles to Create Value and Transform Their Company
ART BYRNE

Relationship Manager



"Just what we need for the next years ahead." —MALCOLM GLADWELL
WIRED to CARE
how companies prosper when they create widespread empathy
DEV PATNAIK
with Peter Mortensen

Innovator




"An insightful, wonderfully new take on the world from one of my favorite thinkers." —MALCOLM GLADWELL
Originals
HOW NON-CONFORMISTS MOVE THE WORLD
Adam Grant
New York Times bestselling author of GIVE AND TAKE
Foreword by SHERYL SANDBERG



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

37






Optional Activity: How Can You Stretch Your Thinking?

A

D


B

C






The four-color, four-quadrant graphic and Whole Brain® are registered trademarks of Hermann Global, LLC.
How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

38




+ THINK






How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

39




Use Whole Brain® Thinking on a Daily Basis
with 4 Simple Questions

A WHAT?	WHY? D
HOW? B	WHO? C





The four-color, four-quadrant graphic and Whole Brain® are registered trademarks of Hermann Global, LLC.
How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future


40



Questions?








How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

41




Prize Drawing for Book & Assessment

Copyrighted Material

"A must read for everyone who wants to apply their whole selves in whatever they do."
—JIM KIGGUS, COAUTHOR OF THE LEADERSHIP CHALLENGE

Unlocking the Power of Whole Brain Thinking in Organizations, Teams, and Individuals

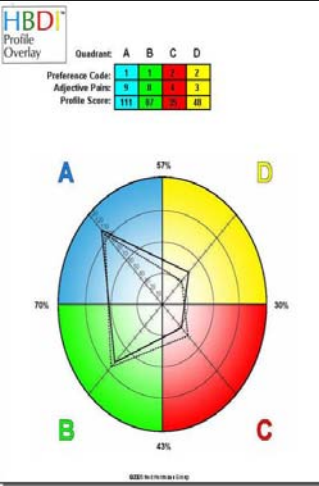



The Whole Brain Business Book


SECOND EDITION


Ned Herrmann and Ann Herrmann-Nehdi

Copyrighted Material









How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future

42

2016 NEHOUA Conference

21



References

1. Accenture. (2016). Accenture technology vision for insurance 2016. *People First: The Primacy of People in the Age of Digital Insurance*. <http://ins.accenture.com/rs/897-EWH-515/images/Accenture-Technology-Vision-for-Insurance-2016-Full-Report-POV.pdf>
2. Bain & Company. (2015). *Global Digital Insurance Benchmarking Report*. <http://www.bain.com/Images/GLOBAL-DIGITAL-INSURANCE-2015.pdf>
3. Breeding, M. (2015, Oct.) Emerging technologies in life insurance. *LOMA Resource*. p. 14-18. www.loma.org
4. Conners, K. (nd). Trends in underwriting point to a changing future. *The Messenger: Risk Management Newsletter*. Scor. <https://www.scor.com/images/stories/pdf/library/archives-sqla-sgrc/trendsinunderwritingpointtoachangingfuture.pdf>
5. Ernest & Young, LLP. (2015). *The future of underwriting: A transformation driven by talent and technology*.
6. Panwar, M. (2015, Sept.). Application of six sigma for data quality improvement in an insurance company. *International Journal of Scientific and Technology Research*, 4(9). pp. 63-68.
7. Phelan, K. (2016, Sept.) How data and analytics can help life insurers unlock the possibilities in underwriting. *On the Risk*, 32(3). <http://www.ontherisk.com/OTR/ArticleView.aspx>



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future



References (continued)

8. Rankin, J. C. (2016, Jan.). Industry directions: Our annual forecast. *LOMA Resource*. p. 8 www.loma.org
9. ResourcePro. (2012, Feb. 12). The value of insurance process improvement. <http://www.resourcepro.com/2012/02/insurance-process-improvement-priceless/>
10. Ringland, K. (2016). Underwriting automation and the underwriter role. *On the Risk*, 32(2) <http://www.ontherisk.com/>
11. Santangelo, M. (2016). The value of lean six sigma continuous improvement. *On the Risk*, 32(1) <http://www.ontherisk.com/>
12. Society of Actuaries. (2012). Report of the Society of Actuaries predictive modeling survey subcommittee. <https://www.soa.org/Research/Experience-Study/Bus-Practice-Surveys/research-2012-02-predictive.aspx>
13. Tedesco, C. (2015, June 16). The imminent shortage of underwriters: How to plan for the future. <http://www.logiq3.com/insights/the-imminent-shortage-of-underwriters-how-to-plan-for-the-future>



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future



Resources

- Pattison, G. (2014, Dec. 8). Will technology kills the job of an underwriter? <https://www.linkedin.com/pulse/20141208210905-75065631-will-technology-kill-the-job-of-an-underwriter>
- Piperdy, Y. (2015, June). The future of underwriting – it's nearly here! *On the Risk*, 31(2).
- Principal Financial Group. (2015, Aug.). Accelerated underwriting vs. the competition. Corporate publication. www.principal.com
- Rankin, J. C. (2015, Jan.). Forecast 2015: The executive perspective. *Resource*. LOMA. http://www.loma.org/Publications/Documents/Resource/Public/2015/Resource_Cover_Story_January_2015.aspx
- Sheridan, K. (2013, Nov. 22). Majority of underwriters face efficiency challenges: Survey. *InformationWeek*. <http://www.insurancetech.com/majority-of-underwriters-face-efficiency-challenges-survey/d/d-id/1314894>
- Tsikoudakis, M. & Zolkos, R. (2012, Feb. 12). Technology can't replace insurance underwriting. *Business Insurance*. <http://www.businessinsurance.com/article/20120212/news04/302129976>



How To Get Your Career To Best-class:
Using Whole Brain® Underwriting Skills Of The Future