ORGANIZATIONAL CULTURE THE SOLUTION TO CREATING AN ETHICAL AND PRODUCTIVE AGENCY

TERRY L. TADLOCK, CIC, CPCU, CRIS

CORRELL INSURANCE GROUP OF HILTON HEAD

HILTON HEAD, SOUTH CAROLINA

INTRODUCTION

The majority of Ethics and E&O classes I have attended deal with mistakes employees (including owners) have made that may create a potential claim (inadequate coverage, poor documentation, no procedures, etc.). The discussion then turns to the legal environment to paint the picture of what we will face if a claim is filed. Let me assure you they are all excellent courses and are correct in their approach. And yes, we will do some of this! But the majority of this course will attempt to create awareness that there are steps we can take as an organization to eliminate many of the causes before they take place. I think if you ask yourself, why enough times you will eventually wind back to the root problem we all face…Organizational culture and clarity.

ITS ALL ABOUT CULTURE

A.   **What is Culture** – The text book versions

"The total of the inherited ideas, beliefs, values, and knowledge, which constitute the   shared bases of social action."

"The attitudes, feelings, values, and behavior that characterize and inform society as a whole or any social group within it."

The bottom line is Culture is "Who you are." Not who you say you are but how people and groups actually perceive you.

ITS ALL ABOUT CULTURE

B.   **Why is Culture Important? Healthy v. Smart**

1.   It lays the foundation of the agency's value system. It gives you something to teach.

2.   It will project to your clients and carriers the purpose and identity of your agency

3.   Project a healthy image to the community

ITS ALL ABOUT CULTURE

C.   **How do I Identify or Develop our Culture?**

   1.   Start with "Why"

   2.   Why do we exist

   3.   Why should anyone do business with us

   4.   Why should our employees respect us

   5.   Why should the carriers/community respect us

   6.   Remember, Culture is dynamic, not static

CULTURE AND ETHICS

A.   **How will Culture effect the ETHICS of an Organization?**

     1.   Culture IS the organizations value system

     2.   Values determine decision making within an organization

     3.   It is in the decision making process that reveals the ETHICS of an organization

Let's take a look at an example….

CULTURE AND ETHICS

CULTURE AND ETHICS

B. **How Does Culture Effect Personnel Management and ultimately Ethics and E&O Issues?**

    1. The "Eeyore" syndrome

    2. The "Lucy" syndrome

    3. The "Olaf" syndrome

CULTURE AND ETHICS – INCORPORATING THE REMOTE WORKFORCE

An organizations culture will not and should not change due to a remote workforce, but the application may be very different. The Ethical standards should apply across the organization regardless of location. Your challenge will be in three distinct area.

1. **Connect** – How will you connect to employees you don't see?

2. **Coaching** – How will you continue training programs?

3. **Caring** – How will you demonstrate appreciation as well as provide correction?

CULTURE AND ETHICS – INCORPORATING THE REMOTE WORKFORCE

Connection - How to conduct meaningful meetings with your remote Staff

1. **Start on Time** – Be respectful of time.

2. **Frame Your Intention** – What are we here?

3. **Connection before Content** – Are they with you?

4. **Contribution v. Consumption** – What is their goal?

5. **Use Visual Aids** – How to hold their attention.

6. **Close with your Purpose** – Did you accomplish your goal?

CULTURE AND ETHICS

C. **How Is Culture Changed In An Organization?**

1. It all starts at the top – The Management motivation

2. Management has to sell the new culture to the staff

3. Staff has to embrace change

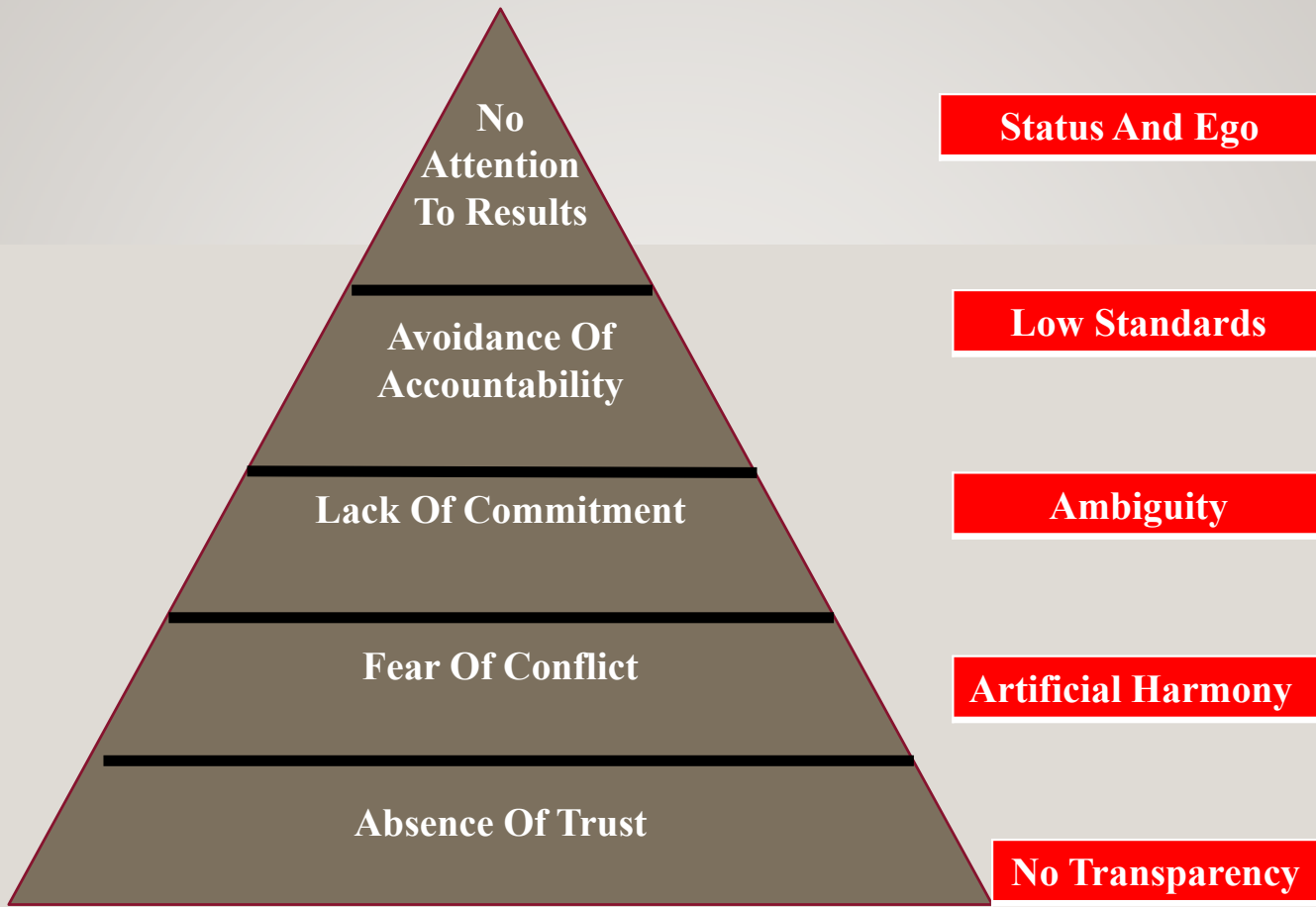4. Management has to be willing to make tough decision to enforce change

TWO RESOURCES THAT HAVE HELPED ME

Patrick Lencioni –   The Table Group - www.tablegroup.com
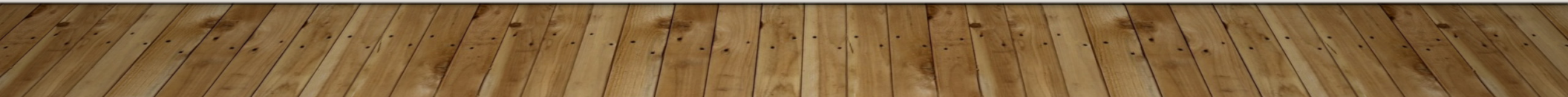
1-925-299-9700

5 Dysfunctions of a Team/The Ideal Team Player

Jon Gordon -   Jon Gordon Companies - www.jongordon.com

1-904-285-6842

The Power of Positive Leadership/The Energy Bus

CREATING AN ETHICAL TEAM ENVIRONMENT

FOOD FOR THOUGHT

Imagine with me for a moment, an insurance agency where everyone loves coming to work, they enjoy the people they work with, they love the work they do, there is little or no politics or drama and management has provided all of the tools and resources necessary for success. What could this agency accomplish?

If you want to reduce or eliminate E&O claims or any potential ethical issues, I would think this environment would accomplish the task.

FOOD FOR THOUGHT

… Then explain why we spend so little time, energy and resources developing this culture within our insurance organizations? This is the answer to the ETHICAL dilemma.


Simply put, it is the difference between: Smart *v.* Healthy

WHAT IS TEAMWORK?

Teamwork is the collaborative effort of a group to achieve a common goal or to complete a task in the most effective and efficient way. This concept is seen within the greater framework of a team, which is a group of interdependent individuals who work together towards a common goal.

Is this not perfect for an insurance agency?

More than ever "**Life is a team sport**."
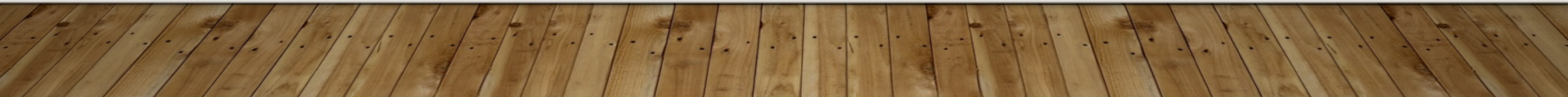
# WHY IS TEAMWORK CRITICAL FOR SUCCESS?

1. Is there any truth to the concept that two heads are greater than one?

2. Teamwork promotes accountability. Accountability is the key to good ETHICAL decision making.

3. Teamwork generally delivers a product that all had input and can buy into the outcome.

WHY IS TEAMWORK CRITICAL FOR SUCCESS?

Now, let's evaluate the answer to this question in a very unique way.

What is the alternative? (Could our insurance agency's be doing this?)

To deny Teamwork is critical would be to encourage an organization to promote ego and individualism. What is likely to happen in this environment? This is the breeding ground for ETHICAL breeches and E&O claims.
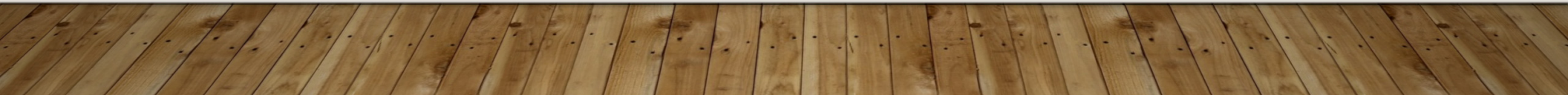
THREE VIRTUES OF AN ETHICAL TEAM PLAYER

Virtue #1 – Humility (being humble) – Not allowing the ETHICAL bubble.

Not Proud or Arrogant. But in a team setting, it is simply placing the needs of the team (organization) above any personal agenda.

Humility is NOT thinking less of yourself, but thinking about yourself less. **C.S. Lewis**

THREE VIRTUES OF AN ETHICAL TEAM PLAYER

Virtue #2 – Hungry (work ethic)

One that works hard, has high standards, strong work ethic, goes above and beyond. But most of all, will not let his team fail. They will submit to accountability. He/she is passionate about the success of the team. Do NOT confuse this with a workaholic.

The easiest to understand, perhaps the hardest to teach or obtain later in life.
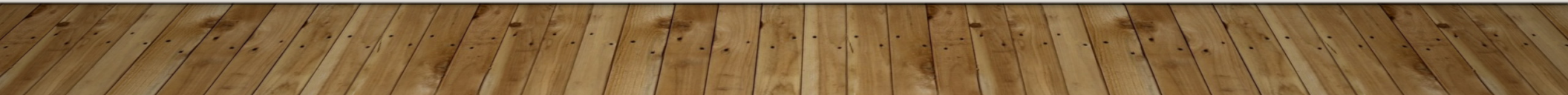
THREE VIRTUES OF AN ETHICAL TEAM PLAYER

Virtue #3 – Smart (not IQ, but EQ)

One who understands how their words and actions effect others. It involves how you interact with others. In its most basic element… Common Sense.
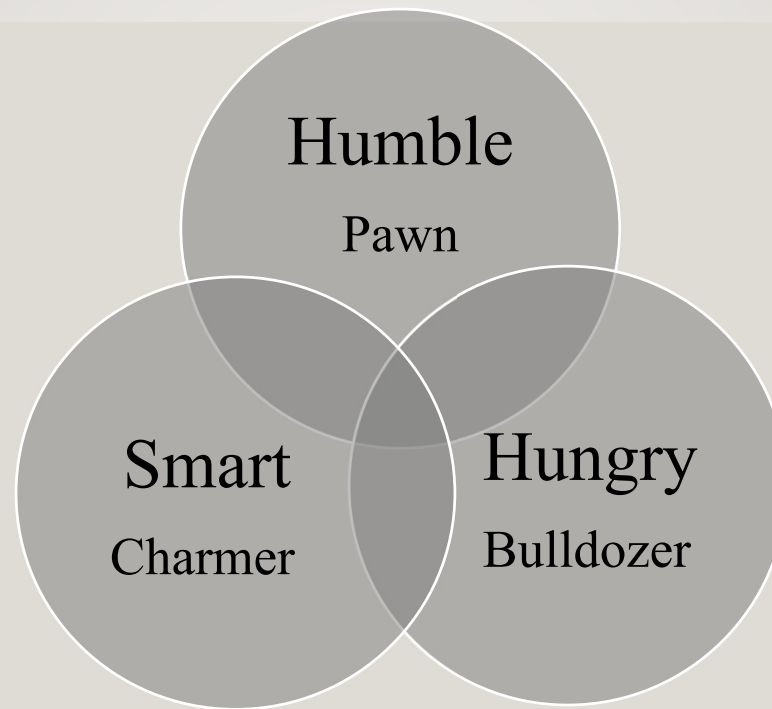
You will be amazed how many struggle with this virtue.

THREE VIRTUES OF AN ETHICAL TEAM PLAYER – BRINGING IT ALL TOGETHER

Humble "Pawn"
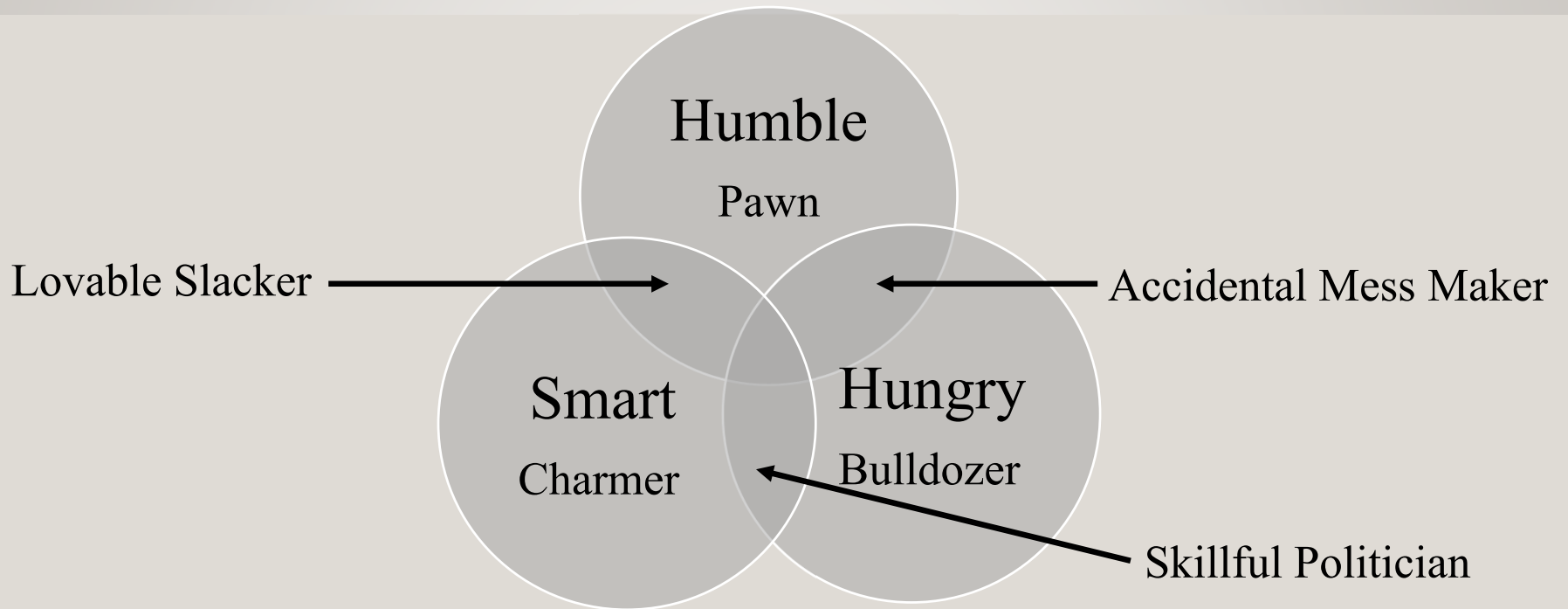
Smart "Charmer"

Hungry "Bulldozer"

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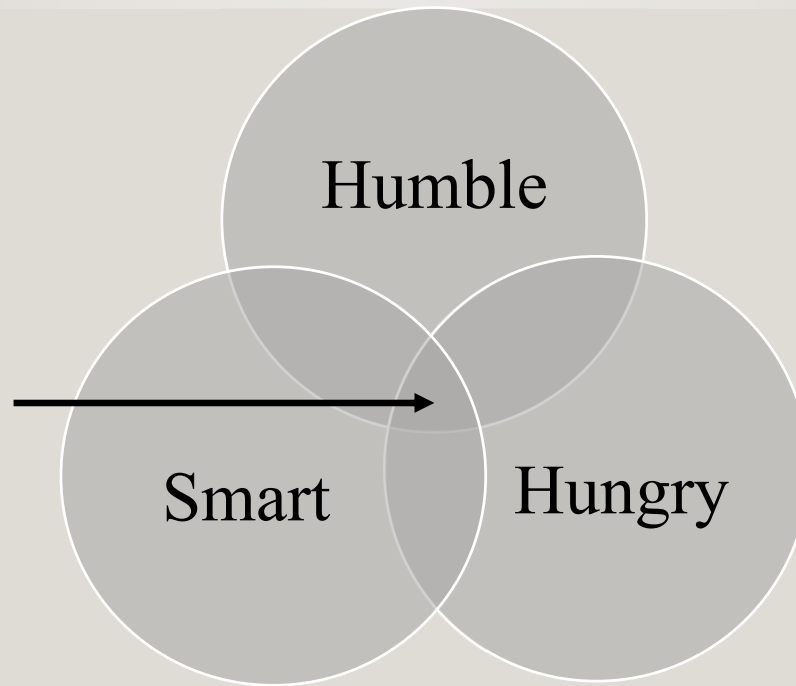
THREE VIRTUES OF AN ETHICAL TEAM PLAYER – BRINGING IT ALL TOGETHER

THREE VIRTUES OF AN ETHICAL TEAM PLAYER – BRINGING IT ALL TOGETHER

The Ethical Team Player

Humble

Smart   Hungry

HOW DO WE DEVELOP ALL THREE VIRTUES

1. Apply it to yourself first! Take a self assessment. (In the book)

   A. Honestly evaluate yourself based on what you think your teammates would say.

   B. If you are a strong leader, have your team evaluate you.

   C. Evaluate the results – Transparency is key to being Ethical

HOW DO WE DEVELOP ALL THREE VIRTUES

2.   Have each team do a self assessment.

    A.   Honestly evaluate themselves based on what they think their teammates would say.

    B.   Evaluate the results

HOW DO WE DEVELOP ALL THREE VIRTUES

3.   Start with #3

   A.   Everyone will have a lowest category. In the area that you scored the lowest, ask why?

   B.   In small groups within the team discuss openly why you ranked low and what could be done to improve. Nothing will help more than an honest brainstorming session.

HOW DO WE DEVELOP ALL THREE VIRTUES

4.   WRITE a Game Plan For Success.

    A.   For each question you scored a 2 or lower, write a specific and measurable action that can be taken to improve.

    B.   Share the plan with your teammates and ask that they hold you accountable. Now you are creating an Ethical culture.

HOW DO WE DEVELOP ALL THREE VIRTUES

5.   CONSTANTLY remind those that miss the mark.

    A.   For those that have asked to be held accountable, they
          need you to be a good teammate by reminding them when
          they violate their Game Plan for Success.

    B.   Be as patient as needed, but don't throw in the towel.

HOW DO WE DEVELOP ALL THREE VIRTUES

6.   **WARNING**, this will destroy your team.

NEVER be critical of another team member or manager to another associate or client. If so, you have just destroyed any trust your team may have in you.

DEVELOPING NEW TALENT
THE HIRING PROCESS

We have to change the way we hire people. The traditional method of advertising jobs and interviewing applicants simply does not work. We have to get more creative and find ways to hire Humble, Hungry and Smart. Hiring ethical employees is a lot easier than fixing one.

Gary Kelly, CEO of Southwest Airlines believes in hiring attitude/character. Skills can be taught!

DEVELOPING NEW TALENT
THE HIRING PROCESS

Step 1 –   Find your pool of applicants. It may be they are not
             currently looking for a job.

Step 2 –   Conduct Non-traditional interviews.

Step 3 –   Teach Organizational Culture (Ethics) first!

CONCLUSION

This is our new agency slogan. No one ever changed an organization by only thinking about it, you must act!

INTENTIONAL ACTION LEAD TO RESULTS

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