

## 10 STEPS TO SET UP INDUSTRY PRACTICE GROUPS (IPGs)

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### What Are Industry Practice Groups?

Industry Practice Groups consist a group of individuals who band together to share their knowledge and expertise, learn from each other, and build capabilities to better serve their clients. Access to experts who have extensive industry-specific knowledge, creativity, and market access creates significant opportunities. A functioning and effective industry practice group is responsible for strategy, marketing, communication, data, work process, risk management solutions, innovations, client deliverables, carrier relationships, and profitability within the industry niche. Industry practice groups are being used effectively within insurance,

accounting, law, and other professional advisory firms as they leverage intellectual capital.

### The objectives for industry teams include:

- Effective utilization of technical, tactical, and human resources to gain market share
- Organized approaches to thought leadership, carrier relationships, business development, and the customer experience
- A clear and concise business purpose. A WHY... a cause that goes far beyond product deliverables
- Enhanced brand awareness, brand trust, brand differentiation and brand equity which invariably leads to client acquisition, referrals, and retention
- A well-defined target audience supported by coordinated, strategic marketing, collateral materials, and speaking engagements
- Ability to tailor (and in many cases broaden) insurance programs, claims and carrier risk control support
- Enhanced cross-sell opportunities
- Training, coaching, and mentoring
- Prevent "silo" approaches to business development

### To set up IPGs:

#### 1) Identify Which Industry Practice Groups

The first step in adopting an Industry Practice Group model is to gain an understanding of what already exists. Consider using the following criteria for determining which industry(ies) should be placed at the top of the list:



- Existing client base and referral sources
- Book of business growth and profitability
- Unique affiliations with associations and other trusted advisors who serve the market segment
- Resources that enhance brand differentiation
- Projected industry growth
- Market trends and evolving risk issues
- Degree of saturation by competing firms in the marketplace
- Leadership and internal support

## 2) Start with an IPG Business Plan

The Business Plan should focus on all aspects of the industry practice group. Consider the following framework:

- Executive Summary including mission statement
- Industry overview and including trends and evolving issues. Include charts, graphs, and tables (Carriers will be willing to share)
- Market analysis, opportunity, and competition (Once again, carriers will be willing to share)
- Industry associations and other strategic partners who serve the industry
- Strategy to gather, assimilate and analyze data to assess the opportunity
- Target niches within the industry
- IPG Leadership Team
- Internal resource assessment
- Potential carrier partnerships
- Strategic marketing plan including goal setting
- Human, technical, tactical, and financial resources needed to bring the IPG to life



The Business Plan should include goals, strategies, solutions, as well as potential roadblocks. As the project has numerous moving parts, the IPG Leader(s) should delegate roles and responsibilities within the framework of the Plan. Time spent on the business plan will pay off in spades as the IPG is designed and built.

### 3) Appoint Strong and Committed Group Leaders



Once the IPG has been determined and the Business Plan created, the next step is to appoint strong leadership. Strong leadership is critical for an IPG to thrive. The decision should not be based on seniority or simply the volume of the current book of business managed. Rather, the attributes of a successful IPG Leader include:

- Passionately committed to the Industry Practice Group Model
- So excited about the opportunity that he or she has a 24/7 mentality to make the IPG a success
- Organized with an ability to delegate and hold others accountable
- Experience and credibility within the industry
- Respected by his or her colleagues
- Outstanding people skills (cheerleader, coach, mentor, and enforcer)
- Capable of running efficient, business-like meetings
- Leads by example

A good Leader acts as the focal point for the community, attracting members, encouraging participation, ensuring relevance, and building capability.

### 4) Determine Group Members

Once the Industry Practice Group has been identified, business plan built, and leadership in place, it is now time to identify group members. Group members consist of agency leaders, producers (risk consultants), account managers, claims, risk control, and CSRs who have experience with and/or a keen interest in the specific industry. Encourage colleagues to self-select the group(s) for which they wish to participate.



Some colleagues may wish to participate in more than one Group, and that is all right. But they should declare a primary affiliation with one IPG -- not three or four. It is expected that this individual will respond to the wishes of IPG Leadership as respects data collection, marketing, work process, risk management solutions, carrier relationships, and client deliverables. Why? Consistency of the client experience will enhance performance, results, and brand trust.

## 5) Gather Data Through the Use of a Practice Group Worksheet

The process of data gathering is one of the most critical steps in the creation of a successful IPG. Why? Data drives decisions. For that reason, a Practice Group Worksheet should be created that aligns to the business planning process outlined in Step 2. The Worksheet encompasses the requested data of the IPG Leader(s). It contains:



- Name of IPC
- Brief industry overview including trends and evolving issues
- Market analysis and opportunity
- Expected products, services, resources, and solutions to be offered within the IPG Model
- Leadership experience (i.e., resume)
- Request for:
  - Names, titles and contact information for Agency members who focus on this industry
  - Number of existing clients who fit within the industry overview
  - Name of key client(s) (i.e., sizable and recognizable market leader)
  - Total premium volume
  - Market opportunity (i.e., number of prospects and estimated premium volume)
  - Book of business loss ratio - 5 years preferred
  - Notable services, resources, and solutions offered by agency
  - Unique staff experience (i.e., comes from specific industry, underwriting, claims, loss control)
  - Industry Associations and other Organizations
  - Key carrier relationships that serve industry niche
  - Premium volume by key carrier
  - Evolving market trends and risk issues

The data on the Practice Group Worksheet will be collected and assimilated into one master Worksheet. Once the data has been carefully evaluated, the IPG Leader(s) will put together a confidential IPG Market Opportunity Memorandum for internal distribution only.

## 6) Schedule Industry Practice Group Meetings



The frequency and content of Industry Practice Group meetings is of paramount importance. A scheduled routine is suggested. The IPG's kick-off session should be a "big deal." It should be supported by a well-thought-out agenda and include senior representatives of the firm. With the IPG Leader orchestrating the 60-to-90-minute program, he or she should spell out pertinent components of the Business Plan including:

- His or her professional background including experience and passion for the industry.
- Recognize others who have contributed to building the IPG Business Plan.
- Brief industry overview including trends and evolving issues.
- Market analysis, opportunity, and competition.
- Data collected from partners including premium volume, loss ratios, carrier relationships, etc.
- Noteworthy clients and affiliations (i.e., associations and other trusted advisors).
- Action Plan to bring the IPG to full potential.
- Marketing strategies including internal communications and external materials.
- Frequency and content of IPG meetings.
- Expectations of those who support the IPG, including the importance of participation and thought-leadership.

After the initial IPG meeting, the Industry Practice Groups should continue to hold monthly sessions with a focus on industry trends, evolving issues, marketing, and business development. The IPG Leader should consider noteworthy presenters who have perspectives of interest to the partners. The meetings should start and end on time. Attendance should be tracked with meeting notes distributed within one day from the session.

## 7) Form an IPG Advisory Board

While the IPC Leader(s) and his or her Practice Group will have tremendous insights and boots on the ground experience, an Advisory Board consisting of industry experts that represent associations, professional advisors who focus on the niche, insurance carriers, as well as business leaders who work in the industry has merit.



The Advisory Board's duties and responsibilities should be assigned by the IPG Leader(s). The responsibilities of the Board may include strategic advice as respects marketing, services delivered, networking suggestions, innovations as well as trends and issues facing the industry. Although the Advisory Board is an informal group of professionals and does not have decision-making authority, the Board adds credibility and brand equity to the IPG. It is suggested that the frequency of meetings is quarterly. The IPG Leader(s) may wish to ask Advisory Board members to contribute content to the monthly Industry Practice Group sessions.

## 8) Design a Marketing Plan



It is imperative that an Industry Practice Group is supported by a Marketing Plan - a strategic document that links marketing strategies and objectives. A well-designed marketing plan outlines suggested strategies on how its firm enters the product, service, or solution into its market with methods to get the consumer to experience it. One of the greatest benefits to a marketing plan is that it helps you focus on your resources, plan for

growth, and differing factors that may affect your success. The initial market plan will have been incorporated within the IPG Business Plan.

It is suggested that during the first two or three monthly Practice Group meetings, you fine-tune the plan. Marketing materials should be developed, including website content, print brochures, pamphlets, service sheets, surveys and assessments, and videos. During the initial Practice Group sessions, breakout groups should be considered so that each colleague has an opportunity to share and receive feedback on the plan.

## 9) Partner with Insurance Carriers Who Cater to the Industry

Insurance carriers have vast knowledge about the industries they serve. This includes, but is not limited to, risk analytics, industry trends, evolving risk issues, industry growth patterns, claims data, underwriting performance by line of coverage, and relationships with industry associations. In forming an IPG, insurance carriers are valued business partners as they possess:

- In-depth knowledge of the industry
- Risk analytics
- Competitive landscape
- Ideal client profiles
- Relationships with associations and other trusted industry advisors
- Marketing strategies
- White papers on industry trends and evolving risk issues
- Underwriting profitability by line of coverage
- Ability to tailor policy forms and underwriting flexibility



Today's underwriter desires a relationship with a risk consultant who demonstrates an in-depth knowledge of an industry as well as the individual client profile. For that reason, the IPG model will attract high-quality carriers who wish to partner in a meaningful way as they recognize that a relationship with the agency will deliver above-average underwriting performance. It will be each partner's ability to "walk the walk" that will elevate confidence and credibility in the eyes of the underwriting community.

### 10) Skill Development in the Form of Training, Coaching, and Mentoring

A high-performing Industry Practice Group includes skill development in the form of training, coaching, and mentoring. That being said, the agency should build a knowledge and skill-development center that houses business development, account management, and growth training, specific to the industry segment.

Mentorship is a wonderful component of a thriving IPG model. It encompasses a developmental relationship in which a more experienced person helps a less experienced professional. A true mentoring relationship works in both directions - the mentor learns about new ideas from the mentee, just as the mentee learns timeless wisdom from the mentor.

It is also important to recognize that insurance carriers and associations have industry-specific training and coaching programs. As the IPG evolves, you will be wise to tap into these resources.



## About the Authors

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### **F. Scott Addis, CPCU, CRA, CBWA, TRA, ASA CEO, Beyond Insurance**

Scott serves as the CEO of Beyond Insurance. Founded in 2006, Beyond Insurance is a coaching and consulting firm that empowers insurance agency leaders, carriers, and other insurance and risk management professionals to capture unrealized potential... what one is capable of becoming through growth mindsets supported by process orientation.

Scott has been recognized as one of the “25 Most Innovative Agents in America” by The National Alliance for Insurance Education and Research and also received The Franklin Award for outstanding achievement and contribution to the insurance industry in the Delaware Valley. Scott was a Philadelphia finalist for “Entrepreneur of the Year Award,” sponsored by *Inc.* magazine, Ernst & Young, and Merrill Lynch.

Scott is recognized as an industry thought-leader, transformational author, and speaker. He recently wrote *Summit...Reach Your Peak and Elevate Your Customers’ Experience*, a book about reaching your potential in life and at work. Scott’s articles have been published extensively in *Rough Notes* magazine, as well as other highly regarded industry publications throughout the U.S., such as *Forbes*, *Insurance* magazine, *CEO* magazine, *Sales and Service Excellence* magazine, and the *PIA* magazine.

Scott previously served as founder and CEO of The Addis Group, which he started in 1990 from scratch: no carriers; no revenue. Only a \$50,000 credit line and a vision of providing elite risk management solutions to the middle-market business segment. Today, The Addis Group (now part of McGriff Insurance Services) has evolved into one of the premier risk management consultants and insurance brokers in the United States.

In the 1980s, Scott was vice president and senior account manager with Johnson & Higgins. While there, Scott handled the insurance placements for many of Philadelphia’s most prestigious companies and institutions including Comcast Corporation, Aqua Pennsylvania, the University of Pennsylvania, and Campbell’s Soup. Scott also played a key role in the growth of Johnson & Higgins’ middle market division.

A graduate of Princeton University, Scott is a Chartered Property & Casualty Underwriter (CPCU), a Certified Risk Architect (CRA), a Certified Benefits & Wellness Advisor (CBWA), Trusted Risk Advisor (TRA), Accredited Sales Advisor (ASA), and appointed to the American Institute for Chartered Property Casualty Underwriter’s Advisory Committee. Scott has served on the boards of the Council of Insurance Agents & Brokers (Washington, DC), the National



Alliance for Insurance Education & Research (Austin, TX) and *Rough Notes Magazine* (Indianapolis, IN). He was also selected for the National Safety Council's Loss Prevention/Risk Management Committee.

Scott is active in community affairs having served as a United Way key campaigner and on the boards of The Haverford School, GVA Smith Mack, Bryn Mawr Rehab, Camp Tecumseh, Main Line Chamber of Commerce, the Starfinder Foundation, Cabrini College, and Lower Merion & Narberth Public Access Television. Scott is the past chairman of the Main Line Chamber of Commerce. Scott was recognized by the *Philadelphia Business Journal* as one of the region's most influential business professionals through its *Book of Leaders*. Scott has also been recognized as a Distinguished Alumnus of The Haverford School and inducted into its "Athletic Hall of Fame."

Scott resides in Bryn Mawr, PA, with his wife, Bobbie. He has three sons, Andrew, Jeffrey, and Will.



**Carolyn Smith, APR, TRA, ASA**  
**Chief Training Officer**  
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Carolyn serves as Chief Training Officer and Beyond Insurance Performance Coach and leads strategy and execution for new program development.

Carolyn works collaboratively with the Beyond Insurance team to create highly relevant digital and classroom programs that address the industry's most pressing needs, create breakthroughs, and transform the quality of people's lives and careers. Beyond Insurance offers a wide breadth of skill-building, discipline-focused, high-accountability programs that will take professionals to the next level in their career.

Prior to joining Beyond Insurance, Carolyn served as Vice President of Marketing and Communication for the National Alliance for Insurance Education, where she drove the creation, implementation, and execution of corporate branding and strategic marketing communication programs. Carolyn began her career as a reporter at the *Santa Monica News*. She has also worked at Gilda Marx Industries and Motorola, taught the extracurricular marketing certificate program at the University of Texas-Austin, and consulted internationally on branding and marketing in the U.S.

Carolyn holds a Bachelor of Business Administration degree and is based in Austin, TX.