



# The Dirty Dozen...Proven Strategies to Discredit the Incumbent

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In the acquisition of new business, you must flaunt your professional talents and polished demeanor. You should also master the art of subtly introducing tools and tactics that discredit the incumbent and drive the prospect's emotions. (See the August 2016 issue of *Rough Notes* entitled, "The Prospect Trigger...Emotion!") While there are hundreds of possibilities to discredit the incumbent, consider the Dirty Dozen:

**1. Start with WHY!** WHY is your cause, purpose, or beliefs. It is the essence of your professional existence. Your prospects want and need to know WHY. WHY you? Why your organization? Why do you do what you do? It is your values and beliefs, not just the quality of your products, services, and resources, that move people. The incumbent agent or broker is far too busy working on HOW to justify the WHAT. He or she is using tangible features and benefits to build a rational argument for HOW their product, service, or solution fits. This works to your advantage as people notice WHY and are drawn to it.

**2. The Agenda.** Your agenda offers precision and flow...a guide for meetings. This tool determines the form, structure, and desired outcome of interactions with prospects. It is a statement that you are organized and serious about your game. And, most importantly, it creates a lasting impression. It is a safe bet that the well-intentioned incumbent works without a formal agenda. It is for this reason that there are muddled viewpoints, misunderstood norms, and a finish line that is nowhere to be seen.

**3. Relational GPS.** Relationships just don't happen. They evolve over time. Relationships produce bonds and connections that enhance both the prospect's and your opportunity to succeed. Mutual trust is an outcome of relationships. In the book, *Building Relationships that Last*, Relational GPS is described as a roadmap to developing outstanding business relationships. GPS stands for:

**Goals.** Your prospect's short- and long-term personal and professional objectives.

**Passions.** Personal and professional causes that your prospect cares so deeply about.

**Struggles.** Obstacles holding back your prospect from his or her goals and passions.

Relational GPS serves as your navigation device to pass the incumbent and move through the sales cycle successfully.

**4. Value Proposition.** A value proposition describes how you create value for those whom you serve. It is a clear, concise statement that summarizes why the prospect should embrace your offering and how it exceeds that of your competition. The ideal value proposition is an irresistible offer, an invitation that is so compelling and attractive that the prospect would be out of his or her mind to refuse. Your value proposition must go beyond functional product or service offerings to express the results a prospect can expect to achieve. The research of Beyond Insurance evidences that the incumbent often delivers products and services without a meaningful value proposition.

**5. Claims Review.** When you ask a prospect a simple question about his or her claims experience, would you agree that most are sitting in the dark? They are not receiving loss runs, claim reviews, and often have no clue as to claim status, loss ratios, valuations, or how open reserves impact their workers' compensation experience modification factor. A simple strategy to discredit the incumbent is to educate the prospect that a workers' compensation claim is valued for unit statistical reporting 18 months after the policy inception, according to the California Department of Industrial Relations. Offer evidence that they have unattended open reserves that impact their modification factor through a claims review.

Kevin Ring, Lead Workers' Compensation Analyst for the Institute of WorkComp Professionals, suggests the following, "Today's consumers need to know the specific data elements, including payroll and loss information, which formulate a unit statistical report. It is also imperative that they comprehend how and why a claim is valued."

**6. Risk Assessment.** Provide risk assessments focused on the identification, evaluation, prioritization, and management of risk, a process through which you take on the mentality of an outsourced risk manager. The goal of the assessment is to guide the prospect through four primary means of dealing with risk: 1) avoidance; 2) reduction; 3) retention; or 4) transference. Because the incumbent agent is mired in the insurance transaction, he or she leaves the risk decision matrix dormant. You, on the other hand, convey that the objective of your risk assessment process is to ensure that uncertainty does not derail business endeavors.

**7. Employee Interviews.** The employee interview is a simple, yet powerful method to gain an inside look at the corporate culture and perspectives of risk from the people who are in-the-know. The one-on-one employee interview is an art that will separate you from your

competition. Let's consider the employee interview in the context of the *Undercover Boss*, the television show that features the experiences of senior executives working undercover in their own companies to assess processes, operations, and employees first-hand in order to implement change that will improve business outcomes. The show evidences that some well-meaning business leaders can be out of touch with the realities of the inner workings of their organization. Why? They have never taken the time to get "down and dirty" in their own business. The employee interview process gives you a unique opportunity to connect with the rank-and-file to capture the strengths, opportunities, and risk issues facing the enterprise. Your prospect will be blown away when you teach them things that they did not know.

**8. Insurance Coverage Review.** As you have experienced first-hand, there are often glaring deficiencies and gaps in a prospect's insurance program that will cause material harm to the enterprise should a claim occur. A thorough review and analysis of the insurance policies followed by a consultation elevates your status and discredits the incumbent. This occurs because you are empowering the prospect to think strategically about business risks. When a coverage deficiency is identified, educate, magnify, and quantify. Subtly ask how and why the incumbent failed to recognize the risk. In a well-constructed coverage review, the emotions of the prospect will come to surface in the form of surprise, disappointment, confusion, fear, anger, and more.

**9. Direct Access to the Underwriter.** Prospects are seldom given the opportunity to "tell their story" directly to the underwriting community. You will differentiate yourself in the marketplace and discredit the incumbent by giving the prospect direct access to the underwriter...the person who determines the terms and conditions of the offering. This can occur in a variety of ways including the creation of a video crafted by the prospect's leadership team, a conference call, or an in-person meeting. Underwriters relish the opportunity to develop relationships with their insureds. A synergistic partnership between the underwriter and the insured is a winning formula.

**10. Risk Management Service Plan.** A Risk Management Service Plan sets the objectives, standards, and steps for the implementation of risk and claims management services. Importantly, the plan serves as the blueprint for the achievement of specific goals and holds you, the carrier, and insured accountable for commitments. Chances are that the incumbent has no functioning service plan that shifts the consumer's focus away from the transaction to risk profile improvement. The Risk Management Service Plan is a tangible document that demonstrates your ongoing commitment to the client. It also gives the underwriter enhanced comfort and a reason to offer preferred terms and conditions.

**11. Safety Committee Participation.** Your prospect will typically have a functioning safety committee. Rarely does the incumbent participate. Your interest and enthusiasm in actively participating on the safety committee will set you apart from your competitors. It also enables you to build relationships, gain an appreciation for the corporate culture, and better

understand the policies, procedures, and risk issues of the organization. Don't be surprised if the committee asks you to share your wisdom and perspectives.

**12. Stewardship Review.** The dictionary defines stewardship as “managing for others, one who directs affairs. A guardian.” A Stewardship Review reaffirms your commitment to serve the best interests of the organization. Conducted away from the renewal process, the Review is a time to actively listen to the prospect speak about future goals, opportunities, and struggles. It also gives you the opportunity to accomplish the following:

- Convey your knowledge of the prospect's industry, business, and evolving risk issues.
- Reinforce the quality and integrity of your work product.
- Reaffirm the importance of your partnership.
- Demonstrate the fact that you are delivering value-added resources as evidenced by the tools and tactics described above.

In the majority of cases, you will find that the incumbent has no formal Stewardship Review Process.

The Dirty Dozen...strategies to elevate your status while discrediting the incumbent.

#### About the Author

Scott Addis, CPCU, CRA, TRA, ASA is the CEO of Beyond Insurance and is recognized as an industry leader having been named a Philadelphia finalist for Inc. Magazine's "Entrepreneur of the Year" award as well as one of the "25 Most Innovative Agents in America." Beyond Insurance is a consulting firm that offers leadership training, cultural transformation, and talent and tactical development for enlightened professionals who are looking to take their practice to the next level. Since 2007, the proven and repeatable processes of Beyond Insurance have transformed individuals and organizations as measured by enhanced organic growth, productivity, profitability, and value in the marketplace.