



**THE TRANSITIONS**

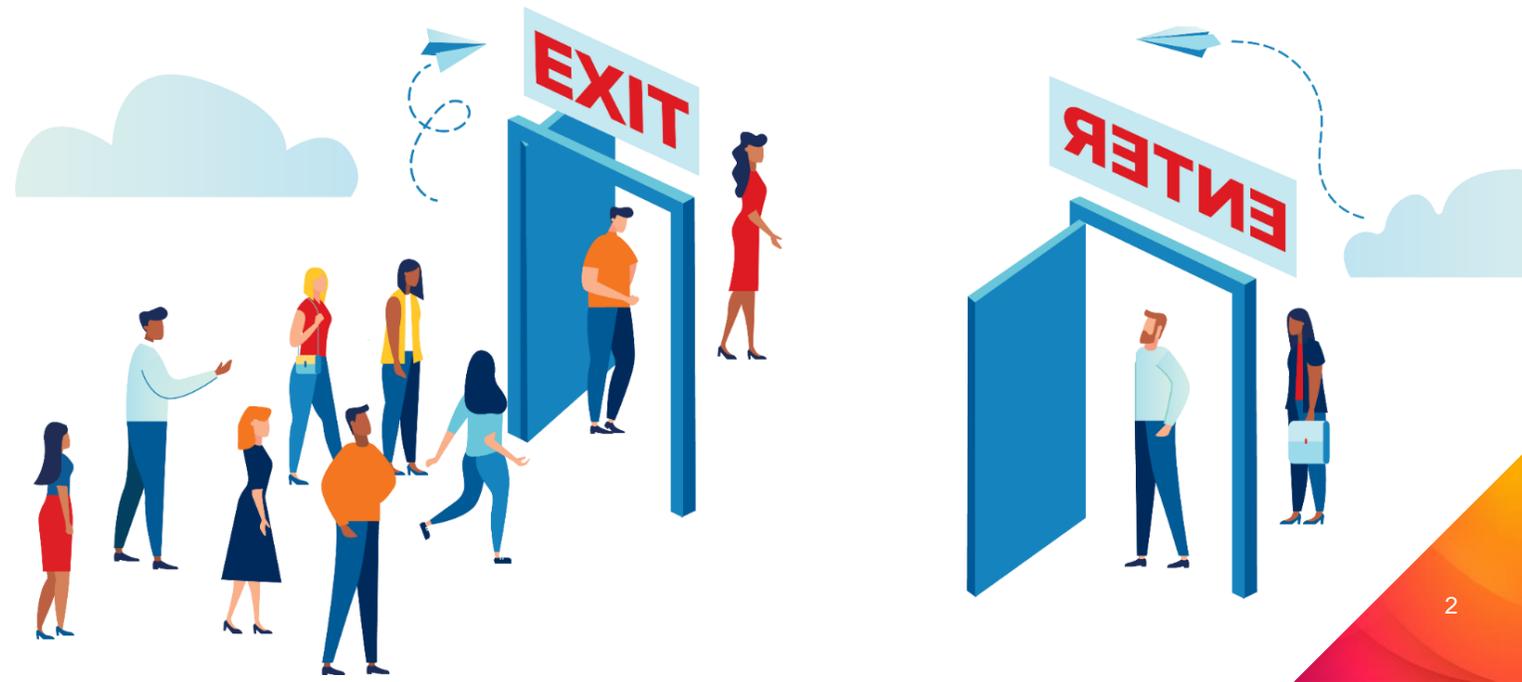
PASSING THE TORCH

# **Workers' Compensation Benchmarking Study: *Change Your Organization's Talent Crisis Trajectory***

January 26, 2021

# About *The Transitions*

- The Mission Statement
  - The Transitions is a movement to help the workers' compensation industry, collectively and individually, think strategically about how to handle the influx and outflux of talent over the coming decade.
- The Goal
  - Encourage the creation of a “transition” plan for every stakeholder in workers' compensation. Whether the transition is out or up / across, creating a plan that includes conscious consideration of overall strategy and specific tactics is a major key to success.
- “Create a Transition Plan” Curriculum
  - Attend the nearly yearlong webinar series
  - Use each webinar's handouts to Create A Transition Plan



# “Create a Transition Plan” Curriculum

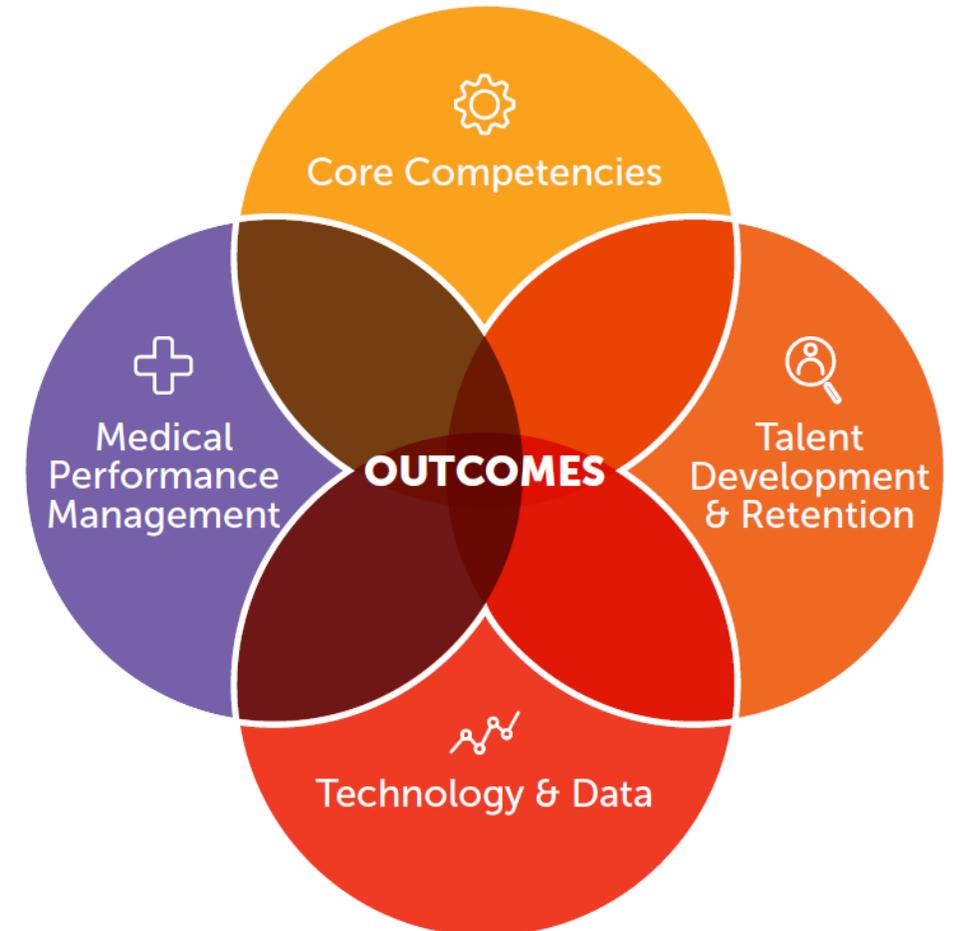
- Jan 21 – Igniting the Flame: Kickoff Webinar
- Jan 26 – WC Benchmark Study: Change Your Talent Crisis Trajectory
- Feb 18 – Reimagine Mentorship
- Week of Mar 8 – Reimagine Management Style
- Week of Mar 29 – Reimagine Influence
- Week of Apr 19 – Reimagine Communication Models
- Week of May 17 – Reimagine Business Processes
- Week of June 7 – Reimagine Technology Strategies
- Week of June 28 – Reimagine Marketing Methods
- Week of July 19 – Reimagine Human Resources
- Week of Aug 9 – Reimagine the Work Comp Brand
- Week of Aug 23 – Create The Transition Plan
- And probably more...

Study findings set the stage / foundation for “reimagining” workers’ compensation.

# Overview – Workers’ Compensation Benchmarking Study

- **Industry’s largest** annual survey of claims executives & frontline professionals
  - 3,400+ participants since 2013
- **Focuses** on operational challenges, solutions, & emerging trends
- **Validates** claims differentiators of higher performing organizations vs. lower performers
- **Provides** operations assessment tool for claims leadership
- **Advocates** for claims management advancement in the industry

## 4 Major Drivers of Claims Outcomes



**“You can’t improve  
what you don’t measure.”**

**PETER DRUCKER,**

**business management consultant, educator & author**

# Today's Panel

## WEBINAR MODERATOR & PANELISTS



MODERATOR

**Rachel Fikes**

CXO & Director, Work Comp Benchmarking Study  
Rising Medical Solutions



**Bill Zachry**

Board Member  
State Compensation  
Insurance Fund



**Jeanette Ward**

COO  
Texas Mutual Ins Co



**Thomas Wiese**

VP of Claims  
MEMIC



**Victoria Kennedy**

Asst Dir, Ins Svcs  
WA Dept of  
Labor & Industries

**Session Format:**

# **The Hot Seat**



**Solutions applicable to all industry talent & sectors**

# Organizational Investment in Talent

## Resetting Talent Development Beliefs

**CFO**

What happens if we invest in developing our people and they leave us?

**CEO**

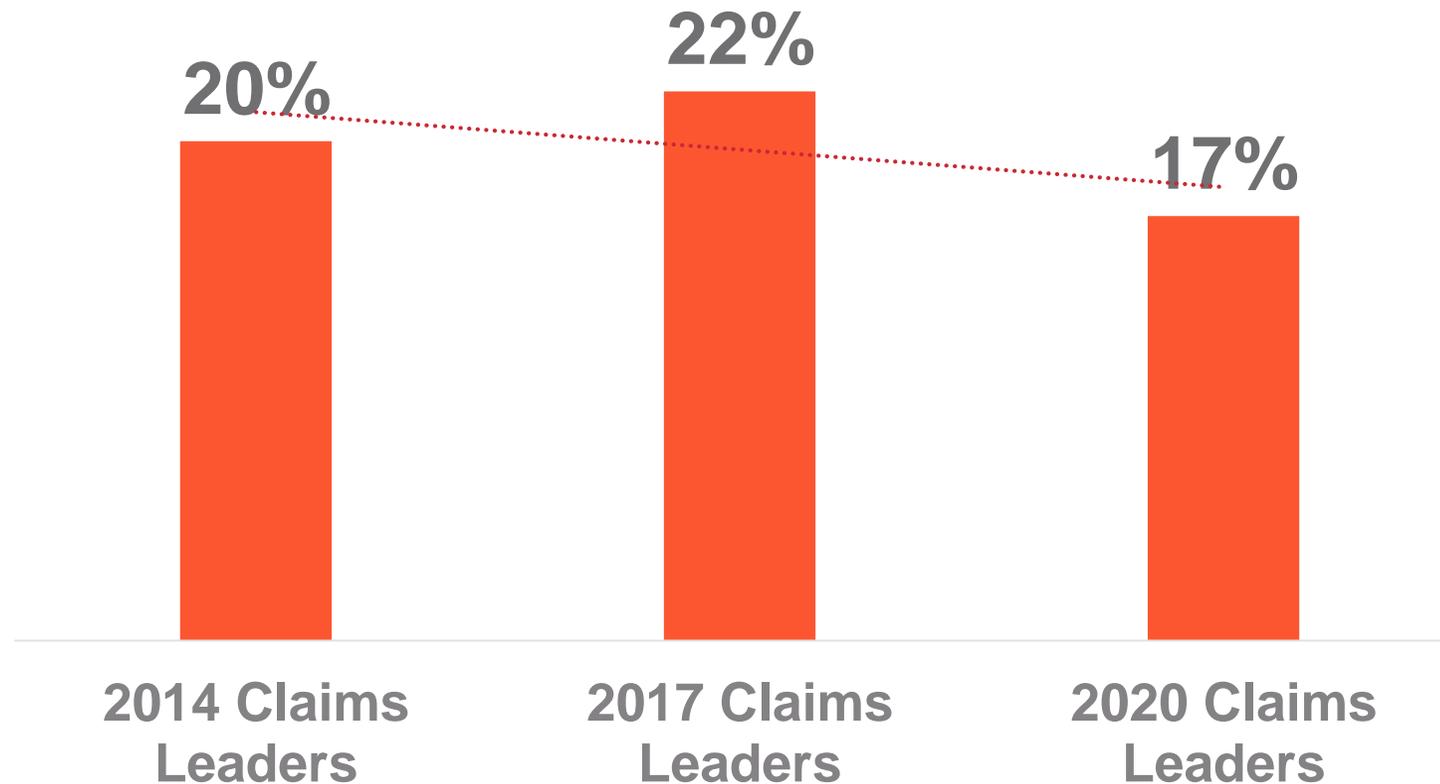
What happens if we don't and they stay?



Investing in Employees

# Collegiate Collaboration & Recruiting

## Extent of collaboration with colleges/universities

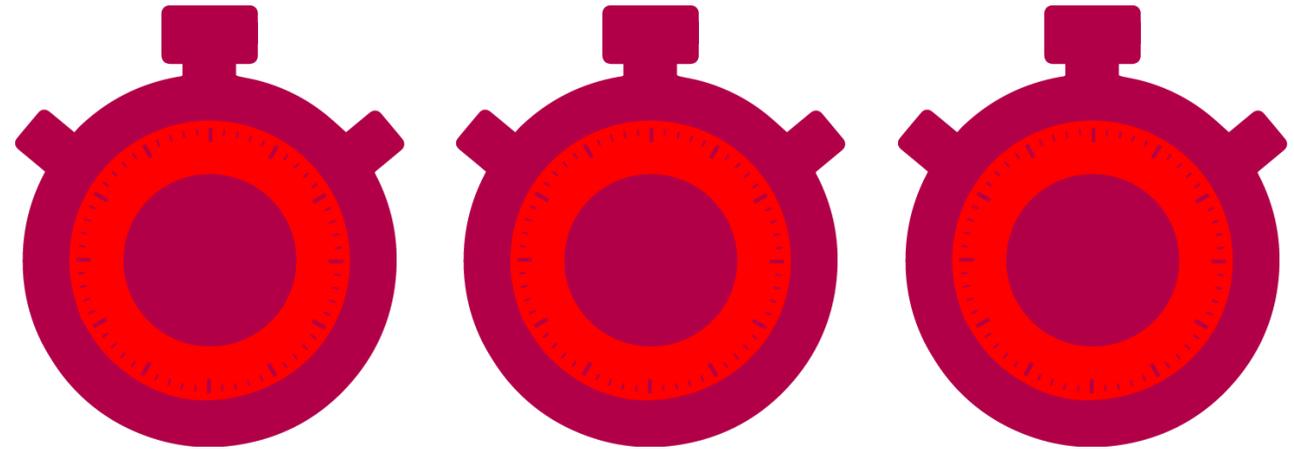


# Industry Grade:

Jeanette – C/D

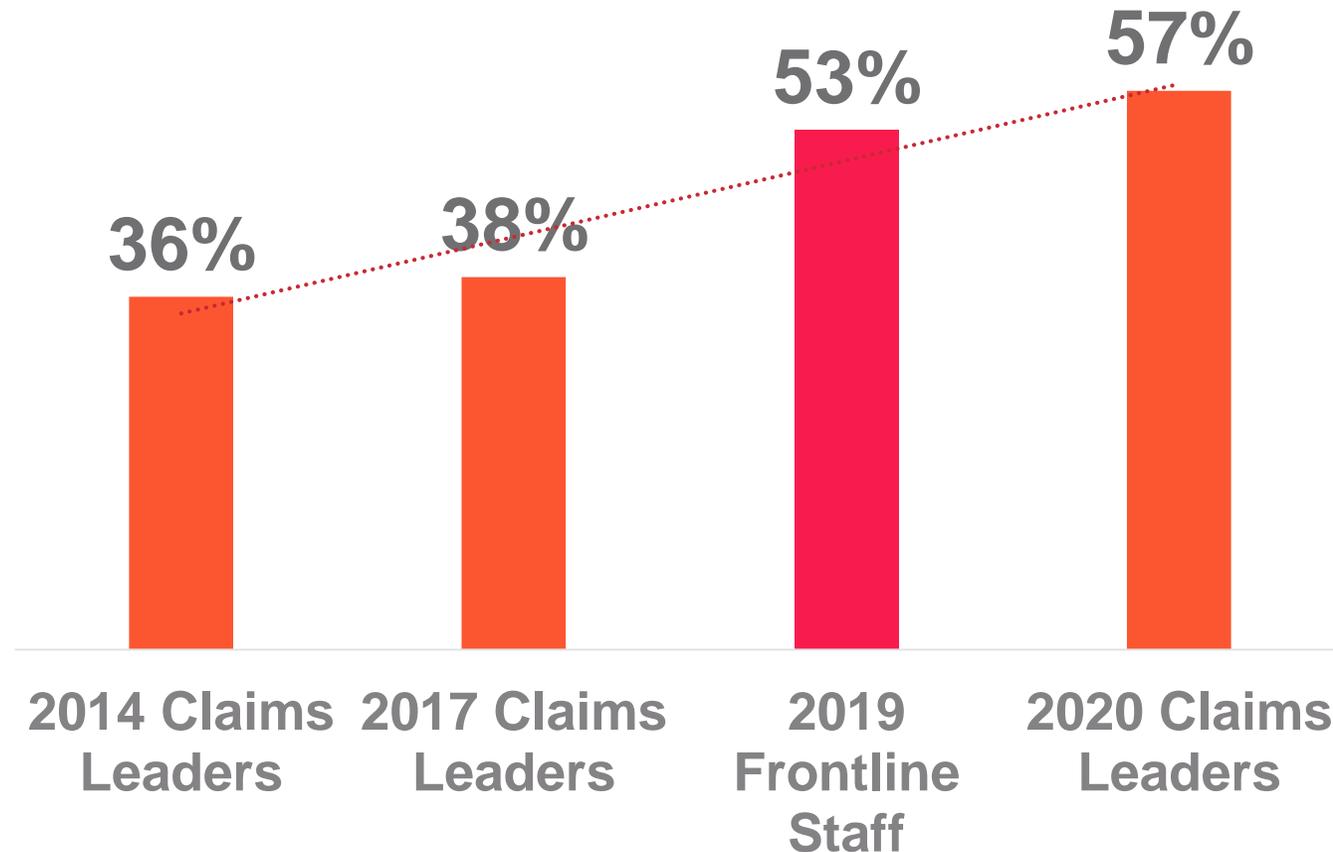
Vickie – C

Tom – C



# New Hire Training

Provision of formal training program for new hire claims staff with little to no experience



# New Hire Training

## Hours of New Hire Training

	2014 Claims Leaders	2017 Claims Leaders
1- 20 hours	20%	33%
20 - 40 hours	22%	18%
40 - 60 hours	12%	17%
60 - 80 hours	8%	8%
80 - 100 hours	1%	9%
> 100 hours	19%	15%
Unknown	18%	-

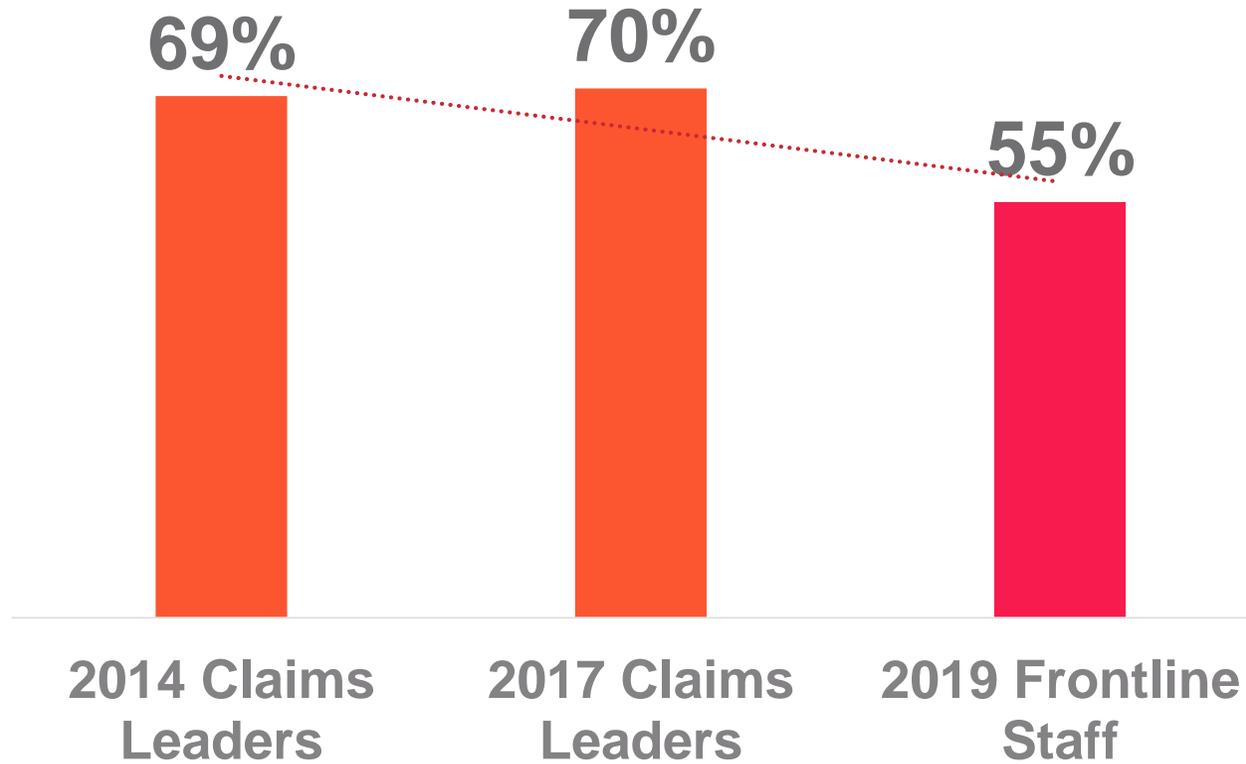
## ROI Expected from New Hire Training

	2014 Claims Leaders	2017 Claims Leaders
1-2 yrs of employment	24%	23%
3-4 yrs of employment	43%	47%
Greater than 5 yrs	19%	21%
Unknown	14%	9%

...or 1 year of employment for every 10 hours of training.

# New Hire Training

Belief that new hire training prepares new claims staff to carry a caseload

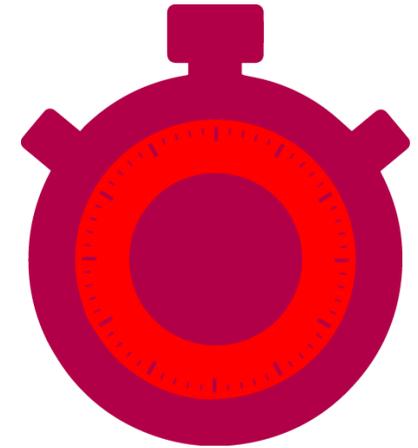
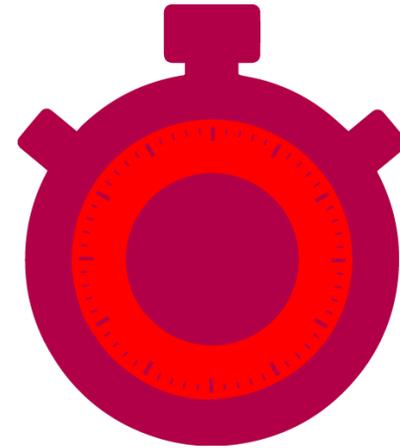


## New Hire Training

# Industry Grade:

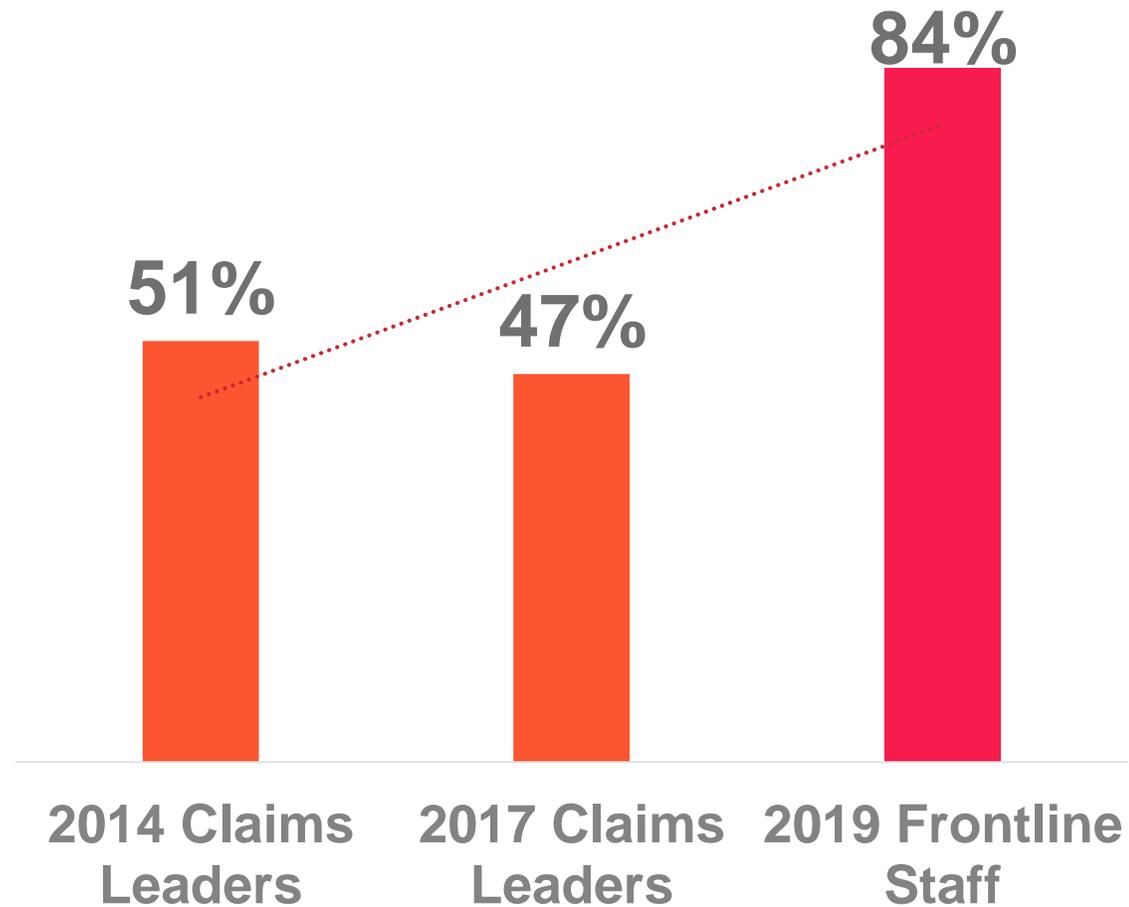
Jeanette – B

Tom – B



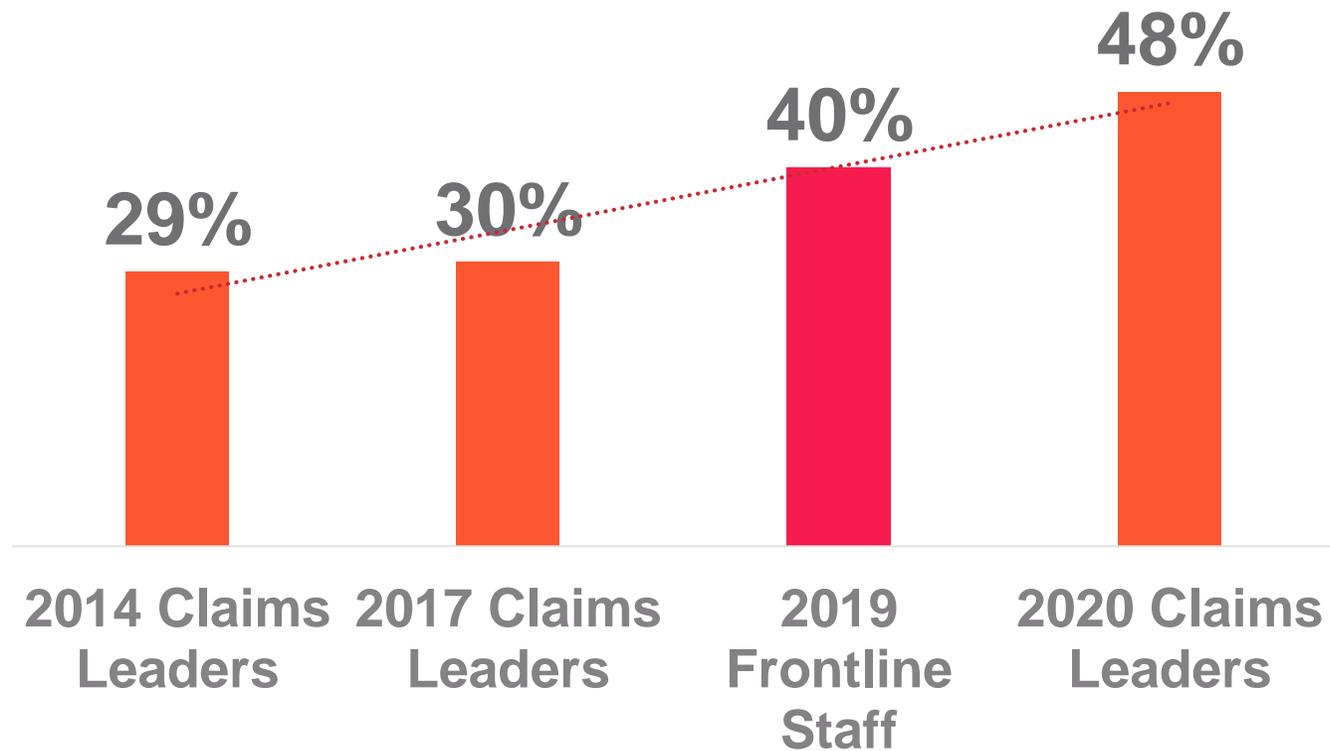
# Ongoing Training, Career Pathing & Knowledge Transfer

## Provision of senior level / ongoing skills training



# Ongoing Training, Career Pathing & Knowledge Transfer

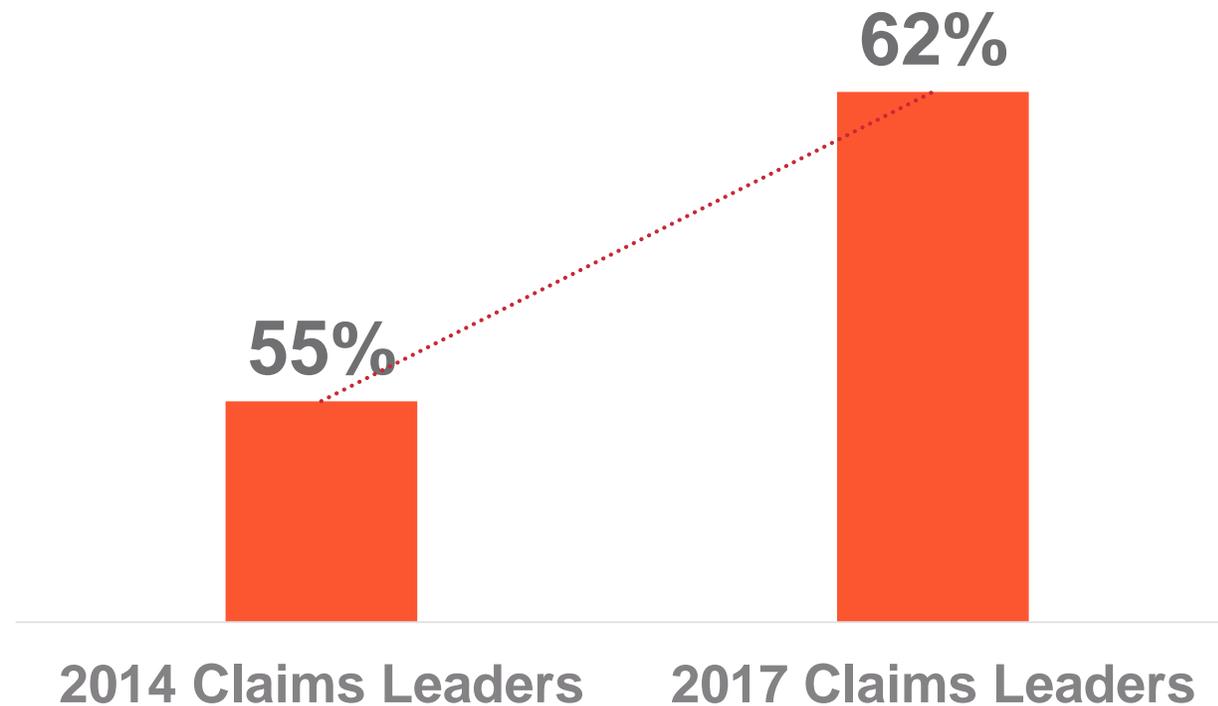
Provision of formal career path program with growth opportunities for claims staff



# Ongoing Training, Career Pathing & Knowledge Transfer

**Use of formal processes to ensure knowledge transfer from senior-level staff to new / less experienced staff**

(e.g. oversight governance, cross-training, regular multidisciplinary strategy sessions)



# Ongoing Training, Career Pathing & Knowledge Transfer

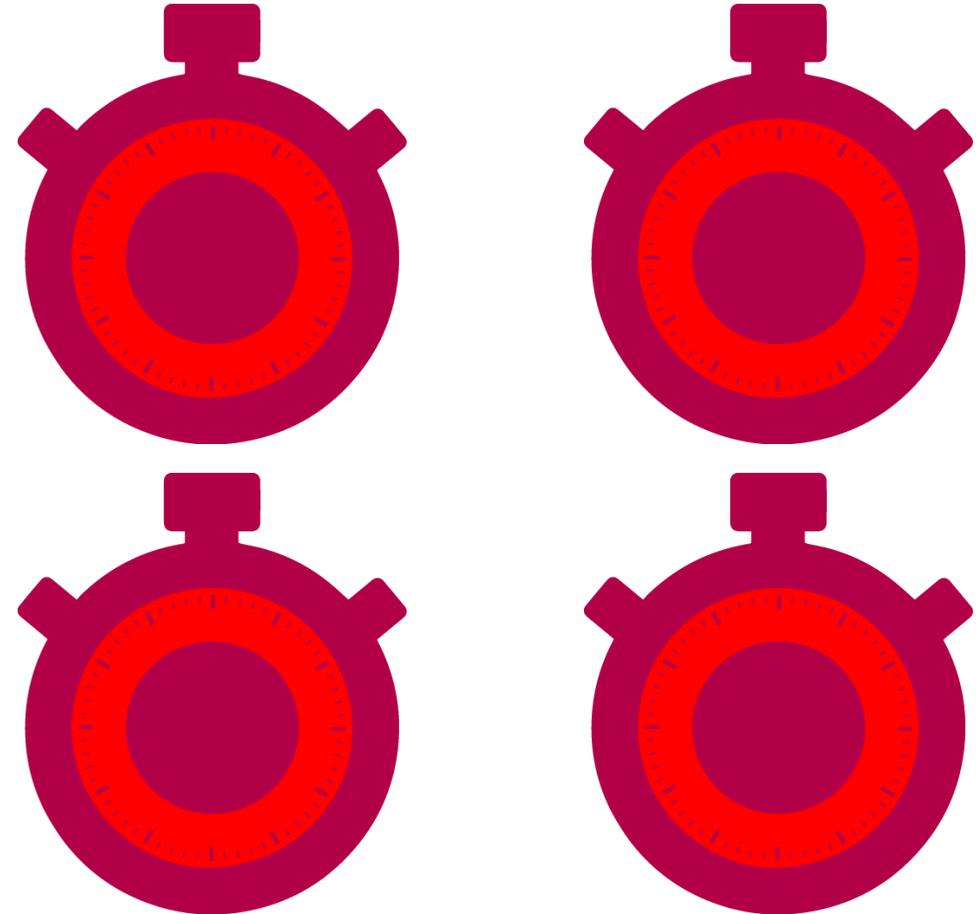
## Industry Grade:

Jeanette – C

Tom – C

Bill – C+

Vickie – B-



# Compensation

## Primary reason would leave current job

	2019 Frontline Staff
Salary/benefits	34%
Growth opportunity	21%
Other	19%
Company reputation, culture & values	7%
Training & development	1%
None/Not Applicable	18%

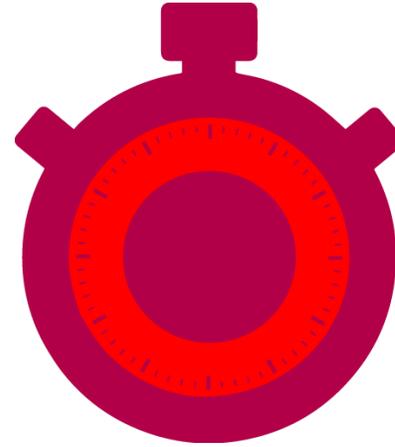
## Frequency that salary and benefits are benchmarked for claims staff

	2020 Claims Leaders
Annually	28%
Every 2 years	12%
Every 3 years	3%
No set timeline, completed when needed and/or based on staff attrition rate	19%
Unknown	23%
None/Not Applicable	15%

## Compensation

Industry Grade:

Bill – B-



# Benefits & How COVID Changed Everything

	2014 Claims Leaders	2017 Claims Leaders
<b>Wellness programs</b>	<b>48%</b>	<b>59%</b>
<b>Tuition reimbursement</b>	<b>49%</b>	<b>57%</b>
<b>Professional conference fee reimbursement</b>	<b>48%</b>	<b>52%</b>
Professional membership dues reimbursement	46%	44%
Bonus / Profit sharing	29%	42%
Work from home option	25%	41%
Time to participate in community outreach	30%	38%
Recognition/rewards for industry designations (i.e., AIC, CPCU)	31%	37%
Flextime for exercise during workday	21%	29%
Onsite exercise programs	25%	28%
Four-day work week or other alternative scheduling arrangement	20%	26%
Gym membership	16%	20%
Stock options	6%	8%

## 2019 Frontline Staff

<b>Work from home option</b>	<b>1</b>
<b>Bonus/profit sharing</b>	<b>2</b>
<b>Four-day work week or other alternative scheduling arrangement</b>	<b>3</b>
Flextime for exercise during the workday	4
Recognition/rewards for industry designations (i.e., AIC, CPCU)	5
<b>Professional membership dues and/or conference fee reimbursement</b>	<b>6</b>
<b>Wellness programs</b>	<b>7</b>
<b>Tuition reimbursement</b>	<b>8</b>
Gym memberships	9
Time to participate in community outreach	10

# Benefits & How COVID Changed Everything

## 2020 Claims Leaders

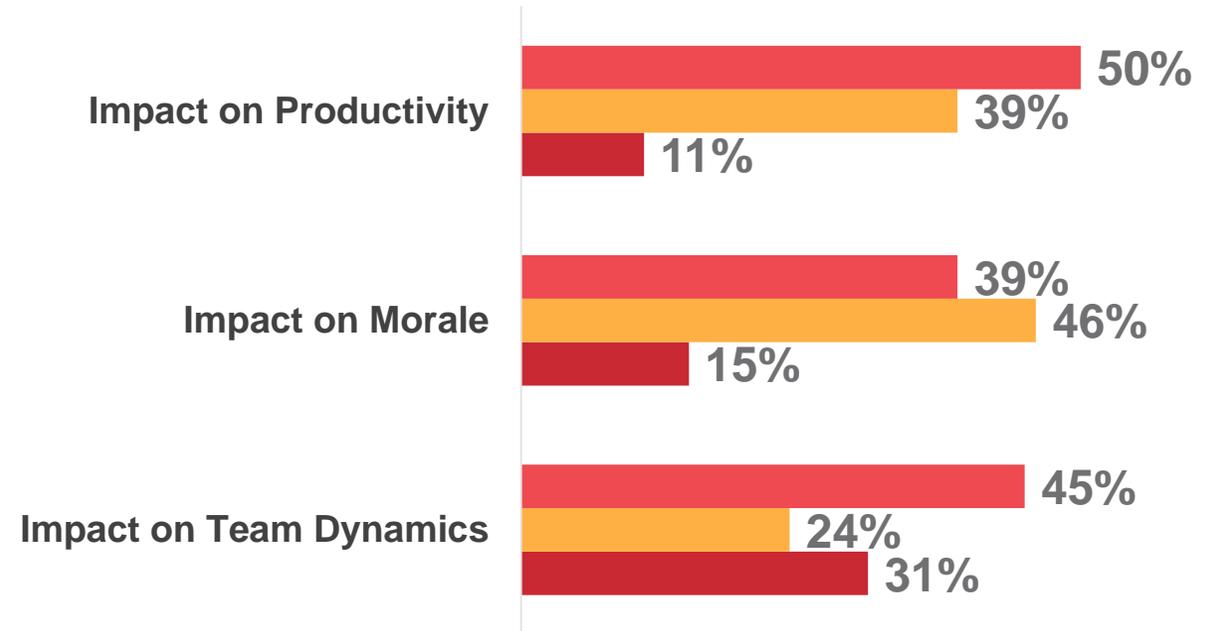
### Pre-COVID:

**61%** say a portion of their frontline staff worked remotely *before* the pandemic

### Post-COVID:

**90.5%** anticipate a portion of their frontline staff will work remotely *after* the pandemic, with **49%** believing over half of their workforce will work remote

### How has remote work from home impacted the claims operation productivity, morale, and team dynamics?



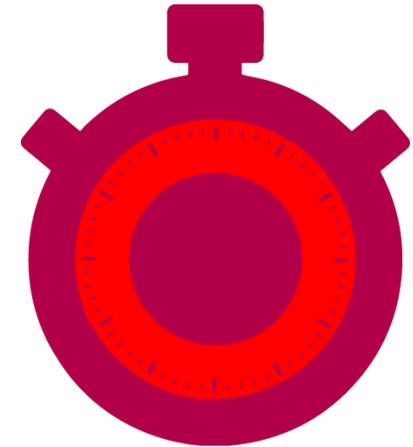
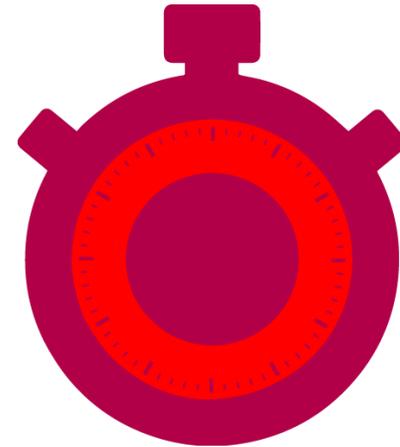
- No change
- Improved/Positive Impact
- Decreased/Negative Impact

## Benefits & How COVID Changed Everything

Industry Grade:

Vickie – B+ (x2)

Tom – B+



# Organizational Investment in Culture

**"Culture is not what you say.  
It's what you do."**

Jennifer Ledet

**"Culture in a company is:  
how do people behave  
when you are not looking?"**

Ben Horowitz

**"Customers will never love a company  
until the employees love it first."**

Simon Sinek

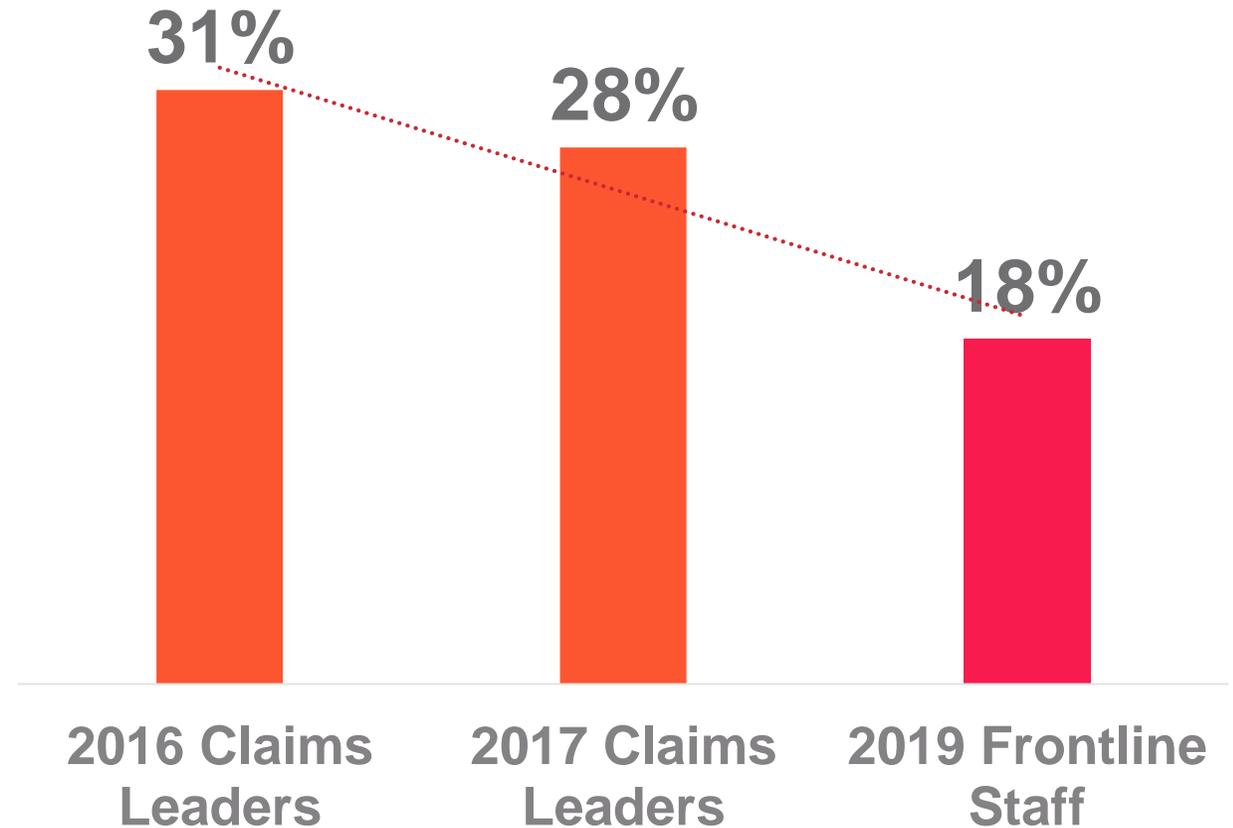


## Advocacy Model

“The advocacy approach in workers’ comp may be its talent attraction **holy grail.**”

- Risk & Insurance

### Use of advocacy-based claims model



# Advocacy Model

Considering advocacy-based claims models, what are potential impacts to the claims profession?

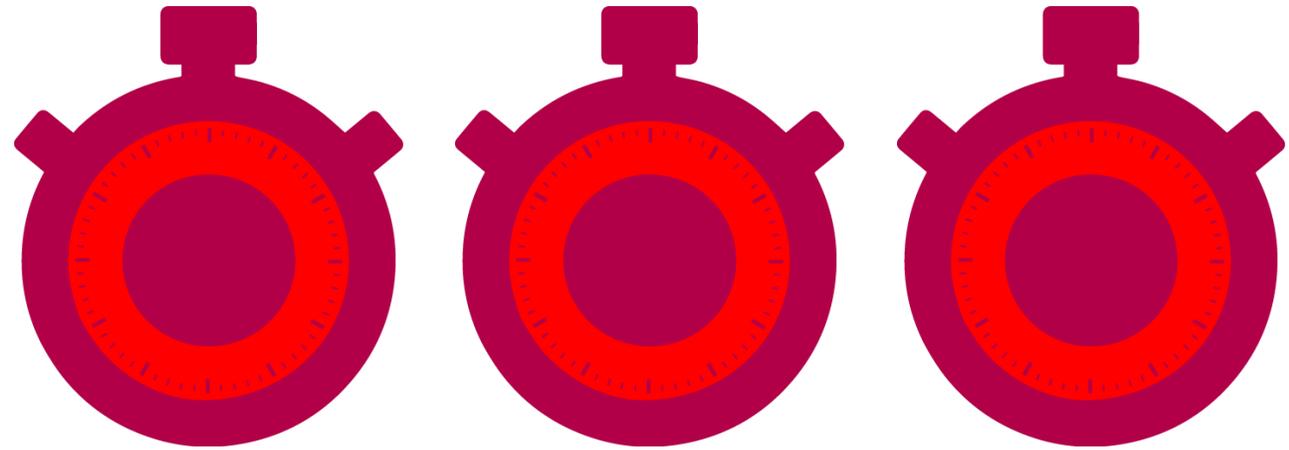
	2017 Claims Leaders (overall rank)	2019 Frontline Staff (select all that apply)
Employee / injured worker engagement	1	48%
Connect claims talent strategy with organizational mission / service model	2	24%
Transform image of the claims profession from adjuster to advocate	3	47%
Elevate the social factors, meaningful work of claims professionals	4	28%
Improve organizational reputation / social image	5	36%
No impact	-	24%

# Industry Grade:

Vickie – B  
(A- for some juris)

Jeanette – B-/C+

Bill – B-



# Soft Skills

## Provision of soft skills training

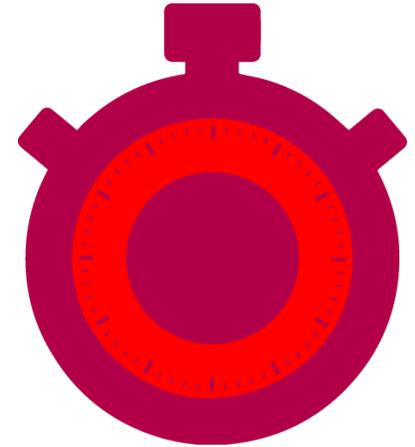
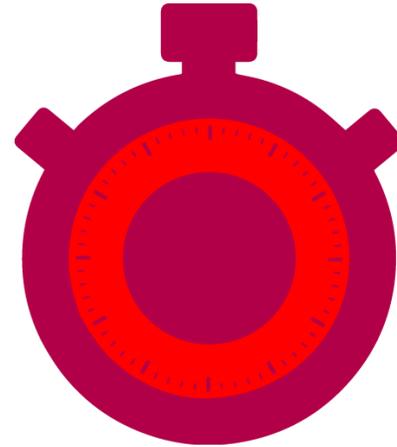
	2017 Claims Leaders	2019 Frontline Staff
None/Not Applicable	45%	42%
Customer service skills	43%	48%
Communication skills	42%	43%
Critical thinking	32%	34%
Active Listening	34%	32%
Empathy	22%	25%

## Soft Skills

# Industry Grade:

Tom – D

Vickie – C+



# Addressing Psychosocial Issues

## Greatest obstacles to achieving desired claims outcomes

	2016 Claims Leaders	2019 Frontline Staff
Psychosocial issues and/or other comorbidities	1	3
Lack of RTW option / accomodation	2	1
Litigation / applicant attorney involvement	3	2

# Addressing Psychosocial Issues

**35%** of 2019 Frontline Participants indicate they do not get adequate training in understanding psychosocial risk factors and mental health issues

## What initiatives has your organization implemented to address psychosocial and/or co-morbidity issues?

	2020 Claims Leaders
None/Not Applicable	33%
Increased frontline claims professional training on co-morbidities (i.e., obesity, diabetes, hypertension) with recommended claim strategies/interventions	38%
Increased frontline claims professional training on psychosocial issues with recommended claim strategies/interventions	33%
Technology to identify psychosocial and/or co-morbidity risk factors	28%
Implemented clinical resources to assess and mitigate psychosocial risk factors such as Cognitive Behavioral Therapy (CBT)	26%

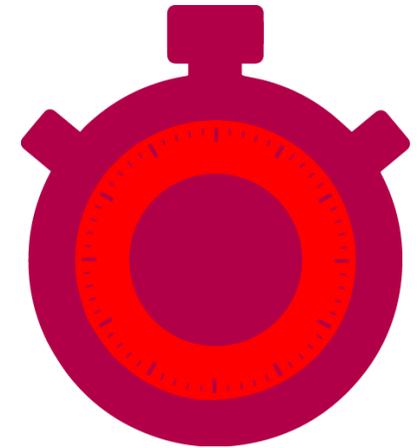
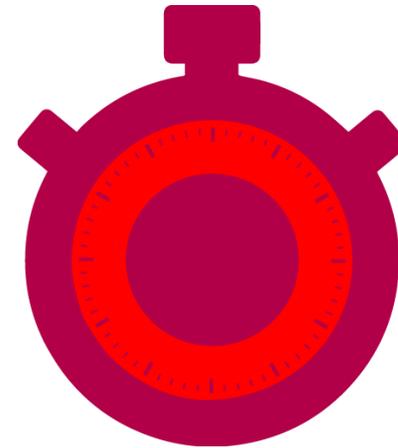
## Addressing Psychosocial Issues

Industry Grade:

Bill – C-

Vickie – C+

(B+ on the horizon)



# Metrics – You Are What You Measure

## Most important claims outcomes / performance metrics

	2016 Claims Leaders	2019 Frontline Staff	2020 Claims Leaders
Percentage of employees / claims that return to the same or better pre-injury functional capabilities	1	2	3
Percentage of employees / claims that Return-to-Work (RTW) at or below industry benchmarks	2	1	1
Total claim costs			2

## Based on your prior response, does your organization utilize the following performance metrics to measure claims management effectiveness?

(conditional question)

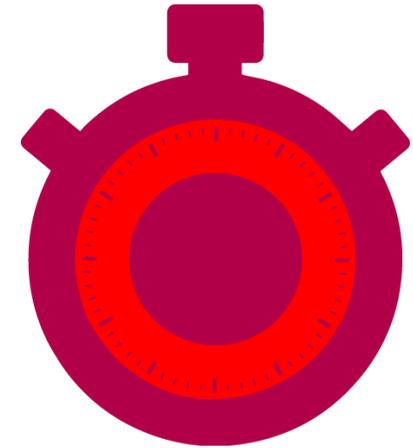
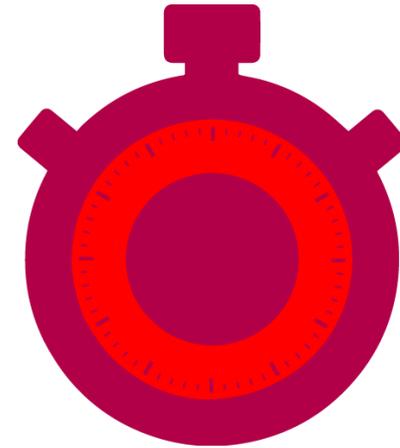
	2020 Claims Leaders
Total claim costs	87%
Average claim costs	87%
Claims resolution ratio	85%
Indemnity claims ratio	84%
Average TTD / time loss days per claim	83%
Litigation rate	77%
Claims reopening ratio	72%
<b>Percentage of employees / claims that Return-to-Work (RTW) at or below industry benchmarks</b>	<b>71%</b>
Injured worker satisfaction	63%
<b>Percentage of employees / claims that return to the same or better pre-injury functional capabilities</b>	<b>54%</b>

Metrics – You Are What You Measure

Industry Grade:

Jeanette – A/B

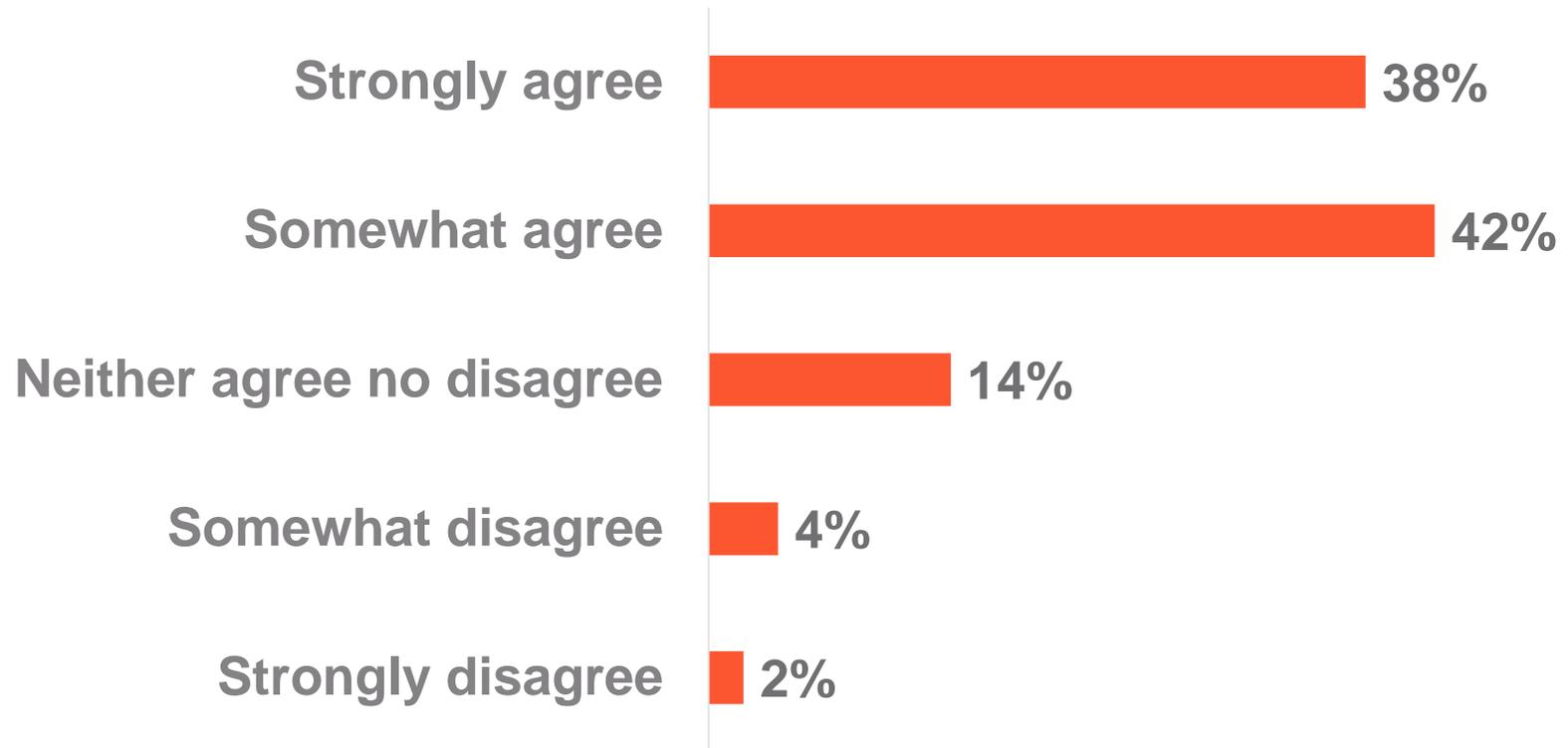
Vickie – C+



# Job Meaningfulness

Overall, do you find your job meaningful?

## 2019 Frontline Staff



## Job Meaningfulness

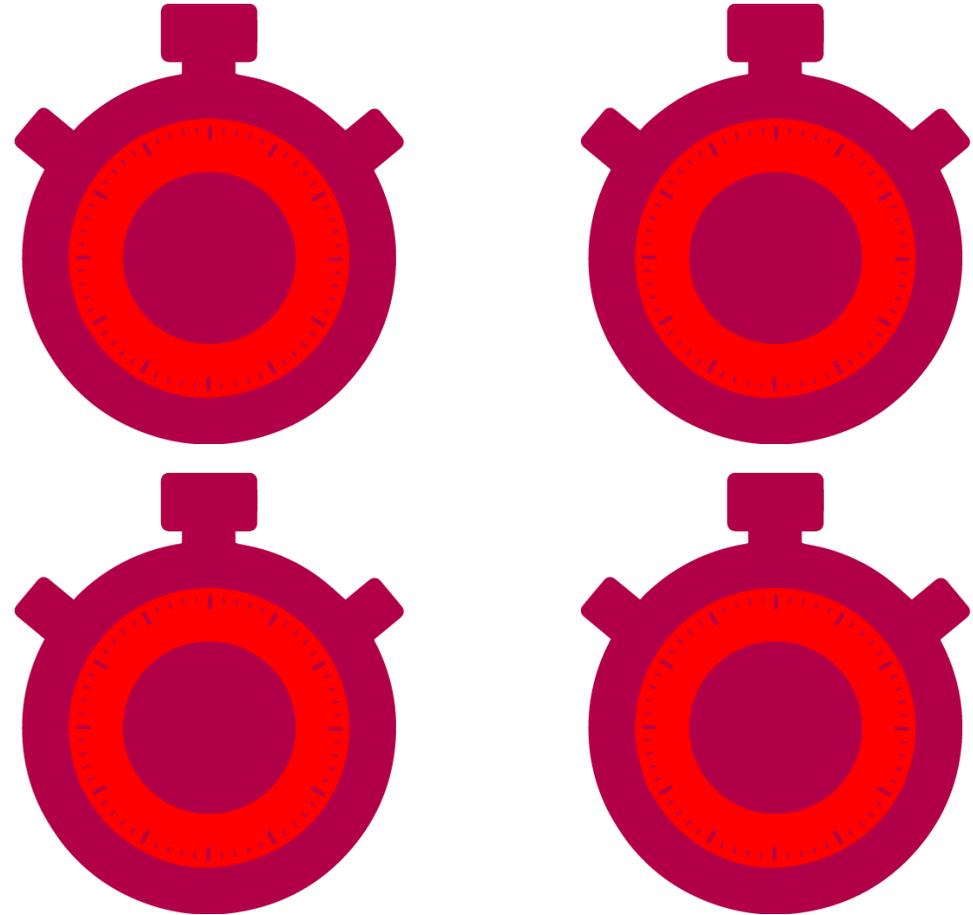
# Industry Grade:

Bill – B

Jeanette – B

Tom – C

Vickie – A-



# Audience Q & A



# Next Steps



WEBINAR

# REIMAGINE MENTORSHIP

THURSDAY, FEBRUARY 18, 2021 | 11 a.m. ET



## MODERATED BY

### Mark Pew

Senior Vice President,  
Product Development  
& Marketing  
Preferred Medical

<http://bit.ly/The-Transitions-W3>



**THE TRANSITIONS**

PASSING THE TORCH

## PANELISTS



### Bret Cade

Senior Vice President  
Ascential Care Partners



### Julie Fetherman

Advisory Board Member  
WC1360



### Tandeka Nomvete

Director, College Recruiting  
QGrads



### Licia Thompson

WC Leadership Transition Clarity &  
Confidence Coach & Consultant  
LiciaThompson.com



### Scott Yasko

VP, Business Development  
Preferred Medical

# Get Involved

- Attend each webinar
- Use the handouts to Create A Transition Plan
- Join our Mentor/Mentee program
  
- Follow our LinkedIn page (“The Transitions”)
- Join our LinkedIn group (“The Transitions Forum”)
- Subscribe to our First to Know database (<http://eepurl.com/hl-EKn>)
- Subscribe to our YouTube channel (<http://bit.ly/The-Transitions-YouTube>) → webinar recordings available on-demand



**THE TRANSITIONS**

PASSING THE TORCH

# THANK YOU

- Rachel Fikes – [rachel.fikes@risingms.com](mailto:rachel.fikes@risingms.com)
- Bill Zachry – [wzachry@gmail.com](mailto:wzachry@gmail.com)
- Jeanette Ward – [jward@texasmutual.com](mailto:jward@texasmutual.com)
- Vickie Kennedy – [kene235@lni.wa.gov](mailto:kene235@lni.wa.gov)
- Tom Wiese – [twiese@memic.com](mailto:twiese@memic.com)