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In the C-Suite

Crum & Forster's Senior Vice President of Claims **Stephen Eisenmann discusses his thoughts on good leadership, the importance of being inquisitive and passionate, and what he thinks the claims profession will look like in the future.**



By Taylor Smith
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In the C-Suite

Name: Stephen Eisenmann

Current Position: Senior Vice President, Claims, Crum & Forster

Size of Claims Organization: 350 staff

Years in Current Role: 3

Years in Insurance Industry: 35

Degrees: BS, Temple University

Originally from: Norristown, PA

First Insurance Job: Claim Representative, with Liberty Mutual

Q. Stephen, we're delighted to be speaking with you today. Can you share a little bit about your childhood?

A. Growing up outside of Philadelphia in Norristown, Pennsylvania, we were a basketball family; I'm one of six children — I have three brothers and two sisters. All of the boys played basketball and a few of us coached as well. My parent's courtship involved basketball games at Villanova. But I guess it was my father, who was an engineer and got involved in product liability claims when he worked for Ford Motor Company that led the way for me to go into insurance. He worked in the consumer products division of Ford and helped them defend product liability claims.

Q. What did you want to be when you grew up?

A. Well the basketball gene was strong and I wanted to be a teacher and coach. Throughout high school and into college I played and really thought that was the route I would take. I guess there is an element of education in my job now and I'm now sidelined to watching college hoops instead of playing them.

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Q. What was your first insurance job?

A. As a college student at Temple University, I needed a job to pay tuition so I answered an ad in the newspaper for a position as a claim representative with Liberty Mutual. This was a full-time job so I attended school at night. Later, after graduation, I changed jobs and moved to Reliance Insurance and went through their training program. Those early jobs taught me a number of things but the two most important characteristics I learned were: be inquisitive and understand the basics of determining coverage.

Q. Do you think that natural curiosity or inquisitiveness is important to being a good claims person?

A. Absolutely. It's extremely important to understand that the sooner you can gain information about a claim the better off you will be.

Q. When did you move into management in the claims field?

A. When I moved to Reliance, I became a field adjuster and then was promoted into a supervisory role with responsibility for managing a unit that handled workers' comp claims. I hadn't worked in workers' comp before, so that was new to me. Of course, I had second thoughts about taking a supervisory position because it meant giving up my company car at the time!

Q. So you had experience in several lines of business at an early stage of you career. Do you think that's important for claims professionals?

A. I think we are more specialized as an industry now, so it's harder to get that varied experience. I also think people tend to gravitate to what they enjoy and then move up in the ranks of that area. I think it's just as important for executives to have good leadership qualities — the ability to motivate and communicate — as it is to have a varied industry background.

Q. Are there other qualities that you believe are important to be a good leader?

A. I think it's important to lead by example. My philosophy is that I wouldn't ask any of my people to do anything that I haven't already done or wouldn't do myself. I found that by leading by example I have been able to develop good, cohesive and successful teams.

Q. Does the industry do enough to promote those attributes among leaders?

A. I think it is up to each manager to develop leadership talent. It's not the industry's role to educate people. People who are committed and passionate about what they do, make it their responsibility to learn and grow. Going back to a basketball reference, you can't teach an athlete to be fast, you also can't teach a professional to have passion. If you don't care, all the teaching in the world is not going to make you a successful leader. Having strong mentors makes a difference and that is where leading by example comes into play.

Q. What would you advise young claims professionals to do to help them make their career more successful?

A. As I've said, they need to be passionate and inquisitive and they also have to have good critical thinking skills. I constantly tell our junior staff that there's no formula for being a good claims professional. We try to stress with our people that we want to see them demonstrate good critical thinking and that often comes down to assessing and assigning a value to a case. For me, a good claims person can arrive at a value for a claim, and can also break down for me how they got there. I

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want professionals on my team to be able to explain to me how he or she arrived at that dollar figure. That's when you can see their thinking in action.

We want our staff to be proactive and communicate. That means establishing personal relationships by either picking up the phone or conducting a face to face meeting. Some of our junior staff rely too heavily on email and texting. There is no substitute for personal interaction; it is an important ingredient to every professional's success.

Q. Do you feel there's a talent crisis in the claims industry?

A. We've had a significant number of openings over the last few years, and we've had no problem filling them. So there are definitely talented people out there. Our larger challenge has been in training staff to our way of thinking and working. If you're willing to take smart people and train them in your systems and values, then I think you can be successful. Having said that, I don't think that there are a bunch of recent grads out there saying they want to be claims professionals.

Q. When did you realize that claims was where you wanted to focus your career?

A. I got into a situation where I had been able to experience different organizations. I had the opportunity to look at different companies and see how they operated. To me, that was fascinating - looking at different operations and how they performed. At that point, something clicked and I wanted to be a part of making operations work well. I also enjoyed working on complex claims and figuring out how best to resolve them. That's when I decided to make it my career.

Q. You have an impressive background, which includes serving as CEO of Cunningham Lindsey, founding President of Cambridge Integrated Services Group, and as the President of IRISC, Inc. This suggests that you have an entrepreneurial side to you. Is that the case?

A. Yes. I'd say very much so. Being exposed to all sides of the business, including the sales and marketing side, is very interesting to me. I get a lot of satisfaction out of tackling new challenges. All those experiences have allowed me to have a varied and interesting career. Again, I think it's very much about having passion for what you're doing.

Q. Are there differences between managing a claim as part of a TPA versus being in-house?

A. Well, the nuts and bolts of handling a claim aren't all that different. But, you have different customers in different scenarios. Managing a claim for an insurance company versus managing a claim within an SIR is a slightly different experience. Working both sides has given me an appreciation for all facets of the work.

Q. If you were speaking to a group of new claims professionals, and they asked you if it were better to be exposed to multiple lines of business or stay specialized, what would you advise?

A. I think it's good to be exposed to multiple environments. In my opinion, doing different things for different people is good for your career. It's not so much working in vastly different lines of business, but working in different environments that I think is important. I think if someone finds a line of business they enjoy, there's nothing wrong with staying in that line, but seek out different opportunities to expose yourself to the different disciplines involved.

Q. What new or developing trends in the claims management world intrigue you the most right now?

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A. Our ability to gather more information is tremendous. Analytics and predictive modeling is going to change the way we do business. We're starting to see it used more and more on the claims side. While we will always continue to focus on analyzing claims, the amount and quality of the data available to help in that process is just amazing.

Q. If you could look into the future, what do you think claims organizations will look like?

A. I think that a lot of claims organizations will move toward centralization to control costs and processes. On the other hand, the industry will also be looking at the value of having people working within the confines of an office and looking for ways to deploy staff more effectively. We have the ability now to have people out in the field, working remotely and achieving good results. The big drive in the industry will be around workflow efficiency. While there are some concerns about a virtual world – namely around the lack of informal communication and development that occurs when people are working together in an office --- I believe those concerns can be overcome by bringing people together in more formalized ways, like for training and education.

Q. Tell us a bit about you personally. Are you married?

A. Yes, I am, to a beautiful and talented woman – we just celebrated our 10th anniversary. I have four grown kids and I'm proud to say I have five absolutely adorable grandchildren.

Q. Do you have any hobbies?

A. I'm a big sports enthusiast and as you could probably guess - I especially like college basketball. I'm also a fan of all the Philadelphia sports teams. I enjoy golfing and workout several days a week. My wife and I also enjoy spending time at the New Jersey Shore and anyone who has grandchildren knows that they are a wonderful way to spend time.

Q. What college teams do you support?

A. As I said, my parent's courtship consisted of a great many Villanova basketball games. My dad is a Villanova grad and my parents met in the Villanova bookstore, so the school is special to us. So it is no surprise that even though I'm a graduate of Temple, I'm a big Villanova supporter. I'm also a big fan of the UConn women's basketball team. My brother used to be on their staff so we felt connected to and enjoyed their national championships very much.

Q. What do you take in your technology bag when you travel?

A. I have a Blackberry, iPad and a laptop.

Q. Stephen, thank you very much for your time and your thoughts today.

A. Absolutely, it has been my pleasure.