



# Member Initiative

## Creating a Vision for Your Organization can Help Drive Long Term Results



We can show you more.®



by  
**Pat Hurston  
and  
Dan Cox**

In the insurance industry, most billing and collections activities are carried out in a very similar manner by tenured employees with longstanding traditions leaving little opportunities for new thinking and innovation. However, by creating a vision for your organization, you can help drive long term results for your company. This is our story, and we hope it will generate continuous progress within the industry.



In 2009 we began thinking about what we wanted CNA's Billing and Collections operations to become over the next five years after being successful in the past tackling incremental change that brought process improvements and delivered savings to the bottom line. While we had reengineered several processes, lowered costs and improved cash flow, we knew that technology afforded us the means to do business in a variety of different ways, replacing paper with technology and delivering to customers in seconds instead of hours, days or weeks. As we considered the changing environment, we knew that we had to think differently at how to approach the future in a fast, but orderly manner that could bring about not just incremental change, but innovation that would be revolutionary. Thus, we embarked on developing our future state vision, building a sustainable People, Process and Technology strategy.

### Creating the Vision

Building a vision can be a daunting task. Maintaining day-to-day operation often overshadows the ability to create a long term plan. Getting people to think beyond the near-term, -strategically -is a difficult behavioral change for most. Additionally, once everyone agrees to move beyond tactical to strategic thinking, willing to work on a "vision," the most difficult part is getting them to believe in the same vision. Our first two attempts were not successful because the team was buried in operational duties – lots of hands-on activities were part of their normal days and this was disruptive to strategy work. The team had difficulty looking beyond the traditional, "the way we always did things", and constrained their thinking by the current organization and process boundaries. The finished product of both efforts was a vision that looked very similar to the current organization and process with incremental improvements.

Given these challenges, our first step was building consensus among leaders of a coherent idea of what we want to be as an organization. Before you can move forward, leaders of the organization must be aligned to one vision and plan. Once leaders are aligned, the vision becomes a way to direct energy and resources toward a realistic future state. A common vision draws leaders out of the detail day-to-day activities and starts them thinking strategically ... all the time.

### Aligning the Vision with People, Process and Technology: Forcing the Leaders to Think Strategically

Before meeting with the leadership team, the VP of Billing and Collections and the Director of Projects and Technology, met to set the frame work for creating an overarching vision with some high level attributes, a methodology for building the vision as a team, and a four-month project plan to make it happen. A great deal of time was spent on this pre-work. Leaders were given three articles to read from management publications directly related to the task at hand. Each of the leaders was given an assignment to complete a two page form with very restrictive word count limits. The assignment for each leader was to do the following:

- Write a narrative describing how their organization would operate five years from now
- Describe Enabling Technologies / Processes, how this vision serves Insureds and Agent/Brokers, and how this vision ties to CNA's Corporate Strategy
- Provide, in table form, a five year step by step roadmap to achieve the vision



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## Look for Dan Cox at the ICE Conference on Tuesday afternoon, October 23rd.

At 1:30PM Dan will be presenting a Member Initiative in the King Charles Ballroom. At 2PM Dan will be conducting a workshop breakout session in the North Terrace Room. The presentations will focus on the benefits and business advantages of creating a vision and achieving buy in from all levels of the organization.

*Dan Cox is the Director of Programs and Projects for CNA Billing and Collections. Prior to his current role, Dan performed information technology, reengineering, and consulting roles at CNA, America Online, Ameritech/AT&T, and Kemper Financial Services. Dan holds an MBA from the University of Illinois at Chicago and a BS in Computer Technology from Purdue University. Dan brings his technical expertise, coupled with insurance business knowledge, to address opportunities for achieving operational excellence.*

### Creating a Vision for Your Organization can Help Drive Long Term Results

Each leader presented their two-page deliverable. In each case, the initial plan was constrained by their existing organization process and structure. Feedback was given to each leader by the VP of Billing and Collections, and the Director of Projects and Technology, coupled with views into how the collective vision was beginning to form – this view was shared with all leaders. Leaders were asked to rework their plans to fit into this evolving, collective future state vision. Meanwhile the evolving Billing and Collection future state vision was taking form and connecting with more detailed components until each of the leaders' plan fit together. The combined vision, along with the component pieces from the leaders' deliverables were packaged into a concise two page plan for the entire organization. This was followed by a two day session to bring the team visual representation of the future state. The combined five-year roadmap was presented with initiatives in four areas:

- people strategy,
- learning and development,
- technology enablement, and
- process change

This concise vision and plan is now an actionable document that is used as the foundation for all people, process and technology decisions. Over the next eight months, high-level parts of the plan were communicated to the greater organization through "All Hands" and other group meetings. An important part of our strategy was to keep the staff informed along the way to ensure buy-in as changes to current processes and technology were introduced. The initiatives needed as building blocks to the future state vision were incorporated into the IT planning, budget and goal setting processes for execution in subsequent years.

### Benefits of Creating the Vision

By building and documenting the vision, we are able to develop a plan, along with metrics, so to measure our progress over time in reaching the future state. Having a five year plan helps us to remain strategic, looking at the big picture and not be year-to-year reactionary. We have a very easy time prioritizing the investment of resources and projects. Because of our vision we are able to plan for attrition without disruption to the organization and adding to the expense budget.

This process has helped us to become a learning organization at every level – starting with leaders and now the belief in the vision is felt throughout the organization. We are able to assess the quality of our original vision and make midcourse changes; for the most part, the original vision has held up and fundamentals have not changed. Having one vision, shared by the entire organization, has helped to improve our yearly performance in achieving stretch goals.

### Executing the Vision

We've focused our change efforts on a few strategic initiatives each year instead of lots of small incremental improvements. Our vision is shared with business partners, such as IT and Underwriting, to ensure that everyone is aligned with executing the vision. Every investment, people decision, and/or process change is evaluated against its alignment to the future vision – this results in intelligent long-term decision making. Yearly, we re-evaluate the vision to measure our progress and to make tweaks as needed. This evaluation serves to ensure that we keep the vision in view and execution exquisite.

### Tips for Building a Vision

- Leaders need to understand the importance of the effort and believe that it will be a product that will actually guide decision making in the years ahead.
- Create an environment that promotes thinking "outside the box" and beyond what leaders know today
- Don't underestimate the importance of pre reading and pre-work to get leaders ready to think differently and to "leave their titles at the door" so that there is free flowing of ideas
- The process to develop the vision needs to be collaborative and the functional team members need coaching and guidance to deliver a cohesive product.

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