TECHNOLOGY: Insurers put blockchain prototypes to the test - PAGE 4

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SPECIAL REPORT

RISK MANAGEMENT EDUCATION

PAGE 20

BUSINESS INSURANCE + CLM

WOMEN TO WATCH

Expanded program profiles 45 industry leaders

PAGE 29

WEANING WORKERS OFF OPIOIDS

Long-term users of painkillers left behind by industry changes

PAGE 16

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COVER STORY

INSIDE

NEWS ANALYSIS

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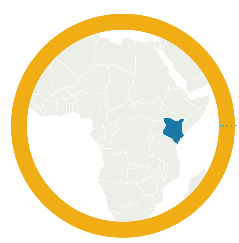

SPECIAL REPORT

CORRECTION

A profile of Maurice R. Greenberg in the 50th Anniversary edition of *Business Insurance* misstated the growth of American International Group Inc. under Mr. Greenberg's leadership. AIG had a market value of $300 million when it went public in 1969 and had a market value of $180 billion in 2004.

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Insurers test out blockchain

BY MATTHEW LERNER
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Insurance industry players have recently produced prototypes and proofs of concept using blockchain technology, which appears to offer many cost- and time-saving benefits but is still a nascent concept whose potential remains to be proven.

This year, American International Group Inc. collaborated with Standard Chartered Bank P.L.C. and International Business Machines Corp. to use blockchain to produce an insurance policy with automated features, or "smart contract."

"Working with Standard Chartered and IBM, we successfully piloted the first multinational smart contract-based insurance policy using blockchain earlier this year, which provided direct notification of premium payment and policy issuance to the corporate and local stakeholders in real time," said Carol Barton, president of AIG Multinational and Business Insurance in New York, in an email.

In another example, XL Group Ltd., which does business as XL Catlin, worked with Danish shipping giant A.P. Moeller-Maersk A/S on a 20-week trial designed as a proof-of-concept exercise focused primarily on collecting and maintaining asset data that could be shared among multiple verified parties, according to Hélène Stanway, digital leader for XL Catlin in London.

The Maersk product, slated for production release in 2018, also allowed the shipping firm to build its own single asset ledger listing all ships and activities aboard, such as cargo loadings or a flag change, Ms. Stanway said.

Similarly, she added, with a property portfolio, all properties could be listed together with their attributes. The Maersk solution was built with a view toward adapting the technology elsewhere, she said.

Most recently, Allianz Global Corporate & Specialty S.E. built a blockchain prototype for use with captives. The project took four months from inception to the final testing of the prototype, said Alan Cabello, project lead and innovation manager for Allianz Global Corporate & Specialty in Zurich, adding that the captives project was particularly interesting because of its structure consisting of multiple parties and geographies.

"Making sure the money gets from end to end as quickly as possible is extremely important to the customer of the captive," Mr. Cabello said. "Seeing how quickly we could move and track the money with the prototype was extremely interesting."

Blockchain has potential to create efficiencies and save on costs, experts say.

"When you look at the insurance industry, there are some basic challenges that blockchain can address," said Michael Costonis, global insurance practice lead for Accenture P.L.C. in Philadelphia. "There is a raft of operational inefficiencies such as ledger balances and systems of record, which continually require reconfirming and reconciling, and there is really no common indisputable record ... Blockchain will promote transparency and simplify and streamline a lot of the core processes that we have."

Added transparency also could translate to added trust in the system, some say.

"When you share information jointly on a peer-to-peer infrastructure, you can develop more trust in this information more quickly than in traditional approaches," said Michael Eitelwein, head of group enterprise architecture for Allianz S.E. in Munich, describing blockchain technology as a "trust enabler."

In contrast, current systems are antiquated and inefficient in terms of cost and time.

"If you look at insurance transactions, they really are an electronic replica of the 200-year-old partnership process," said Anudeep Chauhan, Chicago-based managing director of insurance strategy at Accenture P.L.C. in North America. "It's very sequential, and people maintain separate ledgers which, as the complexity of the process grows, become harder to track and reconcile."

Thus, companies continue to be interested in testing ideas, sources said.

"In general, we believe there is growing interest in experimenting with prototypes," said Ken Marke, head of strategic futures for Ageas Insurance International N.V. in London, speaking for the Blockchain Insurance Industry Initiative, or B3i. "However, moving beyond prototypes and establishing production-ready applications is less evident."

Mr. Marke added that "within B3i, we have traction with new members participating in market testing of our reinsurance prototype. We are aware of increased interest beyond the current members and expect to increase our membership in the next 12 months."

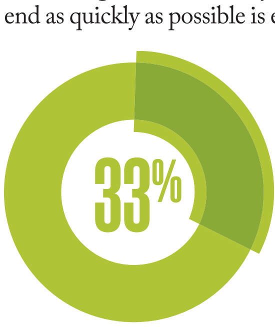
The new technology is not without its issues and challenges, however.

"Many clients are looking at prototypes and use cases under laboratory conditions, but there are issues surrounding scaling up, such as the standardization of data," Mr. Chauhan said, adding that a common data standard does not exist now.

"Blockchain technology is very young, so we do not know the full impact of what the consequences of wide adoption is. We need to understand that blockchain will be just a part of any wider solution, and these solutions need to be fully thought through and designed with security and privacy in mind," said Marta Piekarska, London-based director of ecosystem at Hyperledger, part of the Linux Foundation, a technology development group.

But the emerging technology is on the minds of many.

"In the last year, every insurance client — every CEO, every CIO — that I've talked to, one of the questions that they all ask me is, 'How concerned should I be about blockchain?' and 'How quickly should we move on blockchain?' So, I think everyone's thinking about it," said Sandip Patel, Boston-based global managing director of insurance industry for IBM Global Business Services.



of insurers are planning to use blockchain in the next two years; another 36% have it on their agenda.

Source: Accenture Technology Vision for Insurance 2017

REGULATORY NEEDS PROMPT EXPERIMENT

Blockchain has the potential to ease regulatory burdens and costs on companies by allowing regulators and other stakeholders access to specific data and information.

"Blockchain allows for multiple parties to have role-based or needs-based transparency and access to that portion of the contract that is relevant to them," said Sandip Patel, Boston-based global managing director of insurance industry for IBM Global Business Services.

He said this was one of the goals in the American International Group Inc./Standard Chartered Bank P.L.C. initiative: to provide such access to auditors and regulators.

"Our multinational business was well-suited for blockchain technology because a typical multinational policy can take a lot of time due to local regulatory requirements — every country has different regulations for different products, and these regulations are constantly changing," said Carol Barton, New York-based president of AIG multinational and business insurance in New York, in an email.

The greater ease in data transparency and access could translate to time and cost savings, experts say.

"Whatever enters the blockchain is there forever, so you can go back in to a tamper-proof environment to see what happened and when it happened," said Anudeep Chauhan, Chicago-based managing director of insurance strategy for Accenture P.L.C. in North America. "This has the knock-on effect of providing a very good track-and-trace audit trail, and so has huge regulatory implications because the regulators can then go back and see what happened without concerns of tampering."

"There are massive cost reduction implications because the infrastructure technology and operational cost would likely come down," Mr. Chauhan said.

"We know how much money companies spend simply to improve regulatory control and to be able to provide required statutory reporting to regulators and auditors. All of that potentially can be streamlined and improved to a great degree," he said.

Matthew Lerner

EEOC likely to exercise restraint on litigation

BY JUDY GREENWALD
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The U.S. Equal Employment Opportunity Commission, which is likely to soon have a 3-2 Republican majority, is expected to change its processes and policies to reflect a more pro-business stance under the Trump administration, experts say.

This is expected to include EEOC commissioners assuming more control of issues that have been left to its field offices' discretion and filing less systemic-oriented litigation on behalf of multiple employees.

It is also anticipated to include a revision of its position on matters including LGBTQ rights, say experts, who do not expect these changes to have a major effect on policyholders' employment practices liability insurance coverage.

One policy on which the agency is not expected to modify its approach, though, is with respect to sexual harassment, which experts describe as a political "hot potato" (see related story).

Janet Dhillon, whom President Trump nominated as EEOC chair, and nominated commission member Daniel M. Gade are expected to be approved by Congress, observers say. President Donald Trump has not yet nominated a general counsel, who will also play an influential role. An EEOC spokeswoman had no comment.

"I generally see a cutback or a reduction on general oversight of the workplace under Title VII and the other federal laws," said Richard B. Cohen, a partner with FisherBroyles L.L.P. in New York.

"I'm not going to say they're pro-employer at any point, but I think they're more receptive at this point to the employers' position than the EEOC would otherwise be" with a Democratic majority, said Eric B. Meyer, a partner with law firm Dilworth Paxson L.L.P. in Philadelphia.

The EEOC will no longer focus on attempts "to engage in litigation tactics to force certain outcomes or to force policies" as it did under the Obama administration, although "that doesn't mean, certainly, that the commission won't continue to vigorously enforce the law," said J. Randall Coffey, a partner with Fisher Phillips L.L.P. in Kansas City, Missouri.

But there may be fewer cases filed for multiple employees, experts say.

In a report issued in November, the agency said that in fiscal year 2017, it had increased the percentage of systemic cases on its active docket to 24.8%, exceeding its strategic goal of their accounting for 22% to 24% of cases by fiscal year 2018.

"My sense is less systemic cases will be brought," with more cases filed on behalf of only one or two workers, said Gerald L. Maatman Jr., a partner with Seyfarth Shaw L.L.P. in Chicago.

Along with this, observers expect EEOC commissioners to take more control over litigation from its field offices.

The commissioners and the new general counsel "will exercise greater control" and probably more restraint with respect "to particularly novel or overly aggressive" legal theories, said Frank C. Morris Jr., a member of law firm Epstein Becker Green L.L.P. in Washington.

"They will be more compliance-oriented and less litigious or adversarial with employers," said Robin E. Shea, a partner with Constangy, Brooks, Smith & Prophete L.L.P. in Winston-Salem, North Carolina. In addition, said Paul C. Evans, a partner with Morgan Lewis & Bockius L.L.P. in Philadelphia, "We will see more outreach to employers for both training and education purposes, as well as trying to resolve the more complex charges before litigation."

Some change has already become evident, say observers.

"I've seen offices of the EEOC across the country going to greater lengths to try to resolve claims, particularly systemic claims," often involving cases that have gone on for several years, said Mr. Evans.

One particular issue where the EEOC is expected to change its stance is with respect to LGBTQ issues. Many observers point to the recent conflicting amicus briefs submitted to the 2nd U.S. Circuit Court of Appeals in New York in *Zarda v. Altitude Express*, in which the U.S. Department of Justice said Title VII does not cover sexual orientation, and the EEOC said it does.

The case involved a gay skydiver who sued his former employer alleging he was fired from his job as a skydiving instructor because of his sexual orientation.

"The EEOC has been very aggressive in searching out cases on the cutting edge" of federal statutes, including those involving transgender issues, said Mr. Maatman. "I think when the Republican commissioners take their seats and have a majority, that sort of view of the EEOC will be pulled back," he said.

The "good news" for employers is that none of the issues involved "would have an impact on EPLI policies or would require an alteration of the coverage," said Kelly Thoerig, Richmond, Virginia-based U.S. employment practices liability product leader for Marsh L.L.C. "The coverage, by and large, I would say, is already designed to respond to these claims."

However, Talene Megerian, New York-based national employment practices liability leader in Willis Towers Watson P.L.C.'s FINEX North America practice, said state activism has increased with a pullback in federal regulation.

As a result, "There's definitely more scrutiny (by insurers) in terms of clients' policies and procedures, especially if they operate in multiple jurisdictions."

EEOC SYSTEMIC CASES ADDRESSING DISCRIMINATION

In fiscal year 2017, the U.S. Equal Employment Opportunity Commission field offices:

- Resolved **329 systemic investigations**, obtaining **$384 million** in remedies.
- Issued reasonable-cause determinations finding discrimination in **167 systemic investigations**.
- Resolved **22 systemic cases**, of which four involved at least 100 victims of discrimination and two included more than 1,000 victims.
- Filed **30 systemic lawsuits** involving multiple victims or discriminatory policies.
- Increased the percentage of systemic cases on its active docket to **24.8%**, exceeding its strategic plan's goal of 22% to 24% of cases by fiscal year 2018.

Source: EEOC FY 2017 Performance & Accountability Report

SEXUAL HARASSMENT CASES TO REMAIN A PRIORITY

The U.S. Equal Employment Opportunity Commission may change focus on other areas, but it is still expected to pursue sexual harassment.

"Sexual harassment issues have always been very important to the EEOC," said Gerald L. Maatman Jr., a partner with law firm Seyfarth Shaw L.L.P. in Chicago. "I don't see that changing."

"I do think there's an argument to be made that it is too much of a political hot potato for them to cut back on that," said Richard B. Cohen, a partner with FisherBroyles L.L.P. in New York.

"It's the lowest-hanging fruit. No one supports" cutting back on that, said Eric B. Meyer, a partner with Dilworth Paxson L.L.P. in Philadelphia. People generally agree sexual harassment "is abhorrent, so I wouldn't expect the EEOC to take the position it's going to dial back."

Robin E. Shea, a partner with Constangy, Brooks, Smith & Prophete L.L.P. in Winston-Salem, North Carolina, noted that in June 2016, an EEOC task force co-chaired by Democrat Chai R. Feldblum and Republican Victoria A. Lipnic, who is now acting EEOC chair, prepared a report on workplace harassment. It says workplace harassment too often goes unreported, and efforts to stop it "must start with and involve the highest level of management of the company."

Employers should not look the other way when their "superstars" engage in harassment and should track allegations to ensure they don't have serial harassers in their workplaces, said the commissioners, who also spoke at the recent American Bar Association Labor and Employment Law Conference in Washington.

The EEOC is also expected to continue to pursue "straight" discrimination cases involving interactions between men and women under Title VII of the Civil Rights Act of 1964, as opposed to LGBTQ cases, said Ms. Shea.

Judy Greenwald

Social media risks require light touch

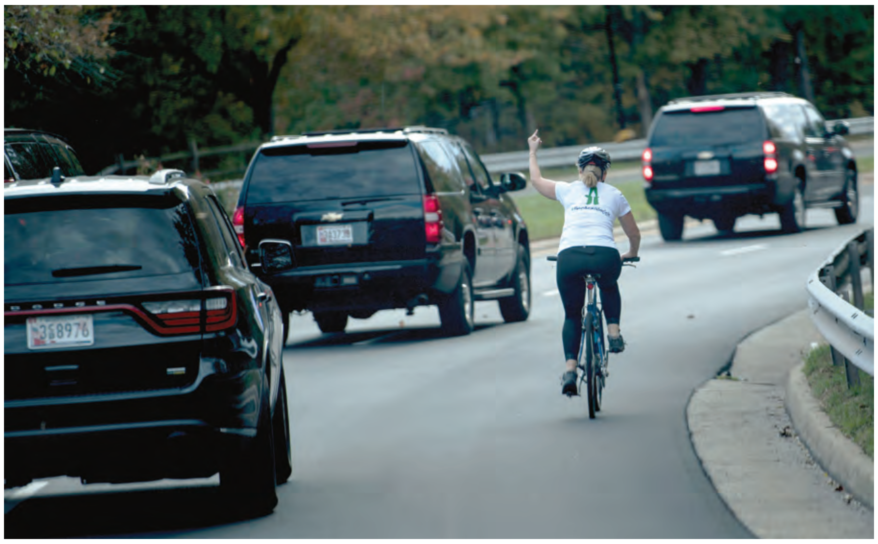
BY GLORIA GONZALEZ AND JUDY GREENWALD

Social media can be a public minefield for employers, requiring them to develop and implement practical, enforceable social media policies while also carefully considering when to discipline employees for violating those policies.

While employees terminated by private-sector employers generally would struggle to successfully argue that the firing breached First Amendment free speech rights, they could pursue other claims such as gender bias against their employers in some circumstances, experts say.

"A very good question to ask is why are we talking about social media in the workplace?" Joane Wong, New York-based senior attorney with the National Labor Relations Board, told attendees of the American Bar Association's annual Labor and Employment Law Conference in Washington last month. "That's how we communicate these days. We no longer just talk to our co-workers face to face or pick up the phone. Instead, we type out our concerns and press send, or we post something or press 'like.' Now we have people pressing buttons, and everything's written out and is discoverable."

In a recent example of the implications social media has for the workplace, a cyclist was fired after posting a picture of herself "flipping the bird" to President Donald Trump's motorcade. According to news reports, Juli Briskman, who oversaw social media for Herndon, Virginia-based government contractor Akima L.L.C., raised her finger in an obscene gesture to the Trump motorcade on Oct. 28, then posted a picture of it on her Facebook and Twitter accounts, which were later widely disseminated. She did not identify herself as an Akima employee.



TWITTER

Juli Briskman reportedly made an obscene gesture toward President Trump's motorcade in October and later posted a photo of the incident on social media.

Legal experts generally agree that she does not have a First Amendment case against her former employer. They point out that only a handful of states — which do not include Virginia, where Akima is based — would offer employees protection in such a case.

"They fired her legally," said Eric B. Meyer, a partner with Dilworth Paxson L.L.P. in Philadelphia. "Virginia's an at-will employment state, and as far as I know she was an at-will employee."

"They could have any reason or no reason at all to get rid of her," but in this case she violated the firm's social media policy, "so that gilded the lily, so to speak," he said.

Employees use social media "at their peril," said Richard B. Cohen, a partner with FisherBroyles L.L.P. in New York.

Ms. Briskman said, according to reports, that although she was fired for her action, another male employee of Akima who had posted objectionable content about the Black Lives Matter movement was permitted to retract his comment and keep his job. Arguably, she could pursue gender discrimination charges because the male employee was not terminated after his offensive posting, although experts say she would likely have an uphill battle.

"You could make a claim in this case that she's being discriminated against because she's female," which could rise to a gender discrimination claim, said J. William Manuel, a partner with Bradley Arant Boult Cummings L.L.P. in Jackson, Mississippi.

"If I were that company's lawyer, I'd be a little nervous about a potential gender discrimination claim because the female was treated so differently," said Aaron Goldstein, a partner with Dorsey & Whitney L.L.P. in Seattle. A likely defense, he said, is Ms. Briskman could have damaged the firm's business as a government contractor.

Ms. Briskman's situation is comparable to workers who were fired after their employers learned of their attendance at a white supremacists' rally at Charlottesville, Virginia; the situation involving James Damore, the Google Inc. engineer, who was fired after criticizing the company's diversity efforts; and National Football League players who kneeled during the national anthem, experts say.

Colin Kaepernick began kneeling during the national anthem in 2016 in protest of the treatment of minorities in the United States, a movement that accelerated across the NFL when President Trump tweeted his opposition to the protests. The protesting players initially received the support of several of their employers, though some NFL owners later criticized their stance.

Mr. Damore was fired from Google in August after writing a memo in which he suggested that women are less biologically suited to work in the tech industry than men, portions of which the Mountain View, California-based technology company said violated its code of conduct.

But employers must consider whether such discipline or action creates an even bigger problem, Melinda Burrows, senior legal director with software company NetScout Systems Inc. in Westford, Massachusetts, said at the ABA conference. Ms. Burrows said she "always starts with the 'so what?' test. How big a deal is this really? Is it content that requires you to react?"

LABOR BOARD RULINGS OFFER EMPLOYERS GUIDANCE ON SOCIAL MEDIA POLICIES

Employers can look to a series of National Labor Relations Board cases when considering acting against employees for social media comments.

A 2014 National Labor Relations Board case, *Three D L.L.C. d/b/a Triple Play*, involved "likes" and a Facebook discussion by two employees related to claims that employees unexpectedly owed additional state income taxes because of the firm's withholding mistakes. The two employees were later fired by their restaurant employer, an action the board found to be unlawful.

Section 7 of the National Labor Relations Act provides employees the right to discuss wages, hours and other terms and conditions of employment with fellow employees as well as nonemployees, meaning a workplace policy that prohibits discussions of identified Section 7 topics, or that an employee would reasonably understand to prohibit such discussions, violates the statute, according to the panelists at the American Bar Association's annual Labor and Employment Law Conference in Washington last month.

A separate 2014 NLRB case involving Richmond District Neighborhood Center resulted in the loss of protected status for a Facebook conversation between two employees of an after-school program. The employees complained about management online and their plans for the program and the organization rescinded the employees' rehire offers. The employees lost their protected status under Section 7 because the Facebook exchange contained several statements advocating insubordination in specific detail, the board said.

"I'm not going to represent these guys," Julia Campins, an attorney with Lafayette, California-based Campins Benham-Baker P.C., said at the ABA conference. "They're not showing great judgment skills, but I would want to know more about their complaints. Are they complaining about management in the way they're treating the clientele, in the way they're treating employees, or are they just complaining? How harmful were their complaints to the business of the employer?"

In a 2014 NLRB case known as *Purple Communications Inc.*, the agency set out a new rule allowing employees access to company-owned email systems for protected Section 7 activities on nonworking time, overruling a 2007 precedent that employees have no statutory right to use their employer's email systems for Section 7 purposes, according to the panelists. The case emanated from a communications technology company that had an email policy stating that communications sent via all equipment provided and maintained by the company were the sole and exclusive property of the company.

"As a practical matter, a policy like this could never be enforced, at least not on a consistent manner, which then limits your ability to act on any violations of it," said Melinda Burrows, senior legal director with software company NetScout Systems Inc. in Westford, Massachusetts.

Gloria Gonzalez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Zurich congratulates the 2017 Business Insurance Women to Watch, including our own **Lori Bailey**, Global Head of LOB Specialty Lines. We commend them on their personal achievements, marketplace influence and contributions to the advancement of women in business.
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High hopes for next OSHA chief

BY GLORIA GONZALEZ
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Employers hope that new leadership at the U.S. Occupational Safety and Health Administration will spur a more collaborative approach to regulation and enforcement.

Those who know President Donald Trump's nominee to head the agency say he is unlikely to try to prevent OSHA from fulfilling its workplace safety responsibilities, but would bring a new perspective to the agency.

In November, the president nominated Scott Mugno as assistant secretary of OSHA. Mr. Mugno is currently the vice president for safety, sustainability and vehicle maintenance at FedEx Ground, a unit of FedEx Corp., and previously was managing director for corporate safety, health and fire protection at FedEx Express in Memphis, Tennessee, according to a White House statement.

Those who know or have worked with Mr. Mugno sing his praises.

Jim Smith, Boca Raton, Florida-based director of risk control services for Arthur J. Gallagher & Co. and president of the American Society of Safety Engineers, said Mr. Mugno – an ASSE member since 2004 – was "instrumental" in putting together the organization's first transportation symposium in 2007.

"I think he's a good selection," Mr. Smith said. "I'm sure he has some ideas to make (OSHA) more functional. We've talked to OSHA a lot about a risk-based approach, like the U.K. has. The problem is that doesn't fit into the regulatory enforcement box. But there's no question we have to have a different approach, because if you look at the history of on-the-job fatalities, it's flatlined."

A FedEx spokeswoman said all inquiries must be directed to the U.S. Department of Labor, which did not respond to a request for a comment or interview with Mr. Mugno.

"Scott, much more so than any previous assistant secretary, really is going to have a sense of running a business unit," said Howard Mavity, an Atlanta-based partner at Fisher Phillips L.L.P. "We've not had someone with that background, and I think where it's going to manifest itself is that it's pretty common knowledge that Scott has focused a lot on the concept of safety 24 hours a day, seven days a week. He's one of these folks that is a big believer in that safety doesn't end once you leave the workplace."

"I don't see him trying to gut things," he continued. "He is not a proponent of hyper-aggressive regulation, but he's also not one of these guys who just wants to gut government agencies. There are those out there who just don't have respect for the mission of some of the agencies. Scott is not one of those people."

Under new leadership, OSHA should "promote the fact that they are a resource" and are looking to partner with rather than punish employers, said Robert Cartwright Jr., Exton, Pennsylvania-based division manager of environmental health, safety and sustainability at Bridgestone Retail Operations L.L.C. and incoming 2018 president of the Risk & Insurance Management Society Inc.

"I think there's still some perception out there that OSHA is punitive," he said. "They are only punitive when they don't have a response by employers."

Mr. Cartwright said he sees "a much more collaborative spirit with the OSHA inspectors. They're much more helpful and much more willing to say, 'Hey, this is what we're looking at, and we have different programs in place that can help you.'"

But any effort by Mr. Mugno to implement a more collaborative approach will be hampered by the agency's lack of resources, Mr. Mavity said.

"There's been a lot of lip service paid, but no president since the agency was created has ever adequately funded it," he said.

The nomination of a new assistant secretary is critical, not just for employers regulated by OSHA, but also for staffers looking for direction, experts say.

"We haven't had an assistant secretary for the last 10 months," Ann Rosenthal, associate solicitor for the division of occupational safety and health with the Labor Department's Office of the Solicitor in Washington, told attendees of the American Bar Association's annual Labor and Employment Law Conference in Washington last month. "One has been nominated. Someday he will, I hope, appear because it would really be nice to have a client as opposed to the acting client who has been wonderful, but doesn't want to rock the boat at all."

A Senate confirmation hearing had not been scheduled as of late last month, but experts generally do not expect any major obstacles, as Mr. Mugno is not seen as an ideological nominee.

"I don't think this is going to be as politicized a choice as some of the others," said Taylor White, a Dallas-based associate in the labor and employment practice of Gardere Wynne Sewell L.L.P. "Certainly, people are going to have questions about his dedication to the balance between employee safety versus the practicality of implementing a safety policy for employers. A big portion of the base … for the president is blue-collar workers who benefit directly theoretically from worker safety rules, so certainly I'm eager to see what kind of balance, once confirmed, he strikes."

OSHA AT A GLANCE

- The U.S. Occupational Safety and Health Administration is a small agency, with about **2,100** federal and state inspectors combined responsible for protecting 130 million workers — about one compliance officer for every **59,000** workers.
- In fiscal year 2017, a total of **75,947** federal and state plan inspections were conducted.
- The agency's budget request for fiscal year 2018 was **$543.3 million** compared with a budget of **$551.7 million** in fiscal year 2017 and **$552.8 million** each for fiscal years 2015 and 2016.

Source: OSHA, U.S. Department of Labor

MUGNO WILL FACE FULL DOCKET

The next head of the U.S. Occupational Safety and Health Administration will have to confront critical priorities for the agency, including how to interpret the anti-retaliation provisions of the its electronic record-keeping rule.

The Improve Tracking of Workplace Injuries and Illnesses rule requires certain employers to submit electronically injury and illness data they already are required to record via their on-site OSHA injury and illness forms. Employers subject to the rule received a two-week reprieve last month when OSHA extended the reporting deadline to Dec. 15.

The new head of OSHA will have to determine how to implement and enforce the regulation's anti-retaliation provisions, including potentially reconsidering the regulation's wording on employee incentive programs. Incentive programs have been the subject of some of the handful of citations issued under the anti-retaliation provisions to date. In addition, the new head could reconsider wording in the regulation's preamble, which employers argue discourages them from mandating post-accident drug testing even in situations where such testing may be warranted and with the United States in the midst of an opioid epidemic.

"I do think we will finally, thank goodness, see a change in the interpretation of the anti-retaliation provisions and that completely unfounded, inappropriate attack on automatic post-injury drug-testing," said Howard Mavity, an Atlanta-based partner at Fisher Phillips L.L.P. "That can be changed with a single page directive … but that's one of the few areas that can so easily be changed."

The agency is also likely to reinterpret its stance on employee incentive programs, but that will be slightly more controversial than rethinking the drug testing limitations, he said.

"You've got a really divided opinion among people in the industry about incentives based on injury and illness data" while the restrictions on drug testing are "just not rational at this junction in our history," Mr. Mavity said. "Drug testing has become an accepted part of society."

Employers also objected to the agency's plan to publish injury and illness data it receives via mandatory reports — language that is in the preamble and not the rule itself, noted Ann Rosenthal, associate solicitor for the division of occupational safety and health with the U.S. Department of Labor's Office of the Solicitor in Washington, speaking at the American Bar Association's annual Labor and Employment Law Conference in Washington last month.

"A different administration may well be amenable to different arguments," she said.

Gloria Gonzalez

Boom in post-retirement workers creates unique set of workplace safety needs

JOYCE FAMAKINWA
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Workplace safety experts are keeping an eye out for a potential rise in post-retirement injuries due to the number of retired workers taking on part-time jobs and a continued increase in the number of older employees in the U.S. workforce.

Employers should be aware that an older workforce may be more vulnerable to certain types of injuries and be prepared to accommodate these workers, experts say.

The Bureau of Labor Statistics estimates that workers ages 55 and older will make up 25.6% of the workforce in the United States by the year 2022.

"Due to a number of factors, many Americans are working later in life, with some even returning to the workforce after an initial retirement," said David Quezada, Los Angeles-based vice president of loss control services at Employers Holdings Inc., a workers compensation provider for small businesses in the U.S.

Their reliability and the work experience that older workers bring to the job can be a selling point to employers, according to experts.

"A lot of employers are actually targeting older employees who are past the traditional retirement age for a variety of reasons, one being that they find that those that are still interested in being in the labor force tend to be very reliable because they are very motivated to be in the labor force, and also there is the ability to employ them on a part-time basis without a need to provide benefits because of the safety net of Medicare," said Michael Rosetti, Atlanta-based partner for workers compensation law at Swift, Currie, McGhee & Hiers L.L.P.

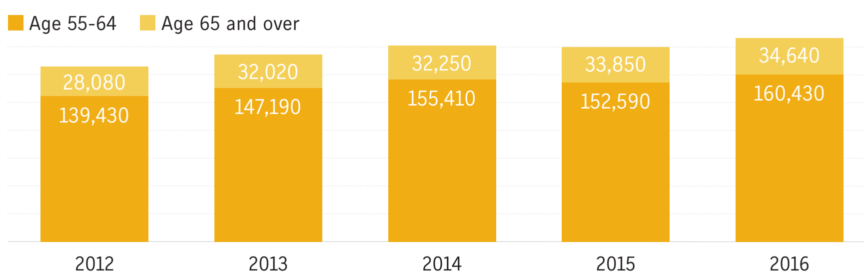
"The whole knowledge base is different between the new worker and retired worker," said Tom Scherrer, St. Louis-based loss control consultant for The Cornerstone Insurance Group. "They bring with them a lot of knowledge and experience. Whether or not they bring that to this current job is hard to say."

There tends to be fewer injuries among older workers, but this has more to do with "tenure in their current positions" than age, said Amy Harper, Seattle-based director for workplace safety initiatives at the National Safety Council. However, injuries to older workers tend to be more severe and have lasting effects, according to experts.

"The severity is due to the aging; our bodies are breaking down in many different ways," said Mr. Scherrer.

"When incidents do occur, what may be a minor injury for a 30-something may have a greater impact on a worker who is 55 or older. For instance, if you fall when you are 20 years old, you will most likely get a bruise, but at 60 years old, the same fall could cause a broken leg or hip," said Mr. Quezada.

NONFATAL OCCUPATIONAL INJURY AND ILLNESS CASES



Source: Bureau of Labor Statistics, private sector

According to a survey published in 2016 by the Transamerica Center for Retirement Studies, a Los Angeles-based nonprofit that researches retirement, 3% of people said they are pursuing another career post-retirement, and 2% said they will continue working in the same field that they currently work in post-retirement. The center surveyed over 2,000 U.S. retirees ages 50 and older.

In 2016, 35.7 million people who are age 55 and older said they are part of the civilian labor force while 7.5 million people who are 55 and older said that they work part-time, according to the Bureau of Labor Statistics. In 2016, there were 2.9 million nonfatal workplace injuries and illnesses reported to the bureau by private industry employers.

Workers of all ages are more likely to be injured in the first three weeks of a new position, according to Ms. Harper. "They are new to the surroundings, they are new to the procedures, and they may not have been fully trained in those first three weeks because there may be a portion of on-the-job learning that is taking place," she said.

However, some safety concerns for older workers in part-time jobs can stem from employers' over-reliance on their experience in lieu of safety training and education.

"Some employers might view the older workers from the point of view that 'they know what they are doing, they are old enough, we will focus our training on the younger worker.' In reality, they need to include everybody," said Mr. Scherrer.

Work-related injuries can happen to workers of any age, but experts say there are some workplace safety considerations that employers should address when employing older workers.

"Older workers may be more susceptible to rotator cuff and knee injuries as a result of lifting, carrying, slipping and falling," Mr. Quezada said. "Other effects of aging like hearing or vision loss can dramatically increase workplace injuries. Hearing loss, for example, could prevent an older worker from hearing a warning that a forklift has headed their way. Some older workers may experience decreased reaction time or balance."

Employers can keep older workers safe by making accommodations for them.

"You can choose slower, more self-paced work for older workers," Ms. Harper said. "They need more rest breaks, less repetitive tasks so they are not taxing their body with repetition. If they can avoid static posture that's better for them. Make sure that the lighting is adequate — older workers can be more susceptible to glare; adjustable seating ... if they are seated for this position."

REASONS FOR RETURNING TO WORK VARY

People in the United States are working past retirement age — a trend driven by both positive and negative factors.

"Some positive factors that may keep older adults in the workforce might include the less physically demanding nature of jobs today," said James Grosch, senior research psychologist and co-director of the National Institute for Occupational Safety and Health's National Center for Productive Aging and Work. "Older adults today may be better educated and healthier than previous generations, and continuing to work can provide a sense of purpose and the opportunity to remain physically, mentally and socially active. Negative factors may include financial concerns — the change from defined benefit to defined contribution pension plans, or a need to retain health care coverage."

According to a 2015 Rand Corp. survey, 38% of workers over age 50 move heavy loads or people at least one-quarter of the time, 72% perform repetitive hand or arm movements, 37% maintain tiring or painful positions at least one-quarter of the time, 39% maintain them almost all the time, and 29% stand almost all the time.

"Consider making job modifications to keep older workers safe, like updating job duties or modifying work hours," said David Quezada, Los Angeles-based vice president of loss control services at Employers Holdings Inc.

Joyce Famakinwa

Recovery workers face toxic water risks

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In the wake of several recent natural disasters in the United States and abroad, employers should be aware of contaminated water and the multiple safety hazards it can present to workers, experts say.

First responders usually have protective equipment and training, but employers should have a plan for nonemergency recovery workers who are a part of the cleanup and rebuilding efforts following these catastrophes, according to experts.

"We just had Hurricane Harvey in Houston and that affected the Texas and Louisiana coast and some of the areas that were further inland. Florida had Hurricane Maria…those are the major water-based disasters that we have encountered," said David Lee, Houston-based risk control consultant at Lockton Cos. L.L.C.

The aftermath of these disasters includes hazardous water, experts say.

"In terms of the water you have … a whole chemical soup in the water, from tanks that have been flooded from chemical facilities, factories, gas stations, anything that might flood and release chemicals into the water. You also have all of the biological problems as well — sump pumps, wastewater treatment plants, dead animals," said Jordan Barab, Washington-based former deputy assistant secretary at the U.S. Occupational Safety and Health Administration under the Obama administration and publisher of the Confined Space safety and health newsletter.

> "The one that we are really concerned about from an industrial hygiene standpoint in terms of flooding and water intrusion is the creation of mold. One of the biggest threats to those working outdoors is West Nile virus."
>
> David Lee, Lockton Cos. L.L.C.

REUTERS

People fled rising water in a neighborhood west of Houston, Texas, following Hurricane Harvey in August. After a catastrophe, contaminated water can create safety hazards.

The increase in the population of insects and mold also presents safety concerns, say experts.

"The one that we are really concerned about from an industrial hygiene standpoint in terms of flooding and water intrusion is the creation of mold," said Mr. Lee. "The one that we are most concerned about is the black mold, and that's the Stachybotrys species of mold … and of course everyone is concerned about the increase in the population of mosquitoes after a water-based natural disaster. One of the biggest threats to those working outdoors is West Nile virus."

In October, a 31-year old man died after being diagnosed with necrotizing fasciitis, a bacterial infection that kills soft tissue. The man worked repairing homes damaged by Harvey flooding, and bacteria from debris or floodwater most likely entered his body through a wound or cut, the Galveston County Health District said in a statement.

While the man's infection was rare, experts say that employers should be aware of saltwater bacteria, which can harm soft-tissue.

Employers involved in recovery efforts should have safety protocols in place to protect workers, experts say.

"They need to be trained about the hazard in the water, they need to have personal protective equipment … they have to be able to clean themselves afterward," said Mr. Barab.

General advice is to have a safety plan in place that focuses on what to do in the aftermath of a storm, have an emergency response team that is specifically trained to respond, have the right gear for the work and make sure that workers know how to use the gear properly.

Employers should conduct a job hazard assessment before sending workers to work in areas with waste water from natural disasters.

"You are going to have a lot of different factors to the work environment that were not there before, and you may be using employees who aren't used to working in this environment," said Adam R. Young, Chicago-based associate for OSHA compliance with the enforcement and litigation group at Seyfarth Shaw L.L.P. "They need to do a job hazard assessment by someone that is qualified. Go in and look around, if waste water is what we are concentrating on there may be items in that water such as debris and parts of the building that have flushed in there."

Employers should also be up to date on OSHA standards, according to experts.

OSHA has guidance "for when you are dealing with natural disasters. For personal protective equipment, they recommend using two gloves, for example, a latex glove followed by an outer layer glove. That is to prevent the biological pathogens," said Mr. Young.

Employers whose workers are directly involved with recovery efforts have the most at stake in terms of liability, said Matthew Deffebach, Houston-based partner and head of the labor and employment practice group at law firm Haynes and Boone L.L.P. That's "because it's expected as part of the course and scope of the employee's duties to go into an area that could potentially have a mixture of storm sewer and sewage systems flooding into the water," he said.

"Most private-sector employees are not going to necessarily be working in contaminated waters unless they have a facility that flooded, or part of their private-sector job duties consist of remediation," he said.

OSHA GUIDES EMPLOYERS ON NAVIGATING WATER RISKS

The U.S. Occupational Safety and Health Administration's Hurricane eMatrix outlines the most commonly performed activities during hurricane response and recovery work and provides detailed information about associated hazards.

It is designed to help employers make decisions to protect workers and offers recommendations for personal protective equipment, safe work practices and precautions for each activity, according to the agency.

Some of its recommendations directly address the hazards of contaminated water. In its hazard control section,

for example, the agency suggests decontaminating equipment and personnel after contact with contaminated floodwater or chemicals.

In the personal protective equipment section, OSHA recommends the use of American National Standards Institute-approved protective footwear, with employers advised to give special consideration to water protection in wet or flooded areas.

To prevent contact with contaminated water or blood or body fluids, the agency advises covering cuts and lacerations with bandages and using fluid-proof gloves and clothing to prevent penetration to the underlying skin. In addition, fluid-proof gloves should be covered with heavy-duty work gloves if there is a potential for cuts and abrasions, and employees should report any exposure to blood or body fluids to their supervisors.

Gloria Gonzalez

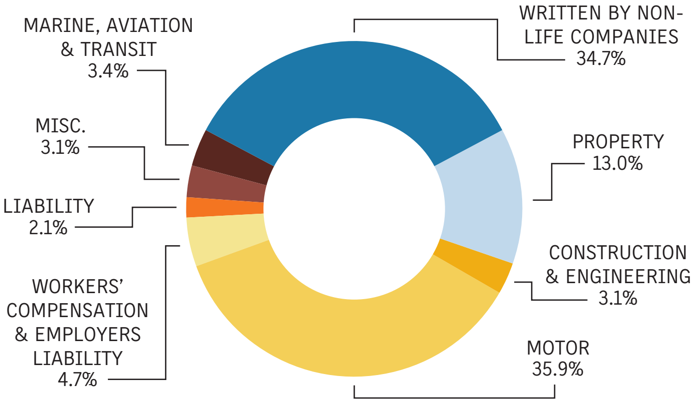
PROFILE: KENYA

66

GLOBAL P/C MARKET RANKING

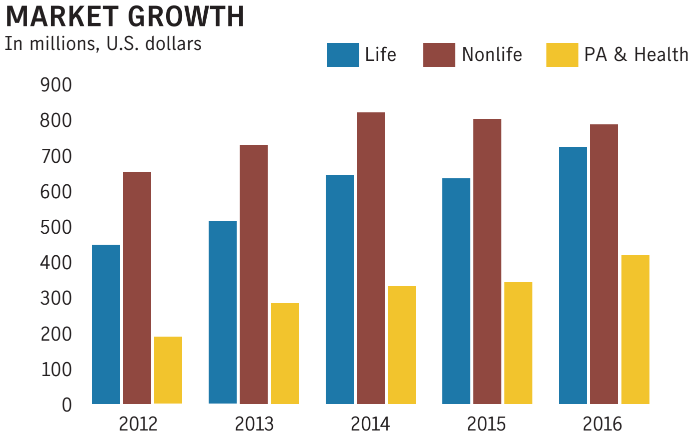
Kenya has one of the largest economies in southeastern Africa, although its business environment suffers from a lack of basic infrastructure and ingrained corruption. The country is vulnerable to seismic activity, especially in the Great Rift Valley, but the most serious hazard to insurers and reinsurers is in the capital Nairobi, which can quickly become flooded due to blocked drains during the rainy seasons. At the end of 2016, there were 37 property/casualty insurers, of which nine were composite insurers; by law, insurance must be placed with a Kenyan-registered insurer. Insurance penetration is low, and increasing it is a priority for Kenya's Insurance Regulatory Authority. Development of the country's hydrocarbon reserves may help growth in the property/casualty sector.

MARKET SHARE

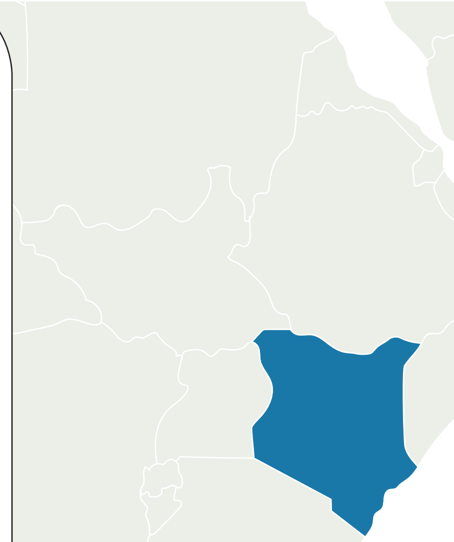


MARKET GROWTH

In millions, U.S. dollars



Source: Axco Global Statistics/Industry Associations and Regulatory Bodies



AREA

224,961

square miles

POPULATION

45.4

million

MARKET CONCENTRATION

40.7%

market share of top five insurers

2017 GDP CHANGE (PROJECTED)

6.02%

MARKET DEVELOPMENTS

Updated September 2017

- Market guidelines were issued in early 2017 for capital adequacy and risk-based capital rules expected in the market, along with guidelines on actuarial valuations, including reserve calculations for property/casualty insurers. Insurers have expressed concern about the concentration limits relating to property investments counting toward admitted assets. Reserves must be certified by an actuary.
- The Finance Act, No. 14 of 2015 introduced increased levels of capital requirements for insurers. The compliance deadline for existing property/casualty insurers is June 30, 2020.
- Amendments to the Insurance Act in 2017 included a requirement that the Insurance Regulatory Authority should regulate bancassurance — insurance sold through banks' branch offices — in the same way as brokers with respect to capital and disclosure requirements.
- The Insurance Act also increased penalties for contravening its section relating to nonadmitted insurers; the main purpose of the increase was to enforce compliance with regard to insurance of marine cargo imports with local insurers, which in the past had not been strictly enforced.
- On Nov. 8, Aon P.L.C. confirmed completion of the sale of its shareholding in its employee benefit, insurance and reinsurance brokerage operations in Kenya, Lesotho, Malawi, Namibia, Uganda and Zambia to private equity firm Capitalworks Investment Partners (Pty.) Ltd., which concentrates on sub-Saharan Africa.

COMPULSORY INSURANCE

- Auto third-party liability for bodily injury
- Workers compensation
- Aviation third-party liability
- Shipowners liability for marine oil pollution
- Professional indemnity coverage for insurance brokers

NONADMITTED

Nonadmitted insurance is not permitted, as the law says insurance must be purchased from locally authorized insurers, with some exceptions. Application for placing business abroad may be made to the supervisor if coverage is not available locally or if there are major capacity issues.

INTERMEDIARIES

Intermediaries have to be authorized to do insurance business and are not allowed to place business with nonadmitted insurers. Kenya's insurance law says no broker or agent shall directly or indirectly place any Kenyan business with an insurer not registered under the act without the prior approval of the supervisor. Brokers involved in nonadmitted placements do not have to warn buyers that their insurer is not subject to local supervision.

MARKET PRACTICE

Since exchange control regulations have been significantly relaxed, it has been difficult to police insurance placed abroad unless large premiums are involved. Foreign insurers have been known to offer products in Kenya through local agents and brokers, and the supervisor continues to take steps to eliminate such cases.

Information provided by Axco Insurance Information Services.
www.axcoinfo.com

RLI unit wins coverage dispute with port terminal

■ Mt. Hawley Insurance Co., a unit of RLI Corp., is not obligated to provide coverage to a Miami port terminal because it is not a named insured under its owners' policy, the 11th U.S. Circuit Court of Appeals in Atlanta ruled.

Peoria, Illinois-based Mt. Hawley provided commercial general liability coverage to Raul and Lucrecia Gonzalez, who formed the terminal corporation, according to the ruling last month in *Mt. Hawley Insurance Co. v. Miami River Port Terminal L.L.C. et al.* Because of an error by an insurance agent that was never corrected, Miami River Port Terminal had been added to the Gonzalez policy as an insured location rather than as an additional insured, even before Mt. Hawley had assumed coverage.

Miami River leased its property to P&L Cargo Services Inc. In September 2013, Wilson Augustave suffered severe bodily injuries at the site while working on the dock helping unload a cargo ship. He filed suit against Miami River Port Terminal and P&L for his injuries. While Mt. Hawley defended the lawsuit with a reservation of rights, it also sought a declaration it had no duty to defend or indemnify Miami Port Terminal.

The U.S. District Court in Miami ruled in Mt. Hawley's favor on the basis the injury arose from a joint venture between the company and P&L that was not listed as a named insured on the policy. A unanimous three-judge appeals court panel ruled in Mt. Hawley's favor, but on a different basis — that Miami Port Terminal was not on the policy. "Defendant is not a named insured and cannot establish entitlement to coverage," said the ruling, in affirming the lower court's decision. "Defendant was never covered by the policy."

'Mark of the devil' religious bias case can proceed

■ The U.S. District Court in Johnstown, Pennsylvania, has refused to dismiss a religious discrimination and retaliation case in which a bus driver charged she was terminated after refusing to be fingerprinted.

Bonnie F. Kaite, who was hired by Altoona, Pennsylvania-based Altoona Student Transportation Inc. in 2001, was told in November 2015 that in accordance with a new state law she was required to be fingerprinted, according to *Bonnie F. Kaite v. Altoona Student Transportation Inc.*

Ms. Kaite, a devout Christian, told her employer that according to her "sincerely held religious beliefs," the Bible's Book of Revelation prohibits the "mark of the Devil," which she believes includes fingerprinting, "and that she will not get into heaven" if she submits to it. She was told no accommodations were available and was terminated in December 2015. She sued, charging religious discrimination and retaliation under Title VII of the Civil Rights Act of 1964 and violation of state law.

The court ruled that Ms. Kaite has established a prima facie case of religious discrimination and retaliation. The bus company "avers that it contacted various governmental entities in a good faith attempt to accommodate plaintiff but, through those conversations, concluded that it could not do so without subjecting itself to an undue hardship … However, this court cannot weigh the veracity of (the bus company's) alternative facts at this time, as it must accept as true the allegations in plaintiff's complaint," said the ruling by Judge Kim R. Gibson.

Failure to remove reprimand letter is retaliation: Court

■ The 4th U.S. Circuit Court of Appeals in Richmond, Virginia, reinstated a retaliation claim against a school board for allegedly refusing to remove a letter of reprimand from an employee's file.

Kathleen Munive, an employment specialist for the Falls Church, Virginia-based Fairfax County School Board, told her assistant before she took a preapproved one-week vacation in 2006 that she should be called if any issues arose, according to *Kathleen Munive v. Fairfax County School Board, Debra Reeder; Kevin North; Jack Dale; Phyllis Pajardo.*

Although the board allegedly never contacted her, she later received a letter of reprimand for issues that arose during her vacation and was placed on administrative leave. She subsequently became a teacher and was told if she received a satisfactory one-year evaluation, the reprimand letter would be taken out upon her request. Although she received the satisfactory evaluation, the school board did not remove the reprimand letter despite at least seven formal requests. She alleged she was denied two assistant principal positions, as well as interviews for other positions, because of the reprimand in her file.

After filing two complaints with the U.S. Equal Employment Opportunity Commission in 2007 and 2013, Ms. Munive sued the school board in U.S. District Court in Alexandria, Virginia, in August 2016 on charges including retaliation in violation of Title VII of the Civil Rights Act of 1964. The court dismissed the case, but on appeal a three-judge panel unanimously reinstated her retaliation charge.

Ms. Munive "alleged that the failure to remove the reprimand letter cost her a promotion, and we have held that the denial of a promotion constitutes an adverse action under Title VII's anti-retaliation provision," said the ruling. "We conclude that the denial of Munive's request to remove the reprimand letter constituted a discrete act of retaliation," the ruling said.

AIG unit prevails in refusing to accept D&O settlement

■ The U.S. District Court in Phoenix has upheld an American International Group Inc. unit's refusal to fund a $13.1 million settlement agreement under its directors and officers liability policy in a case involving a for-profit educational firm.

Phoenix-based Apollo Education Group Inc. was sued in 2006 in a putative shareholder class action by Teamsters Local 617 Pension & Welfare Funds, according to *Apollo Education Group Inc. v. National Union Fire Insurance Group of Pittsburgh, Pa.* The union alleged Apollo and others committed securities fraud by backdating Apollo's stock option grants to certain personnel. The court ruled in Apollo's favor, but the parties reached a $13.1 million settlement agreement while that decision was being appealed in April 2014.

However, National Union, a unit of AIG, refused to consent to or fund the settlement under its claims-made D&O policy, which had a $15 million limit and a $3 million self-insured retention. Apollo paid the settlement with its own funds, then sued National Union, charging breach of contract and bad faith.

The District Court, under a different judge than the one who handled the original case, ruled AIG was not obligated to fund the settlement. "In the context of a prospective settlement, an insurance company is obligated 'to give equal consideration to both the interests of itself and of its insured,'" said the October ruling, in quoting an earlier case. AIG "concluded that settlement was premature — and likely unnecessary — because of the probability that (Apollo) would prevail on appeal," said the ruling. On the bad faith claim, Apollo "failed to set forth facts from which a reasonable juror could find that (AIG) acted unreasonably" when it refused to consent to the settlement, said the court in granting AIG's motion for summary judgment.

DOCKET

INSURER NOT LIABLE FOR DAMAGE CAUSED BY POT GROWERS

An insurer does not have to cover a landlord's property damaged by marijuana-growing tenants, the U.S. District Court in Detroit ruled in *K.V.G. Properties Inc. v. Westfield Insurance Co.* Wixom, Michigan-based K.V.G. had filed a claim under its property policy for $510,894 in damage caused by tenants who altered several units in Novi, Michigan, to grow pot. "The tenants' use of the units to grow marijuana was illegal or at the very least dishonest," the ruling said. "It is undisputed that the alterations performed by the tenants were not authorized and damaged the units."

SAFETY CITATION VACATED ON LACK OF PROOF

An administrative law judge of the U.S. Occupational Safety and Health Review Commission vacated a serious citation and a proposed $6,234 penalty against Cincinnati-based The Thomas J. Dyer Co. due to the Labor Department's failure to prove the employer violated the cited standard during an inspection by the U.S. Occupational Safety and Health Administration for an alleged violation of a construction standard related to gas welding and cutting. The judge said the department failed to prove a violation because it relied on an internal memo about testing protocols that the court did not find to be reliable.

CHURCH INSURER SETTLES DIOCESE'S SEX ABUSE CLAIM

Omaha, Nebraska-based Catholic Mutual Relief Society of America agreed to pay $8.95 million to settle a coverage dispute with the Diocese of Duluth, Minnesota, stemming from litigation over sexual abuse claims, according to filings with the U.S. Bankruptcy Court. The diocese had filed for bankruptcy in December 2015 after a jury handed down an $8.1 million verdict against the diocese, finding it had been negligent by failing to supervise a priest who abused a teenage victim in 1978.

Mike Sicard

USI INSURANCE SERVICES

USI Insurance Services L.L.C.'s acquisition of Wells Fargo Insurance Services USA Inc., announced in June, combines two top 10 brokerages and rewrites the rankings of the world's top brokers. USI also recapitalized in March with Kohlberg Kravis Roberts & Co. L.P. and Montreal-based Caisse de dépôt et placement du Québec for $4.3 billion in what President and CEO Mike Sicard called "a really different and innovative evergreen capital structure" where KKR chose not to put USI in a fund, but instead used its balance sheet to make the investment. He sat down recently with *Business Insurance* Reporter Matthew Lerner to discuss the Wells Fargo deal, USI's plans and industry consolidation trends. Edited excerpts follow.

Q How is the Wells Fargo transaction transformational for USI?

A Separately, USI and Wells Fargo Insurance Services were each one of the 10 largest insurance brokerage and consulting firms. Now together, USI becomes one of the few largest and leading insurance brokerage and consulting firms globally, nationally and locally. Size doesn't necessarily mean transformative, however, unless you can truly tap into the tremendous talent and world-class expertise of the professionals across the combined firm. That's where I think the cultures of our two firms are so compatible and important. We're coming together as a truly integrated one. We call it our USI One Advantage.

Q What will be the greatest challenge or challenges in terms of integration?

A We need to ensure a seamless transition for our clients with no changes to their policies and programs and continuity in their team. The good news is this is not our first experience. USI has done this over 200 times, and in 2014, we had the honor of doing a transaction with Wells Fargo for a portion of its insurance brokerage and consulting team members in 40 cities across the United States, so we have a prior successful path here to follow.

Q Is there a timeline or any milestones in terms of the integration plan?

A The first year is the most immersive period, where our team members get to know each other. We have had limited opportunity preclosing in this situation because of regulatory filings, regulatory approvals and the need to continue to operate as two separate independent firms. So, a lot will happen over the first year. With a transaction of this size, meaningful to USI, to Wells Fargo and to the industry, we had limitations on how much we can really do preclose.

Q In terms of moving forward, what will be the key strategies for the combined company?

A USI and Wells Fargo Insurance Services both started as small local agencies years ago, so we have a deep appreciation and understanding of the importance of local client commitment. Our key strategy moving forward will be focused on getting our collective teams out meeting with current and potential clients to introduce our expanded capabilities for those that know us and for those who we will now meet for the first time, including large risk management clients, middle market companies, smaller firms and individuals across property and casualty, employee benefits, personal risk, retirement solutions and programs.

Q In terms of the brokerage space, are we going to see continued consolidation?

A I do see the industry space continuing to consolidate, but it's also changing, and that change will accelerate in the next five-plus years as people retire from the industry.

Q&A

Q Is this deal a singular opportunity? Are there other Wells Fargos out there? Will we see mega-deals that change the top 10 rankings?

A I'd say yes and no. Yes, in that this is a uniquely large and exceptionally experienced and talented team of professionals across the country that has been connected together as a single firm, and that is rare in our industry. At the same time, no, in that there are over 30,000 insurance brokerage firms in our space in the United States and a nearly unlimited opportunity to partner with great firms and talent going forward. And USI will be very active in forging more of those partnerships going forward, and there are large firms, middle-sized firms and small firms that all can be exceptional partners going forward.

Q That pace of consolidation, given the number of brokerages, will it remain the same? Are there any forces in place that would push it to accelerate or decelerate?

A It's driven by different forces at different time periods. There was a wave of consolidation driven for a period of time by public insurance brokers. There was a wave of consolidation for a period of time driven by banks getting into the insurance brokerage industry. Currently, the wave is being driven more by private equity money entering the insurance brokerage industry. So those waves have come from different investor partner parties, but the overall thrust and trend in consolidation has been pretty consistent over a long period of time.

Q Do each of those consolidators have similar or different agendas?

A I think different agendas. If you look at a strategic large public company, they will tend to be looking to add scope or scale to a part of a geography. But they're already in the business, and so they know what they're doing with the business, and they're really looking, tending to fill in gaps and holes.

The bank-owned thrust that really is on the back end now, where banks tend to be more sellers than buyers of insurance brokerage agencies, was more of a total financial products thesis, in which all financial products could be part and parcel of a whole, with insurance brokerage and consulting certainly one important component of that. I think with the private equity firms, it's different. There is more of a stand-alone recognition of the potential performance of insurance brokerage firms, both in their downside risk protection, but also their upside opportunity, and I think it's been seen as a potentially solid investment vehicle for private equity firms even if that private equity firm itself doesn't have a prior background or history in insurance brokerage. I think the investment community has found some success in the space, and that has engendered, I think, more interest from other private equity investors.

USI and Wells Fargo Insurance Services both started as small local agencies years ago, so we have a deep appreciation and understanding of local client commitment.

A LASTING LEGACY OF PAIN

Workers comp sector struggles with weaning injured workers off opioids

BY LOUISE ESOLA
lesola@businessinsurance.com

An industry whose hallmark is pain management is now grappling with its own ailment for which there is no easy cure: legacy claims tied to long-term opioid prescriptions.

Even as regulations, formularies and intervention programs set up by pharmacy benefits managers, insurers and others are established to crack down on opioid prescribing, the question of what to do with injured workers who were prescribed strong pain medications as part of their treatment years ago is a complicated one, experts say.

"Legacy claims are interesting because the education about opioids didn't really come out until 2010, and the (U.S. Centers for Disease Control and Prevention) didn't come out until recently to say, 'Hey, this is bad,'" said Debra Doby, a New York-based partner at Goldberg Segalla L.L.P., referring to the CDC's 2015 release of guidelines that found opioids ineffective in managing chronic pain — guidelines now working their way into the industry and into state capitol buildings.

Numerous studies show that opioid prescribing is on the downturn in workers compensation and opioid early intervention programs have become an industry mainstay, with a cadre of nurse case managers, review boards and others aiming to ensure a person does not become dependent on drugs never intended for long-term use whose side effects run a troublesome gamut that includes death.

"The focus is on the front end (of the claim), but it doesn't deal with what we are left with," said Deborah Gleason, who works as a clinical resources manager in the Philadelphia office of ESIS Inc., the third-party administrator subsidiary of Chubb Inc.

"It is messy, it is complex, and it is highly individualized," said Mark Pew, senior vice president at Prium, a Duluth, Georgia-based medical cost management firm, who uses "#cleanupthemess" on social media when blogging about the quagmire that has the industry rethinking its approaches.

"We are starting to understand as an industry that injured workers are people, too," he said. "From there, what do you do?"

Inside the mess

Few disagree over what started the problem: among the culprits named are widespread marketing of pain medications, pain being considered a vital sign along with pulse and blood pressure and a culture that craves instant gratification.

Dr. David Deitz, a managed care consultant who runs his own consulting firm David Deitz & Associates L.L.C., out of Westport, Massachusetts, said he lived through the "decade of pain," when in the 1990s a doctor's quality assessment included this question: Are you in pain?

"There was an encouragement to send them away with a treatment for pain," said Dr. Deitz. "That was one of the drivers of the opioid epidemic. Physicians were not willing to be dinged in an assessment because someone was still in pain."

And now — decades later under the cloud of a staggering opioid death toll — there's a disconnect in the workers comp industry on what to do and what's being done for long-time claimants who need to reduce or step away from opioids.

Those who work with drug weaning and addiction programs say insurers have historically been slow or outright unwilling to pay for alternatives such as cognitive behavioral therapy, which aims to teach a person with chronic pain how to mentally manage their pain; physical therapy and massage, which can provide relief but are limited; and drug treatment programs.

"This needs to shift," said Dr. Mel Pohl, chief medical officer at the Las Vegas Recovery Center, whose business is estimated to be 30% related to workers comp. "Almost all of these claims are legacy. They've been on (opioids) a long time; they are high-cost disabled (people) utilizing a lot of opioids and don't have a way out. I don't know that there has been an appetite (for insurers to pay for treatment). Insurance companies are in the business of not paying if they can. But chances are more and more insurance companies will get on the bandwagon."

"I do see that tension," said Steven Ryan, an attorney and workers compensation specialist with Frommer D'Amico Anderson L.L.C. in Harrisburg, Pennsylvania. "There is this issue of trying to address legitimate concerns and balancing that with getting an insurance company to pay for it."

See **OPIOIDS** next page

STUDY: LONG-TERM DISPENSING OF OPIOIDS IN 26 STATES

- Twenty states have seen small reductions in long-term prescribing frequency of **no more than 5 percentage** points between 2010 and 2015.
- In 19 out of 26 states, **less than 10%** of injured workers with long-term opioids received psychological evaluations between 2010 and 2015.
- The study defines long-term opioid prescriptions as those filled within the first **three months** after the injury combined with **three or more visits** to fill opioid prescriptions between the seventh and 12th months after the injury — early predictors of longer-term use.

Source: Workers Compensation Research Institute, 2016

MEDICARE SETTLEMENTS FEATURE LIFETIME OPIOID GUARANTEES

Researchers in California were the first to find that most Medicare set-aside settlements in the state include money for opioids, but experts say the problem is a national issue, taking injured workers on opioids out of the comp system and onto a lifetime guarantee of paid opioids.

"I start to think we are making progress and we are getting somewhere and opioid use in comp is down, and then you come across something like this," said Alex Swedlow, president of the Oakland-based California Workers' Compensation Institute, which conducted a study that found 70% of federally mandated and approved California workers compensation Medicare set-aside settlements for injured workers include money earmarked for decades of opioid use.

"We have no reason to believe this problem is any different in any other state," said co-researcher David Deitz, a physician and managed care consultant who runs his own consulting firm David Deitz & Associates L.L.C. based in Westport, Massachusetts.

Medicare set-asides are insurer-paid plans in which claims administrators allocate funds from workers comp

settlements to cover future medical expenses arising from a work injury that might otherwise be paid by the federal Medicare program.

"It's a confirmation of what we believe has existed," said Rita Wilson, CEO and co-founder of Delray Beach, Florida-based Tower MSA Partners L.L.C., which helps insurers and employers remain Medicare-compliant and began tackling the opioids in Medicare set-asides in mid-2015. "(It) quantifies the concern of too much opioids in the Medicare set-asides," she said of the study that was released in the fall.

The problem, as some see it, is that the federal program allows comp claims to close with cash set aside to pay for future drugs — often strong doses — with little oversight. This is unlike the typical workers comp scenario, where injured workers can rely on nurse case managers, pharmacy benefits managers, insurers, self-insured employers and others to guide the injured workers off the dangerous doses — a trend in comp spurred by regulations and treatment guidelines that now say chronic pain is not relieved by powerful pain medications.

Medicare set-asides, and the prescriptions they guarantee, are the responsibility of the injured workers and their treating physicians, said Michael Merlino, a Buffalo, New York-based attorney and senior vice president for Medicare compliance for Sedgwick Claims Management Services Inc.

In a statement provided to *Business Insurance*, the U.S. Centers for Medicare and Medicaid Services officials say the money it approves for the set aside is part of a formula. "To determine the recommended amount of funds to be set aside, medical and pharmaceutical records for the last two years of treatment of the work injury are used and the associated costs are extrapolated over the life expectancy of a beneficiary."

Unsatisfied, some are calling for additional oversight.

"CMS is approving (Medicare set-asides) with decades of opioid use ... I think that has people concerned," said Mr. Merlino.

Louise Esola

OPIOIDS

Continued from previous page

Meanwhile, those who manage workers comp insurance claims admit the past isn't pretty, and some note a paradigm shift.

"It's been great to see how everybody is recognizing it now," said Peter MacDonald, Hartford, Connecticut-based vice president of workers compensation claims for Hartford Financial Services Group Inc. "Opioids, by and large, do not help people get better and that's what our mission is … we're finding these claims and we continue to work on them."

Liberty Mutual Insurance Co. is also digging into its data to find the older claims. "We've gotten better at it and the tools have gotten better," said Frank Radack, the insurer's vice president and manager of managed care in Boston. "One of the solutions we have is interdisciplinary pain management programs; we work with some of the centers of excellence."

"I think payers are getting the message and they are more willing to pay for (treatment)," said Dr. Deitz. "There's evidence that payers have dragged their feet in paying for this, but that's less of a problem now than it used to be."

State regulators are also starting to tackle the problem.

Among the most powerful changes facing the comp industry are the formularies that call for weaning injured workers off opioids. For example, Texas in 2011 gave doctors two years to wean such claimants or to create plans to tackle the older claims. California, with its formulary set to be enforced Jan. 1, 2018, is giving doctors three months to come up with a plan to wean or reduce opioids for long-time patients in the comp system.

"My concern is that with these legacy cases, even though everything that is being done makes sense … it's going to be a mess," said Dr. Steven Feinberg a pain expert and founder of the Palo Alto, California-based Feinberg Medical Group, which helps injured workers manage pain using integrated methods. He said he hasn't seen widespread education for treating physicians on how to wean or an expansion of adequate programs to help injured workers reduce their medications.

Michael Coupland, West Palm Beach, Florida-based psychologist and network medical director for IMCS Group Inc., a national network of clinicians that helps wean injured workers off opioids, said he's also apprehensive about the future. "There's this better catching of those (dependent on) opioids, but when you catch them, how do you treat them?"

Both experts call for additional education for providers and payers and say they can start by better understanding the patients themselves.

An average Joe

This category of injured workers are usually people with musculoskeletal pain, whose pain remains stagnant and might be, ironically, caused by a physical dependence on an opioid, a condition known as hyperalgesia, a term now finding its way into workers compensation circles. They are people whose pain, discomfort and side effects make return to work impossible — an injured worker who hasn't slept, who has anxiety, depression or nausea, and takes other pills alongside their Vicodin or OxyContin to quell those side effects.

An injured worker like Joe in 2013.

Joe, who didn't want his last name printed because of the "stigma" of having been dependent on opioids, fell 12 feet off scaffolding while working as a carpenter in Dartmouth, Massachusetts, in 2006, suffering a back injury. He was in his late 20s and thought he'd heal quickly, he said. "No puncture wounds," he recalled, thinking he was lucky at the time, because in construction "you see it all."

The first doctor he saw put him on Percocet, a commonly prescribed opioid. The second — a pain management specialist — upped his dose after long visits that gauged range of motion and other metrics for measuring recovery.

For several years, his employer's insurer sent him to see a specialist every six months, and in time the visits with the doctor became shorter and he always left with a new prescription for pain medication. The pain never went away. He wasn't sleeping. He missed his construction career: cracking jokes, picking on the new guy because that's what you do, he said in a Boston accent.

Joe said he wasn't living. And that he had never heard of "opioids," and yet took them every day. In 2013, frustrated with where his life was, he Googled his prescriptions.

"I started reading all these horror stories and I started thinking, there's gotta be something else," he said. "I didn't want to be on that stuff."

At about that time, Joe was referred to work with Mike Pringle, the director of specialty services at Windham Group, a Manchester, New Hampshire-based workers compensation case management company that specializes in opioid weaning, among other offerings.

Mr. Pringle calls Joe one of his success stories: He's back to work now and lives pain-free.

But there aren't that many Joes, Mr. Pringle said, calling the problem facing the industry the most challenging, either because payers were historically unwilling to fund treatment or the injured workers themselves were unwilling to quit or reduce their pain medications.

Joe weaned himself in about three weeks; taking smaller and smaller doses until he was off the pain medications completely. But that likely won't work for everybody, Mr. Pringle said, adding that interventions and therapies need to be varied and combined. He used an analogy redolent of getting somewhere.

"Each intervention is like a spoke in a wheel on a bicycle," said Mr. Pringle. "A bicycle wheel with two spokes doesn't work too well."

"Now that the (opioid) problem has been unveiled to the public, we have to do something about it — the legacy cases of people who got injured 10 to 15 years ago and have been on narcotics since," Mr. Pringle said. "Those are the cases that are a real challenge because so much of the groundwork where you could have had a positive impact, those days are long gone. It's almost like building a building and realizing you have to change wiring after it's built … None of this is easy."

Time and money

"You can wean anybody by stopping the drug, but if we are trying to do something to help the injured worker get back to their life, it will take more," said Dr. Feinberg. "It's expensive to help people have a better life."

"You have to have every tool at your disposal," said Mr. Pew. "You have to be willing to pay for treatment, to pay for yoga, to pay for (cognitive behavioral therapy)."

Dr. Pohl's treatment facility in Las Vegas will be going to 80 beds from 40 in a few months because he's anticipating more patients as regulation and politics leads more people into treatment.

While costs vary by payer, $1,000 a day is a good estimate for daily treatment for a person in opioid weaning — a complicated process that could result in numerous adverse events, Dr. Pohl said.

Among the worst early side effects of weaning, and why it isn't always successful, is the anxiety associated with what can happen, said Mr. Coupland. Nausea, headaches, and rapid heartrate are associated with weaning off opioids. And some might not be able to go through it if they suffer a heart condition, he said.

Once stabilized, there's the life-goal approach and the management of pain that comes next.

"They have to want to feel better and be more socially active," said Mr. Coupland. "They have to want to play with their grandkids or have a better quality of life. A life on opioids is isolated; most people just stay at home and have very little social life; they get separated from family activities and involvement and focus very much on what they can't do instead of what they can do. The brain wants to justify having the drugs so they can focus on the pain."

Insurers have historically avoided paying for therapy that targets a person's thinking — cognitive behavioral therapy — for fear of creating a "psych claim," said Mr. Coupland.

Other experts expressed similar concerns.

"Cognitive behavior therapy raises a red flag for insurers because it opens the doors for a psych claim," said Ms. Doby. "I think we get back down to education. Typically, you find with the legacy claims, you have to educate the claimant; they have to understand how to cope with their pain. They have to understand how to move differently, and that requires therapy. That results in a successful person coping with their pain."

Risk management education evolves

BY ROB LENIHAN
rlenihan@businessinsurance.com

As technology begins its inevitable overhaul of the industry, experts say the next generation of insurance professionals will need a combination of modern knowledge and old-time communication skills.

Big data and artificial intelligence are among the technology advances that promise to turn the industry inside out, and some may wonder if colleges and universities are producing graduates who will be able to navigate through the new landscape.

"The idea that we need to get the students access to things like modeling and big data is becoming more and more prevalent," said Kathleen McCullough, associate dean for graduate programs and research at Florida State University in Tallahassee. "For years we've been upping the amount of Excel that's in our classes, upping students' presentation skills with PowerPoint, all the normal office skills, but now you have to teach students about LinkedIn and social media."

In addition to technology, Ms. McCullough stressed the importance of learning so-called "soft skills" such as effective communication.

"It's not just how to model data and answering questions with data," she said. "It's also knowing what questions need to be asked, what data you need and then how to do those models. But more importantly how to explain what you have. So, it's going to be as much communicative as it is going to be the quantitative to be really successful."

Brenda Wells, director of the risk management and insurance program at East Carolina University in Greenville, North Carolina, said every school takes a different approach to properly training students for the real world – one that is primarily faculty driven.

"Some schools are going real quantitative with actuarial stuff," she said. "We're trying to prepare our students to be flexible, to kind of go with the flow and be adaptable. And the biggest thing they've got to be willing to do is continue to learn."

East Carolina University is offering a graduate certificate in data analytics that Ms. Wells herself intends to pursue "so that I can relay that information on to the students that are coming through now."

Some schools, Ms. Wells said, think actuarial science "is the be-all end-all of this industry, and they're still doing that."

"I personally do not subscribe to that theory," she said. "I think actuarial science is important, but most people who work for insurance companies are not actuaries and they are not actuarial science specialists."

Lisa Paschal, senior vice president and chief human resources officer with Ryan Specialty Group L.L.C. in Chicago, said that in her experience, risk management programs across the board do a better job at industry interaction and involvement than many other degree programs.

> "We're really putting our best foot forward, but most people are saying the stuff we're teaching the students today when they come in as freshmen is going to be outdated by the time they're seniors. I can't teach them what hasn't been developed yet. All I can do is try to be nimble."
>
> Karen Epermanis, Appalachian State University

"We do everything we can to help risk management programs understand our needs and we continue to build relationships with colleges and programs across the country," she said. "We talk with students, we sit on advisory councils, and I think that just in general industry folks work closely with these councils in order to help them remain current and relevant in today's marketplace."

Ms. Paschal believes actuarial sciences classes are still relevant, noting that actuaries make up a good part of the population in the insurance industry.

"That curriculum now includes topics like digital disruption, climate change, predictive modeling, programming and telematics," she said. "While it would include all the standard programs you would've seen in an actuarial program 10 years ago, they're really reacting to the changes in the industry very quickly and positioning the graduates to have traction in the workplace very quickly."

Dan Kugler is vice president of enterprise risk management for specialty vehicle manufacturer REV Group Inc. in Milwaukee and a board director for the Spencer Educational Foundation Inc., which awards scholarships and grants in risk management and insurance, facilitates internships and provides a risk-manager-in-residence program to universities.

"Spencer provides grants to have a risk manager come on campus talking to students, educators and professors," Mr. Kugler said. "Some of these risk managers, including myself, are also going to be looking to hire students."

Brion Callori, senior vice president and manager, engineering and research for FM Global in Johnston, Rhode Island, said he believes colleges and universities are evolving in the face of changing times.

"I think they're always reaching out to the industry for support on what's new and they're willing to amend their programs accordingly," said Mr. Callori, who has been on the Spencer board since 2009. "I always like to say, 'Give me a show of hands of how many people grew up thinking they're going to work in the insurance or risk management world.' You don't get too many people putting their hands up. I think that's where these programs really fill that gap."

Karen Epermanis, associate professor and risk management and employee benefits program director at Appalachian State University based in Boone, North Carolina, said the school is taking steps to adapt its curriculum.

"We just put in last semester a specific finance course that both our finance and our risk insurance majors must take that's Excel-based," she said.

The university also brings in guest speakers and faculty members who are active in the industry, Ms. Epermanis said.

"I'm comfortable we're cognizant," she said. "We're really putting our best foot forward, but most people are saying the stuff we're teaching the students today when they come in as freshmen is going to be outdated by the time they're seniors. I can't teach them what hasn't been developed yet. All I can do is try to be nimble. But my personal joke is that I'm going to retire and become ignorant because it's just changing so quickly."

Noelle Codispoti, executive director of Gamma Iota Sigma, the business fraternity for students of insurance, risk management and actuarial science in Yardley, Pennsylvania, said her organization seeks to broaden the horizons of the students so they get a more complete view of the industry.

"We try to connect students with the industry, not only from an employment perspective, but through the various trade organizations that provide the relevant content and relevant hot topics in what's happening in the industry," she said. "We find within all universities offering a risk management or insurance curriculum a very basic foundation ... and anything past that general knowledge they've received is coming from generally the research focus of the professor."

There has been much discussion of the aging workforce in the insurance field, with a widely quoted figure saying that with retirements the industry will need to fill 400,000 positions by 2020. However, Ms. Codispoti said, "we're not convinced that that's actually a real number or that the industry is actually preparing to hire that many folks."

"We feel we've talked about this talent gap ad nauseam, and for the length of time we've been talking about it, we should've solved it by now and we haven't," she said. "It's been at least eight years that we've known that a talent gap would exist by 2018 and 2020 and 2025, and so the rate that companies are offering jobs doesn't line up with what they say the need is going to be."

LARGEST UNDERGRADUATE PROGRAMS

Largest U.S. colleges and universities, ranked by the number of 2016/2017 undergraduates majoring in risk management and insurance programs

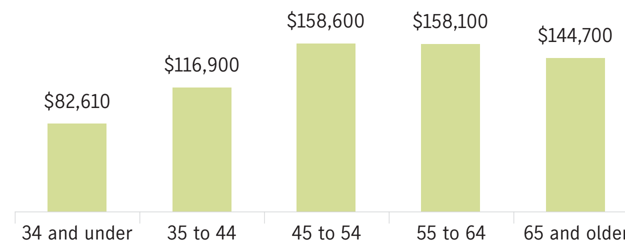
Rank	University	City	Undergraduates	Courses offered
1	University of Georgia	Athens, Georgia	605	11
2	Temple University	Philadelphia	520	13
3	University of South Carolina	Columbia, South Carolina	350	8
4	University of Wisconsin-Madison	Madison, Wisconsin	340	9
5	Florida State University	Tallahassee, Florida	282	10
6	St. Joseph University	Philadelphia	235	8
7	Appalachian State University	Boone, North Carolina	200	10
8	Illinois State University	Normal, Illinois	169	10
9	Troy University	Troy, Alabama	165	7
10	St. John's University	New York	157	11
11	University of Louisiana at Monroe	Monroe, Louisiana	149	8
12	University of Mississippi	Oxford, Mississippi	145	6
13	Olivet College	Olivet, Michigan	128	11
14	St. Mary's University	San Antonio	110	3
15	Indiana State University	Terre Haute, Indiana	105	11
16	Georgia State University	Atlanta	96	10
17	University of Colorado Denver	Denver	81	10
18	East Carolina University	Greenville, North Carolina	78	7
19	University of Hartford	West Hartford, Connecticut	77	7
20	California State University, Fullerton	Fullerton, California	70	15

Source: *BI* Survey

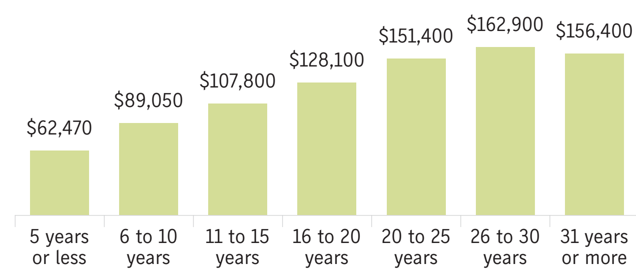
SALARY BY AGE AND WORK EXPERIENCE

In an October 2017 survey of *BI* readers,[1] the average salary of all respondents was $138,700. Respondents had an average age of 51 years old and 27 years work experience.

AVERAGE SALARY BY AGE



AVERAGE SALARY BY WORK EXPERIENCE



[1]Survey was sent to a sample of 72,246 from Sept. 29 to Oct. 12, with 2,069 returns received for a response rate of 3.3% for which 1,452 respondents who worked in the U.S. and whose company's main business activity was insurer, agent and broker, risk manager/corporate insurance buyer/user, third-party administrator or insurance services/legal/consultant were used as the base for reporting. The base used is total answering each question.

Source: *BI* survey

LARGEST GRADUATING CLASS – UNDERGRADUATE PROGRAMS

Ranked by number of students graduating from risk management and insurance undergraduate programs

Rank	University	Graduates
1	University of Georgia	203
2	University of Wisconsin-Madison	158
3	Temple University	135
4	Florida State University	100
5	Illinois State University	70
6	Appalachian State University	68
7	University of Colorado Denver	51
8	St. Joseph University	50
9	St. John's University	46
10	Ball State University	42

Source: *BI* Survey

LARGEST GRADUATING CLASS – GRADUATE PROGRAMS

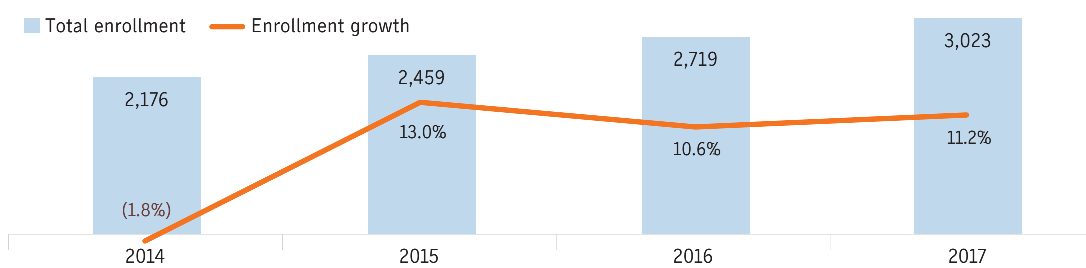
Ranked by number of graduates completing advanced degrees (master's and doctorate programs) in risk management and insurance

Rank	University	Graduates
1	St. John's University	32
2	Florida State University	19
3	University of Texas	15
4	University of Georgia	12
5	University of Wisconsin-Madison	6

Source: *BI* Survey

ENROLLMENT TRENDS

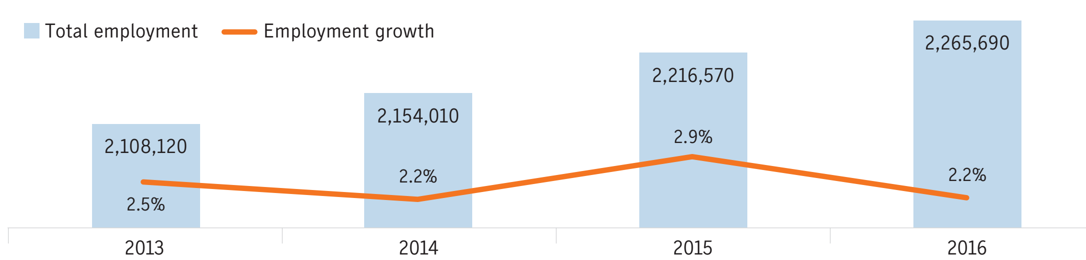
Based on the annual enrollment of students majoring in risk management and insurance programs for the *BI*'s largest 10 undergraduate programs, 2014-2017.



Source: *BI* Survey

EMPLOYMENT TRENDS

Industry-specific national employment figures for insurers and related activities sector, 2013-2016



Source: U.S. Bureau of Labor Statistics

OCCUPATION AND WAGE

2016 employment and mean wage by occupation

		MEAN WAGE	
Occupation	Employment	Annual	Hourly
Insurance sales agents	370,160	$67,790	$32.59
Insurance claims and policy processing clerks	234,990	$40,930	$19.68
Claims adjusters, examiners and investigators	193,770	$64,520	$31.02
Insurance underwriters	80,070	$75,520	$36.31
First-line supervisors/managers of office and administrative support workers	59,830	$67,280	$32.34

Source: U.S. Bureau of Labor Statistics

OPINIONS

COMMENTARY

Harassment paradigm shift

The worlds of business, entertainment and politics appear to be facing a new reality in terms of dealing with sexual harassment inside and outside the workplace, and companies need to adapt their policies and practices to reflect that change.

Beginning with allegations concerning the behavior of Harvey Weinstein, the former co-chairman of Weinstein Co., the stream of reports detailing harassment, abuse and sexual violence in numerous industries illustrates the pervasiveness of the problem.

The public shaming of so many well-known figures and the willingness of women to come forward to tell their often-shocking accounts has made sexual harassment an even more serious problem and potential liability that risk managers and insurers must deal with.

Gavin Souter
EDITOR

And as the holiday party season gets into swing, along with the associated free access to alcohol in workplace settings, the issue becomes even more urgent.

Many employers have longstanding policies in place to prevent sexual harassment, but now is the time to assess whether the regular training they offer managers and other employees is of the "check-the-box" variety to comply with regulations and laws or whether it's an effective deterrent. For example, online programs may be a quick and efficient way to train employees, but they may not provide enough interaction or gravity to effectively get the anti-harassment message across.

In-person training may be a better option where practicable; but more importantly, managers should be constantly on the lookout for harassing behavior in the office and at work functions, take appropriate and proportional action when they spot troubling behavior, and generally ensure that their organization's culture is respectful and professional. In addition, companies should have clear reporting protocols in place even — or perhaps especially — for the most senior people in an organization.

Once allegations of sexual harassment are filed, employers must make sure they take them seriously and treat the alleged victims with respect. One of the issues that has become clear to all over the past couple of months is that women are often afraid or unwilling, for a range of reasons, to file formal harassment complaints; and when they do, their allegations often are treated with skepticism. While harassment often takes place in private and is hard to prove, as we have witnessed, the volume of complaints against individuals in many cases bear out the veracity of the accusations made by those brave enough to step forward first.

In addition, organizations should have formal procedures in place to investigate accusations that are fair to both sides and free from influence from other areas of the organization. In many cases, that may lead to extra expenses as outside counsel is called in, but the seriousness of the issue should outweigh concerns over costs.

SCHILLERSTROM

VIEW FROM WASHINGTON

Tax relief, or lump of coal?

Will Christmas come early for U.S. taxpayers?

President Donald Trump and many federal legislators hope to have the first major tax overhaul in more than 30 years done by the end of 2017, with an ambitious schedule set for passing a deeply complicated and controversial piece of legislation.

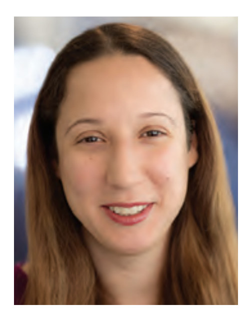
A Washington Post poll found only about 30% of Americans support the tax plan — a level of support lower than any major legislation passed in the last three decades, including the economic stimulus package and Affordable Care Act adopted in 2009, according to an analysis by George Washington University's Chris Warshaw, an assistant professor of political science.

The U.S. House of Representatives passed its tax reform bill on a 227-205 vote on Nov. 16, with the Senate Finance Committee approving its version on a 14-12 vote along party lines. But those opposing the House bill cited several factors, including its repeal of much of the deduction for state and local income taxes. This would be a major loss for taxpayers in certain states, including my home state of Maryland, where 46% of taxpayers claimed a deduction in 2015 — the highest rate in the country and well above the 30% national average, according to the nonpartisan think tank Tax Policy Center.

And some House bill provisions were just mean-spirited. Not allowing overworked teachers who pay out of their pockets for school supplies to take a $250 deduction is one of them. Luckily, the Senate version would not only keep that deduction in place, but double it.

Speaking of the Senate bill, a provision to repeal the Obamacare individual mandate requiring Americans to purchase health insurance or pay a penalty has been cited by senators planning to or considering voting against it. The Trump administration is willing to abandon the attempted mandate repeal to get the job done, but other obstacles remain, including a plan to schedule individual tax cuts to expire at the end of 2025 while the corporate tax rate reduction would be permanent.

There's no doubt a tax code overhaul has potentially positive implications for insurers and their customers. The House bill would replace the current structure of corporate income tax rates, which has a top rate of 35%, with a single 20% rate. The Property Casualty Insurers Association of America applauded its passage, saying "reducing the corporate tax rate will help the property and casualty industry be more competitive."



Gloria Gonzalez
DEPUTY EDITOR

Some insurance groups have praised an effort to level the playing field for U.S.-based insurers by closing the so-called Bermuda loophole, which allows foreign insurance groups to shift their U.S. reserves into low- or no-tax jurisdictions overseas through reinsurance transactions and avoid paying U.S. tax on their investment income. Other groups expressed concern that such a move would shrink market competition and increase costs for insurance buyers.

Tax reform was going to be a heavy lift even before the wave of sexual harassment and assault charges levied against current and potential members of Congress. With folks on both sides of the aisle wrongly turning these charges into a partisan issue, that's going to further divide Congress and perhaps make tax reform impossible.

MARKET PULSE

AIG's Hamilton USA unit rebrands as Blackboard

■ American International Group Inc. has launched the brand name Blackboard for its technology-focused subsidiary, which previously operated under the Hamilton USA brand.

AIG completed the acquisition of Hamilton USA on Oct. 2. The unit will operate as a startup backed by the resources of AIG and is expected to launch by the second half of 2018, AIG said in a statement.

"Blackboard is a key part of AIG's strategy to grow our business with the greatest competitive advantage and ability to serve our clients, today and into the future," Seraina Macia, CEO of Blackboard U.S. Holdings Inc., said in a statement.

The name "represents a clean slate" and the unit's "vision is to reimagine and transform commercial insurance through digital technology, data analytics, and automation," the insurer said in the statement.

Fidelis Insurance starts managing general agent

■ Fidelis Insurance Holdings Ltd. has launched Radius, it's first managing general agent, which will focus on niche specialty treaty excess-of-loss business such as cyber, nuclear and personal accident retrocession.

Radius, which began writing business in November, will be run by Rob Ashton, Fidelis said in a statement. Based in Hamilton, Bermuda, he joins Fidelis from Hiscox Re, where he was head of specialty.

Radius is the first MGA to be launched through Fidelis subsidiary Pine Walk Capital Ltd., which will be run by Rinku Patel, who was most recently at Hyperion Insurance Group.

QBE North America sets up E&O program

■ QBE North America, a division of Sydney-based QBE Insurance Group Ltd., has formed a strategic program underwriting alliance with Professional Risk Facilities, a unit of Jericho, New York-based ARC Excess & Surplus L.L.C., to offer coverage for miscellaneous errors and omissions, media liability, tech E&O and cyber.

The coverage will be written on an admitted basis through QBE North America, the insurer said in a statement. The broker will be Stamford, Connecticut-based TigerRisk Partners L.L.C.

QBE said the program will run alongside its existing commercial E&O offering.

The program, which will be accessible from a specialized network of wholesale distribution partners, will target small accounts generating a maximum revenue of $5 million.

QBE's internal commercial E&O team will handle accounts with revenue of more than $5 million, along with complex accounts that generate less than that in revenue and/or those that fall outside of Professional Risk Facilities' class-of-business authority, according to the statement.

PRODUCTS & SERVICES

MGU handles cyber risk differently

■ At-Bay, a startup managing general underwriter for Hartford Steam Boiler Inspection & Insurance Co. that focuses on analyzing and preventing cyber risk, began operations in November.

The Mountain View, California-based firm underwrites standalone surplus lines policies offering coverage of up to $10 million, said founder and CEO Rotem Iram.

The concept behind the operation is that cyber risk is dynamic and that relying on historical data limits cyber coverage's effectiveness, Mr. Iram said.

At-Bay is moving away from using actuarial tables to working with security experts who will price coverage based on future expected risk, as well as "continuously assessing risk for every company in our portfolio," Mr. Iram said. "Our belief is if we can help companies avoid losses altogether, it creates value for us we can then return and give back to companies in the form of better pricing and coverage."

Hiscox expands cover for financial services firms

■ Hamilton, Bermuda-based Hiscox Ltd. is introducing customized professional and management liability coverage for U.S. financial services firms.

Hiscox FS expands the insurer and reinsurer's current offering to financial services companies and provides coverage for various aspects of their businesses through a streamlined platform, Hiscox said in a statement.

Policyholders can add additional protection against exposures beyond traditional insurance coverages, including for professional liability, cyber privacy and miscellaneous professional liability, through a single customizable policy, according to the statement.

The limit on the program is $5 million, according to a spokeswoman.

Everest targets private, nonprofit business

■ Everest Re Group Ltd. has formed a private company/nonprofit business segment within Everest Insurance's specialty underwriters unit that will target small, medium and large private and nonprofit corporations on a primary and excess basis.

Everest Re said the new business segment will complement all areas of Everest's expanding financial lines division.

The unit is headed by New York-based Salvatore Collura, who has been named the segment's vice president and national practice leader and will be involved in expanding the business across the country, Hamilton, Bermuda-based Everest Re said in a statement.

Beazley updates cyber breach policy

■ Beazley P.L.C. has introduced a new version of its Beazley Breach Response cyber policy for small and midsize businesses that includes business interruption coverage.

London-based Beazley said the streamlined 22-page policy offers a full suite of breach response services to identify the cause and scale of data breaches, alert the affected individuals and provide credit and identity monitoring.

It also includes first-party coverage for cyber extortion; data recovery costs; business interruption from security breaches and system failures; contingent business interruption from security breaches and system failures that occur at the policyholder's vendors and suppliers; and e-crime coverage for fraudulent instruction, funds transfer and telephone fraud.

DEALS & MOVES

Hub buys Wells Fargo's crop insurance business

Hub International Ltd. has agreed to buy Wells Fargo Insurance Inc.'s crop insurance broker business, Wells Fargo Crop.

Terms of the deal were not disclosed.

The crop insurance business is the final piece of commercial insurance brokerage business that Wells Fargo owned following its agreement to sell the bulk of its brokerage operation to USI Insurance Services L.L.C. in June.

Wells Fargo Crop team members will join Hub International Mountain States Ltd., Hub said in a statement.

Aon to acquire UK broker Henderson

Aon P.L.C. is acquiring Leeds, England-based Henderson Insurance Brokers Ltd. for an undisclosed amount.

Henderson, which will become part of Aon Risk Solutions U.K., focuses on general insurance, health and benefits, and trade credit insurance, Aon said in a statement. It has over 400 employees in 16 offices.

Captive manager SRS enters Barbados market

Captive manager Strategic Risk Solutions has acquired the operations of Barbados captive manager CGE Group.

Terms of the deal were not disclosed.

All 10 CGE staff will remain with the firm, including Chris Evans, the current CEO of CGE, who will continue to lead the Barbados operations, Concord, Massachusetts-based SRS said in a statement.

Gallagher acquires affinity businesses

Arthur J. Gallagher & Co. has acquired Pittsburgh-based affinity businesses Allied Business Network Ltd. and Smart Business Saving L.L.C.

Terms of the transaction were not disclosed.

Allied Business Network is a broker offering e-commerce access to business supplies and services, car rentals and travel discounts designed to provide rewards to members of affinity groups in the U.S., Canada and Europe, Gallagher said in a statement.

Smart Business Saving is a similar business with a white label program for larger clients that offer discounts to their business customers, according to the statement.

BUSINESS INSURANCE®

DIVERSITY IN THE INSURANCE INDUSTRY

MARSH

BUSINESS INSURANCE®

DIVERSITY IN THE INSURANCE INDUSTRY

According to a new *Business Insurance* survey, 84% of respondents think it is important for their companies to have a diverse workforce, with 58.1% saying that their companies actually do have some programs or practices in place that address workplace diversity and inclusion.

The online survey in September and October looked at current practices and attitudes toward diversity in the insurance industry. The survey was sent to 72,246 *Business Insurance* readers with an effective response rate of 3.3% or 2,069 returns. However, only responses from 1,452 respondents who work in the U.S. and whose company's main business activity is insurers, agents and brokers, risk managers/corporate insurance buyers/users, third-party administrators, or insurance services/legal/consultants are used in this report. The base used is total answering each question.

PROFILES OF RESPONDENTS

59.1% MALE

38.9% FEMALE

2.0% TRANSGENDER/PREFER NOT TO ANSWER

BREAKDOWN BY RACE + ETHNICITY

80.8%	White/Caucasian
5.9%	Black/African-American
4.6%	Hispanic background or ancestry
3.9%	Asian or Pacific Islander
0.1%	Alaskan Native/American Indian

DIVERSITY PRACTICES

Bigger companies are more likely to have programs that address diversity issues than smaller companies.

	YES	NO
Less than 100 employees	40.3%	59.7%
100 to 499 employees	66.3%	33.7%
500 to 2,499 employees	79.9%	20.1%
2,500 or more employees	92.6%	7.4%

TOP 5 DIVERSITY PROGRAMS OFFERED BY COMPANY

35.7%	Engages in community outreach related to diversity
30.1%	Allows employees to take unpaid leave to observe a religious or cultural holiday not observed by the organization
28.6%	Employs recruiting strategies designed to help increase diversity within the organization
25.8%	Provides career development opportunities designed to increase diversity at higher-level positions within the organization
24.9%	Demonstrates diversity awareness in the form of celebrating different cultural events

PROVIDE TRAINING ON DIVERSITY ISSUES

44.8% YES

37.0% NO

18.2% NOT SURE

23.2% OF THE COMPANIES DO NOT MEASURE THE SUCCESS OF THEIR DIVERSITY PROGRAMS.

THINGS THAT EMPLOYEES HIDE ABOUT THEMSELVES AT WORK

21.6% POLITICAL AFFILIATION

9.8% AGE

6.3% RELIGION

2.7% DISABILITY

1.6% SEXUAL ORIENTATION

1.5% GENDER

1.4% ETHNICITY

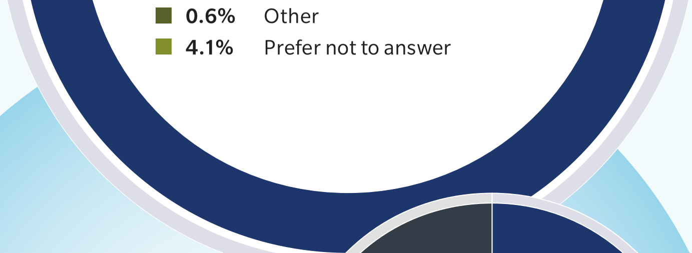
1.0% RACE

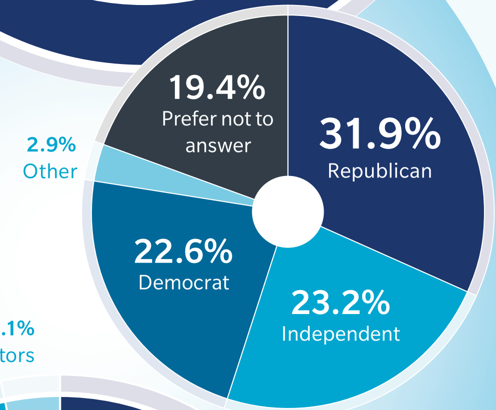
0.4% VETERAN STATUS

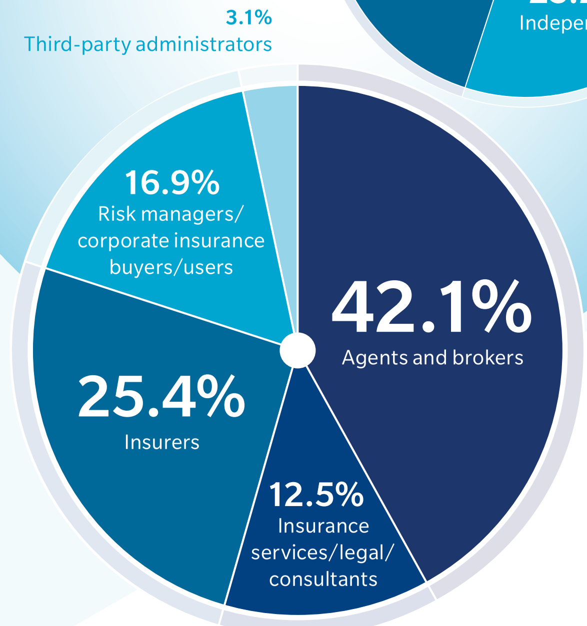
MINORITIES OR LGBT MEMBERS HOLDING MANAGEMENT POSITIONS IN THE COMPANY

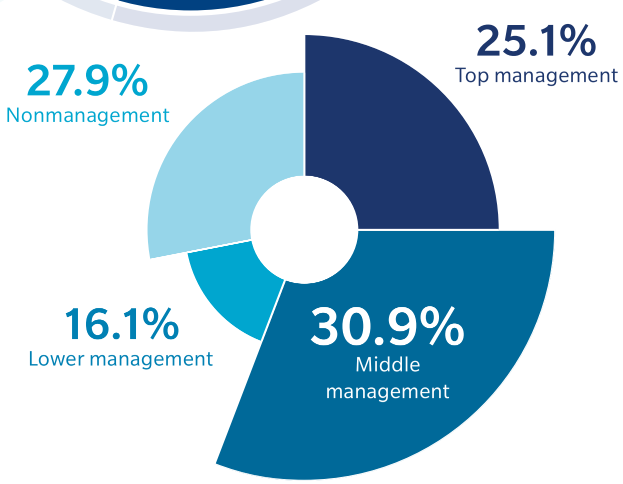
33.9%	Black/African-American
13.6%	LGBT
12.3%	Hispanic background or ancestry
8.7%	Asian or Pacific Islander
0.5%	Alaskan Native/American Indian
16.9%	None of the above
27.0%	Prefer not to answer/not applicable

HIGHEST-RANKING POSITIONS HELD BY A MINORITY OR LGBT IN MANAGEMENT POSITIONS









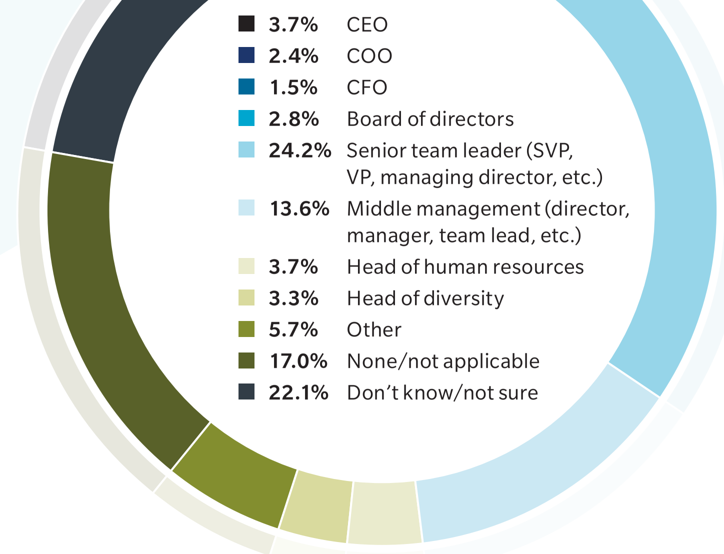
THE TOP 10 MEASURES USED TO MEASURE IMPACT OR SUCCESS OF DIVERSITY PRACTICES

22.6%	Improved corporate culture
20.7%	Diversity evident at all levels of the workforce
19.8%	Employee opinion surveys/diversity audits
17.7%	Number of diverse employees recruited
15.9%	Number of diverse employees retained
14.4%	Improved public image
14.3%	Evaluation of employees' sensitivity/knowledge of diversity
14.2%	Client/customer base diversity
11.5%	Vendor/supplier diversity program
7.1%	Increased organizational competitiveness

About **HALF** of the respondents think that their companies' diversity programs are effective in achieving the desired outcomes.

TOP 10 DIVERSITY RECRUITMENT METHODS

44.5%	Employee referrals
41.0%	University/graduate school programs
33.9%	Word of mouth
30.2%	The company's website (careers section)
25.8%	Job-related websites (Indeed, Monster.com, TheLadders, etc.)
24.5%	Search firms specializing in the type of talent your company needs
23.4%	Social media (LinkedIn, Facebook, etc.)
12.9%	University/graduate school diversity associations
11.2%	Diversity-focused job fairs
7.4%	Diversity job websites



SALARY SCALE

The average age of the respondents is 51.3 years old with an average 27.0 years of working experience. Their average salary is $138,700, and they have been working in the current company for an average 12 years.

	Mean age (in years)	Mean working experience (in years)	Mean base salary
All	**51.3**	**27.0**	**$138,700**
With diversity program	50.3	26.6	$145,900
Without diversity program	55.3	30.2	$129,400
Male	52.4	28.0	$148,500
Female	49.5	25.4	$124,100
White	52.0	27.7	$141,000
Black	51.0	26.6	$122,100
Hispanic	45.6	21.5	$119,100
Asian	45.3	18.8	$122,300
Republican	54.2	30.0	$141,500
Democrat	49.3	25.4	$141,300
Independent	50.9	26.2	$143,100

MARSH

At Marsh, we value the individuality of each of our colleagues and believe that our differences make us stronger as we strive for innovation and excellence in all of our businesses globally.

We are committed to dismantling barriers that hinder growth or opportunity and are invested in building a flexible and nurturing environment where our colleagues feel empowered to bring the best of themselves to our clients, each other, and our business.

MARSH & McLENNAN COMPANIES

BUSINESS INSURANCE + CLM

WOMEN TO WATCH

The Women to Watch awards program has been significantly expanded this year.

Since its inception in 2006, the program has highlighted the achievements of woman working in the risk management and insurance sector around the world, but the majority of our honorees were based in North America.

As the program matured and gained more recognition, we saw an increase in international nominations, particularly from Europe. As a result, this year we established a separate awards program recognizing 15 outstanding female executives in Europe, the Middle East and Africa. The awards were presented in London last month at our Women to Watch Awards & Leadership Conference EMEA 2017, and the honorees are profiled in this issue of *Business Insurance*.

In addition, starting this year, we are presenting the awards in conjunction with our sister organization, the Claims and Litigation Management Alliance. With the addition of CLM to the program, we saw a sharp increase in North American nominations. As a result, we expanded the number of honorees who will be recognized at our New York event later this month to 30 from 25.

The expansion of the program reflects the continued interest in promoting diversity in the risk management and insurance sector, which is still male-dominated at the executive levels.

All of the honorees were nominated by readers and were selected by a panel of *Business Insurance* editors. The selection criteria include recent professional achievements, leadership qualities and professional expertise.

Congratulations to all the 2017 Women to Watch. We hope you enjoy reading their stories.

Gavin Souter, editor

2017 WOMEN TO WATCH HONOREES

EMEA HONOREES

Pamela M. Anthony

President and CEO

Restore Rehabilitation L.L.C.

Owings Mills, Maryland

Age: 49

Pamela M. Anthony started Restore Rehabilitation L.L.C. in her basement in 2006, taking out a second mortgage to pay startup costs because the bank wouldn't give her a business loan.

The bank didn't think a boutique business that guides more personal care for injured workers would pan out, she said.

Eleven years and a lot of work took the venture from two employees in the basement to 215 employees with two floors and 9,800 square feet of office space in Owings Mills, Maryland.

"It was scary, but I knew it would work," Ms. Anthony said of her leap from being a nurse case manager for other companies to setting up her own case management company serving the workers compensation sector.

As a firm that contracts with insurers to help injured workers get their lives back, Ms. Anthony said it's key to rely on staff — not contractors — and to employ people who care about what they are doing.

"They are dedicated to me and this, not 10 different companies," she said. "That makes a difference." The other difference, she said, is "doing something you are good at and doing it well."

"I spent about a year and a half on a hospital floor, and I was not cut out to be a bedside nurse," said Ms. Anthony. Case management allows her to use her medical and business skills, but she and her team also work to win the trust of injured workers so they are seen as advocates for the patients.

And Restore Rehabilitation L.L.C. is among the best, said Oscar Burgos, Pasadena California-based senior vice president and national claims manager for Old Republic Contractors Insurance Group Inc.

"This may sound trite, but quite simply she's a caring, business-savvy professional dedicated to the craft of medical management — not medical cost containment, but medical management," he said. "Doing right by the injured worker is what (her business) does best."

Ms. Anthony said Restore Rehabilitation is successful because it focuses on one aspect of workers compensation.

"I don't think you can do everything and do it well, so pick something you like and do it really well," she said.

Louise Esola

Lori Bailey

Global head of cyber risk

Zurich Insurance Group Ltd.

Boston

Age: 43

Lori Bailey first learned about the insurance industry during dinner-table talk growing up. Her father owned a small property/casualty agency in Peterborough, New Hampshire, and her mother helped in the office.

"So I grew up in an environment always surround by insurance," she said, helping around her dad's office as soon as she was old enough. A summer job at Commercial Union Insurance Co. while in college led to positions at American International Group Inc., Marsh L.L.C., then back to AIG before she joined Zurich Insurance Group Ltd. in 2009.

After serving as global head of special lines, she was named global head cyber risk earlier this year.

Landing a global position "was a tremendous accomplishment for me personally," she said. "I'd always wanted to be in the C-suite," and the global position "came a lot sooner than I ever thought it would."

But she remains approachable and collaborative. An expert in her field, Ms. Bailey "doesn't intimidate others with that expertise," said Dan Loris, Schaumburg, Illinois-based group head of technical underwriting. "She's very welcoming in the way she engages others."

"One of the things I've always prided myself on is to try to be very approachable and open," Ms. Bailey said. She said she remembers her anxiety as a young claims analyst about approaching a senior official "and thinking I never want to be, or give off, a vibe like that."

Ms. Bailey, who is married with two children, has been named to chair Zurich's Women's Innovation Network in North America, which has about 1,800 participants. "A large part of what we do is to drive professional development and networking opportunities for women not only within Zurich, but within the wider insurance industry," she said.

Brian Little, Schaumburg-based head of human resources and the intermediary between senior management and the group, describes Ms. Bailey as "fantastic."

He said he decided to offer her the chairmanship of the group following a speech she gave last year on International Women's Day for the network. "It was clear she had a passion for women's issues, but also for how Zurich can be a company that women can thrive in," he said.

Judy Greenwald

Meredith Bullock

Senior vice president, head of casualty-North America

Berkshire Hathaway Specialty Insurance Co.

Boston

Age: 44

Meredith Bullock got in on the ground floor when Berkshire Hathaway Inc. launched its specialty unit in 2013.

"We weren't part of any other Berkshire company," said Ms. Bullock, who is senior vice president, head of casualty-North America at Berkshire Hathaway Specialty Insurance Co. in Boston. "Just building this company, the casualty department with the input and help of my colleagues — it's been amazing."

"As an early joiner at Berkshire Hathaway Specialty, Meredith has been responsible for both managing our North American casualty business and building it from the ground up — no small endeavor," said Peter Eastwood, president of the insurer, in an email. "She brings a strong technical underwriting acumen to her role along with a customer-centric and solution-oriented approach."

Armed with a degree in chemical engineering, Ms. Bullock didn't initially consider insurance as a career. "Back in the '90s, you looked for a job either through your school or the newspaper," she said. She saw a job at American International Group Inc. in a paper and, not knowing much about insurance, researched the company and applied. From being an environmental underwriter at AIG, she moved to Kemper National Insurance Cos. and then to Liberty Mutual Insurance Co. before moving back to AIG at its Lexington Insurance Co. unit in 2006. She then joined other former Lexington staff at the newly formed Berkshire Hathaway Specialty in 2013.

She was named to her current role late last year and runs a team across eight offices that's expected to generate about $400 million in gross written premium this year. "I love this role. I'm happy it came along and I was ready and able to do it," she said.

Ms. Bullock, who is also involved in mentoring others, credits former Lexington managers David Bresnahan and Michael Foley, both now at Berkshire Hathaway Specialty, for pushing her "to stretch and take on" new roles. "I'm amazed at what I learn every day," she said.

Mark A. Hofmann

Lisa Corless

President
AF Group
Lansing, Michigan
Age: 52

A summer job with her father as a teenager is what sparked Lisa Corless's interest in the insurance industry.

"My father was in the business and … I worked over the summer with him. He had me work in the file room, and I thought it would be the most boring thing ever. What I was able to do was read the stories of the files and see how the insurance industry really reaches in and helps people when they are most in need and tries to make them whole again," she said.

As president of Lansing, Michigan-based AF Group, Ms. Corless is responsible for AF Group and all its brands, including Accident Fund Insurance Co. of America, United Heartland Inc., CompWest Insurance Co. and Third Coast Underwriters.

She came to AF Group from Texas Mutual Insurance Co., where she was chief administration officer and chief of staff from 2013 to 2016.

During her tenure as president, AF Group has seen some significant financial landmarks, with two of the brands surpassing $100 million in underwriting income since she took the position in 2016. Her tenure also includes the launch of an innovations team in 2015.

"We recognized that this industry is sometimes a little bit slower to adapt to change than other industries and there was a need for us to be really forward-looking and get people with expertise that was outside of the box to reimagine the future of insurance," she said.

Ms. Corless says perseverance is a key attribute for professional success. "Everybody has points in time where things don't go exactly how they would have planned, and it's in those points … where there is an opportunity for learning. I think if you can learn from your failures, that's where growth really happens," she said.

Said Taiym, chief information officer for AF Group, considers Ms. Corless's "compassion, attention to detail, ability to think about the big picture while simultaneously handling the details" as key factors in her success.

"Recently, we were having significant challenges in standing up a business unit, and at times I believed we weren't going to be successful. Lisa, in all of her wisdom, simply said, 'We will not fail, because you are leading it.' This is a great example of the leadership and encouragement she consistently provides to ensure we are moving things forward and are successful as an organization," Mr. Taiym said.

Joyce Famakinwa

"My father was in the business … the insurance industry really reaches in and helps people when they are most in need and tries to make them whole again."

Lisa Corless,
AF Group

Constance A. Endelicato

Partner

Wood Smith Henning & Berman L.L.P.

Los Angeles

Constance A. Endelicato is undefeated, a rarity when you have tried as many cases as she has during her career — over 60 jury trials and several binding arbitrations.

Her success in the courtroom is due to her belief in her client and "compassion for the opposing injured party," she said.

Ms. Endelicato is a partner who specializes in the defense of skilled nursing in long-term care facilities, hospitals, physicians malpractice, and health care employment grievances at Los Angeles-based law firm Wood Smith Henning & Berman L.L.P.

"In my cases, they are medical malpractice, and I think it is very important to be sensitive to the opposing party," Ms. Endelicato said.

"It's been my conviction to present a straightforward, factual defense without smoke and mirrors or hyperbole. The jurors recognize the difference, and I believe they respond to that," she added.

Ms. Endelicato joined Wood Smith Henning & Berman in 2014 and spearheaded and developed the firm's medical malpractice division.

She refers to this time as an "exciting adventure."

Previously, she was principal shareholder and managing partner at Kramer, deBoer, Endelicato & Keane.

"At the time, typically, one had to be affiliated with a medical malpractice firm to attract business. Since joining Wood Smith, we have expanded our medical malpractice department to a dozen of our different offices," she said.

Stephen Henning, founding partner at Wood Smith Henning & Berman, has known Ms. Endelicato since college and law school, and said he is amazed by her energy.

"She is able to craft cogent work in the middle of the night. She has what seems to be endless energy and enthusiasm for her work. Then again, she gives back so much in terms of time and energy in mentoring other lawyers, speaking at conferences, sharing her knowledge with risk managers and clients," he said.

As a mentor to the new lawyers at the firm Ms. Endelicato said she hopes she can instill a "strong work ethic" into the upcoming class of new lawyers.

Joyce Famakinwa

Gayle Falvey

Chief operating officer, commercial lines

The Hanover Insurance Group Inc.

Worcester, Massachusetts

Age: 58

It was a daunting task when in 2010 The Hanover Insurance Group Inc. acquired OneBeacon Insurance Group Ltd.'s renewal rights on a book of business worth more than $300 million.

Fortunately for The Hanover, they had Gayle Falvey, who had wide experience in operations management at both insurers.

At the time of the transaction, Ms. Falvey was an operations executive at OneBeacon, having left The Hanover seven years earlier. When The Hanover purchased the renewal rights, Ms. Falvey was asked to rejoin the insurer to help lead the integration of OneBeacon's Canton, Massachusetts-based business.

She now serves as chief operating officer of commercial lines for The Hanover.

"When Gayle got here, the leadership and capacity of work effort that she put forward to pull off one of the biggest renewal rights transactions in the industry was incredible," said John C. Roche, The Hanover's president and CEO. "She was all in."

Ms. Falvey currently manages a team of more than 400 employees and oversees the insurer's operations sourcing capabilities. She also manages business change integration and governance while leading all its U.S. commercial lines service

operations. In addition, she is responsible for personal and commercial lines financial operations, The Hanover's enterprise operations steering committee, and the development and execution of its broad service strategy and initiatives.

Ms. Falvey said that a persistent attitude and willingness to listen have contributed to her success.

"I think you have to have an openness and willingness to always be learning and keeping pace with how quickly the world is changing," said Ms. Falvey, who graduated with a degree in criminal justice from Westfield State University in Massachusetts.

Ms. Falvey was born and raised in Worcester, Massachusetts, where she still lives today. Since 2012, she has also been an active board member of the nonprofit Bottom Line, a community organization that helps high school juniors and seniors get into college.

"Gayle is really one of the most earnest people I've worked with," Mr. Roche said. "She shows every day that she cares deeply about the company."

Robert Holly

Erica Fichter

Senior vice president of medical management

Broadspire Services Inc., a unit of Crawford & Co.

Sunrise, Florida

Age: 54

Erica Fichter relishes the diversity of her job, which she says offers new challenges each day.

"There is always a new concept out there from a clinical perspective," said Ms. Fichter, who is senior vice president medical management at Broadspire Services Inc., the Atlanta-based third-party administrator unit of Crawford & Co. "And I like working with new products and asking, 'How do we integrate these new models?' Each day is a different day. Whether it's positive or negative something is always happening."

Based in Sunrise, Florida, Ms. Fichter oversees a national staff of over 500 clinical professionals providing a spectrum of integrated services that include medical bill review, field and telephonic case management, senior nurse review, utilization review and physician review.

Ms. Fichter joined Broadspire in 1996 and has weathered many changes and challenges in the workers compensation sector, having started her career as a billing analyst and taken on management positions from

there. She said having a good team has helped her navigate new landscapes.

"We are always pulling together; everybody takes the time to listen to each other to work through situations," she said. "I have learned that there are going to be challenges and we all know that and not to overthink the challenge. I like to step back, I take a deep breath and start doing the research. Why did this occur? What can we do to make it better?"

Problem-solving is her niche, she said.

"I don't do anything until I know everything that happened," she said.

"She's a dynamic lady; a great executive to work with," said Bob Smith, Tampa-based chief executive officer for Priority Care Solutions, a national network provider of ancillary services such as equipment and diagnostics.

Mr. Smith said she's a go-to person when it comes to his business, offering new products and services in the industry. "She's very supportive," he added.

Louise Esola

Elizabeth Fitch

Managing partner

Righi Fitch Law Group

Phoenix

Age: 57

Insurance defense attorney Elizabeth Fitch grew up on a ranch in Arizona and applies what she calls "cowgirl pioneering values" to the practice of law.

"The one word that I would use that has sustained me during the hard times and propelled me forward is grit. I define grit as three character traits combined, and that would be resilience, tenacity and integrity. I use and rely on those character traits every day in every way in my career," said Ms. Fitch.

Ms. Fitch, who has been practicing law for 32 years, serves as managing partner at Phoenix-based Righi Fitch Law Group, which she and her law partner launched in 2009. Previously, she was an attorney at Turley Swan Childers Righi & Torrens P.C., where she had worked since 1988.

Her day-to-day responsibilities include overseeing, supervising and training associates, as well as making strategic decisions on cases and serving as the relationship partner for the firm's clients.

Over the course of her career, she has been a legal pioneer. During the 1980s, Ms. Fitch successfully tried two legal malpractice claims to a defense verdict. At the time, legal malpractice was an emerging risk with little case law. She also won one of the first multifamily construction defect cases filed in Arizona. She already has an eye to the next emerging risk.

"The practice of law is always evolving, there is always something new ... now what's coming my way is cyber liability. An insurance carrier asked me to get certified as an information privacy professional, and I've been pioneering in that area," she said.

Deborah Saunders, senior director of claims and global risk management for Comcast Corp.'s NBCUniversal unit, said one of the things that impresses her most about Ms. Fitch is her ability to manage a highly successful career while devoting time to mentoring the next generation of women.

"She spends an incredible amount of time on an organization that she founded called Ladder Down, which provides support to young women pursuing careers in the legal profession," said Ms. Saunders. "She is remarkably energetic and focused and aware of what she feels is a real obligation to help women achieve what she has been able to achieve professionally," she said.

Joyce Famakinwa

"She is remarkably energetic and focused and aware of what she feels is a real obligation to help women achieve what she has been able to achieve professionally."

Deborah Saunders, NBCUniversal

Shannon Groeber

Senior vice president

JLT Specialty USA, a unit of Jardine Lloyd Thompson Group P.L.C.

Philadelphia

Age: 36

It was Shannon Groeber's delay in finding a summer job that eventually led to her successful career in insurance.

While she was in college, her father, who worked in Chubb Corp.'s information technology and business intelligence group, mentioned to a friend who worked at Gulf Insurance Group that Ms. Groeber had not yet found vacation work, which led to a job at the insurer.

Her time at Gulf over several vacation periods led to her decision to make insurance her career. "I didn't really understand to what degree I would enjoy working with the team at Gulf," which became a subsidiary of St. Paul Travelers Cos., said Ms. Groeber, now a senior vice president at JLT Specialty USA, a unit of Jardine Lloyd Thompson Group P.L.C. in Philadelphia.

After graduation, she worked at Gulf for a year before moving to CNA Financial Corp., where she spent almost four years on the underwriting side, which included exposure to technology errors and omissions and the early days of cyber liability.

She joined Aon P.L.C. in 2007, and was there seven years, followed by a short period at Lockton Cos. L.L.C. Ms. Groeber joined

JLT in 2014 after learning of the company's expansion into the United States.

"I knew I had to be part of it, the opportunity to really create something from the ground up," said Ms. Groeber, who is the team leader for JLT Specialty USA's cyber and E&O practice.

Ms. Groeber and her husband of six years, Chris, who is a financial planner, are raising sons Reed, 5, and Tate, 2½. Her husband's support "allows me to throw myself into work," she said.

Patrick Donnelly, president and deputy CEO of JLT Specialty USA in Chicago, said that to be successful, "you have to be smart, you have to be agile, you have to be able to think on your feet, you have to be open to new ways of approaching things, to be comfortable being uncomfortable," and that Ms. Groeber meets all those criteria.

"She is fantastic, and as professional and as effective as any broker that you would want covering your company," said Min Ok, director of treasury operations and risk management for McLean, Virginia-based media company Tegna Corp.

Judy Greenwald

LaKeysha Greer Isaac

Owner/equity partner

Cosmich Simmons & Brown P.L.L.C.

Jackson, Mississippi

Age: 42

LaKeysha Greer Isaac decided at age 12 to become an attorney, although she knew the journey from tiny Magnolia, Mississippi, wouldn't be easy.

"I was inspired by Constance Baker Motley, the first African-American woman to become a federal court judge," Ms. Isaac said. "We learned about her in school, and I decided I wanted to be her."

The oldest of six children, Ms. Isaac said options were limited for an African-American girl from a poor family in rural Mississippi, so she worked hard and made the most of every opportunity and relationship, graduating with honors from Millsaps College in Jackson, Mississippi, and Emory University School of Law in Atlanta.

Today, she is an owner and equity partner at Cosmich Simmons & Brown P.L.L.C., a Jackson-based firm she joined soon after it formed in 2002. The firm now has 132 lawyers in eight offices in seven states.

Her legal experience includes defense of complex toxic torts, product and lender liability, employment, and general and commercial matters. She also chairs the firm's professional development and diversity committee.

Some clients prefer to work exclusively

with her, said owner and equity partner John Cosmich.

"LaKeysha has a tremendous work ethic and strong trial capability," he said. "She never gets flustered and has a calming effect in a crisis."

Among her significant cases, Ms. Isaac was a defense team member in a New Jersey jury trial that found a talcum powder supplier wasn't liable for a woman's mesothelioma in one of the first cases of its kind to go to trial. Her team also was successful in persuading the Mississippi Supreme Court to reverse two multimillion-dollar verdicts against a silica sand company.

When not working, Ms. Isaac does extensive charity work for Goodwill Industries of Mississippi, the Junior League of Jackson and the Ebony Pearls Foundation Inc., which awards scholarships to minority students.

"I'm most proud of not letting my background hold me back, to simply make the decision that I could do what I set my mind to and then accomplish it," Ms. Isaac said. "I've tried to help others achieve that, too."

Janet Lavelle

Christy Kaufman

Director of enterprise and operational risk management

American Family Insurance Group

Madison, Wisconsin

Age: 42

Christy Kaufman gave up a potential career as a flute player to follow her mother into the insurance industry.

Her mother, Susan Johns, an avid *Business Insurance* reader who enjoyed her work for Boston-based Liberty Mutual Insurance Co., supported her family as the primary breadwinner and was well-respected.

"It just seemed like a field where anything was possible," Ms. Kaufman said.

Ms. Kaufman, who earned a Master of Science in risk management and insurance in 2001 and a Bachelor of Business Administration in finance, investment and banking and risk management and insurance from the University of Wisconsin-Madison in 1997, had a keen interest in working in enterprise risk management and was an ERM consultant for multiple companies before taking a full-time position with Mercer L.L.C. in 2011 and eventually with Marsh & McLennan Cos. Inc.

The key to ERM "is aligning the risk management agenda with the agenda of whomever you're talking to in the organization," she said. "If you're trying to bring

finance into the fold, it's being able to speak their language and talk about the (return on investment) of risk management."

Ms. Kaufman recently left the company to become director of enterprise and operational risk management at Madison, Wisconsin-based American Family Insurance Group. But Mathew Allen, senior director of VMWare Inc. in Palo Alto, California, and a former colleague, said he would "hate to see her stuck in the risk management function only. Her real talent is leadership."

Ms. Kaufman spends much of her free time at her alma mater mentoring young students. "One of the things I see young women do a lot of is apologizing, starting an email with 'I'm sorry to bother you, but' or coming to a call with 'I'm sorry I'm late' if they're eight seconds late," she said. "Women tend to lead with some sort of self-deprecation — not always, but I see that happen. I just tell them being confident, even from an early stage in their career, can be very helpful."

Gloria Gonzalez

Lisa Kerr

Vice president of risk management

Henry Schein Inc.

Melville, New York

Age: 44

An interest in international business and a desire to travel and experience other cultures led Lisa Kerr to accept an internship at Alexander & Alexander Services Inc. in the 1990s.

Little did she know that the internship would ultimately lead to the top risk management job at Henry Schein Inc., a global distributor of medical, dental and veterinary supplies.

In fact, Ms. Kerr created Henry Schein's risk management department in 2004 when she joined the company as director of risk management after a career in insurance brokerage. When she started, the company operated in about 15 countries with sales of a little more than $4.5 billion.

It currently operates in 33 countries with sales of $11.6 billion.

She had to start from the ground up, find a staff with the right mix of complementary skill sets to handle all facets of risk management, "and above all create a team environment that keeps each member engaged in everyday work and supporting one another as a cohesive team," she said.

"At the same time, I had to raise the profile of risk management beyond insurance procurement and a checks-and-balances function to a team that partners across the company to support the growth strategy," she added.

Part of the challenge of her job is getting people to understand that the role of risk management is "not to say 'no' to growth activities, but rather to find a way to pursue these activities in the safest way possible," she said.

To communicate that mission, she developed the slogan "Navigate Risk, Enable Success."

In addition, Ms. Kerr said she hopes "I am viewed as an unofficial mentor to the women I work with, both in and outside of my team and my company. I tend toward wanting to be a sounding board to women trying to find a way to advance in their own careers."

"It has been wonderful working with Lisa over the years — in the course of her career she has demonstrated leadership in not just the realm of risk management, but across her entire organization," Aaron Shapiro, executive director at Origami Risk L.L.C. in Chicago, said in an email.

Mark A. Hofmann

"I had to raise the profile of risk management beyond insurance procurement and a checks-and-balances function to a team that partners across the company."

Lisa Kerr,
Henry Schein Inc.

Kim Kramer

Global head of liability risk consulting, client risk solutions

American International Group Inc.

New York

Age: 52

As a female safety engineer and loss prevention specialist, Kim Kramer has been a pioneer.

When she first started in her profession, "it was very much a male-dominated world," said Ms. Kramer, New York-based global head of liability risk consulting, client risk solutions, at American International Group Inc. It has only been in the past 15 to 20 years that more women have entered the field, she said.

Ms. Kramer has personally contributed to that trend, acting formally and informally as a mentor, helping women already in the field and any newcomers, "making sure they're really focused on what companies are offering them" to advance their careers, she said.

One of her role models was her paternal grandmother, a "trailblazer" who was in New York University's first graduating class. "There was no box that could contain her," she said. "If she wanted something and it was only available to a man, it didn't matter, she was going to get it."

Ms. Kramer started out as a pre-med student in college, until the difficult organic chemistry course derailed her plans. She accepted a job at Chubb Corp., although, she said, "I didn't even know what an insurance company was." Originally assigned to the executive protection department, upon learning of her background in science and pre-med, Chubb "moved me across the hall to the loss control and safety engineering department," which began her three-decade career in engineering and risk consulting, she said.

Ms. Kramer has been at AIG for about 12 years. "I love what I do. I've done everything from caring for 10,000 mice for a client" to help the company understand ergonomic issues, to watching wine grapes being harvested, to seeing tens of thousands of precision-made machine parts going onto military aircraft, said Ms. Kramer, who is married to an employment attorney and has two grown children.

Whenever there is something that needs to be done, Ms. Kramer is almost always "the first to raise her hand," said Bob Klepper, Charlotte, North Carolina-based head of AIG's client risk solutions business. "She's got a real passion for the business."

Judy Greenwald

Debra Livingston

Co-founder

ReEmployAbility Inc.

Tampa, Florida

Age: 51

Getting injured workers back on their feet and volunteer work are two things Debra Livingston feels good about.

That's why she and her partner combined the two concepts to create a program that has provided nonprofit organizations with 4.5 million hours of volunteer work performed by workers who might otherwise be home. For example, a truck driver who was in an accident and isn't well enough to drive can get out of the house by volunteering, with his company — which benefits from the worker's improved state of mind, among other pluses — paying him to volunteer.

Launched in 2007, the program Transition2Work grew out of Ms. Livingston's background in workers compensation case management. In 2003, she co-founded ReEmployAbility Inc. with Frances Ford, who also spent her career in claims for injured workers. ReEmployAbility also provides other return-to-work services, such as overseeing modified duty arrangements.

"Because we came from the claims environment, we recognized that the way the industry thought about (return to work) was wrong, and we wanted to change the way the industry considered return to work with having compassion for the worker," she said. "It made such sense that you would work within your community with organizations that are there to help others while you are helping yourself (get better)."

Ms. Livingston oversees the company's financial planning, accounting systems, and procurement of goods, equipment and insurance products, and provides oversight of its information technology infrastructure and data management practices.

She started her insurance career as a claims adjuster for Aetna Inc.'s former property/casualty operations. Later, she became a broker consultant for Wells Fargo Insurance Services USA Inc. She has served on the board of directors for the Association of Workers' Compensation Claims Professionals for many years, and was president of the group for six years.

Jim Greer, Tampa-based President of AE21 Inc., an insurance consulting firm, has known Ms. Livingston since 1992 and was a friend when the idea for ReEmployAbility emerged. "(They) started the business and took it places no one would ever dream," he said. "From the moment I met her, she was a standout and always was."

Louise Esola

Barbara Luck

President of global excess casualty

XL Group Ltd.

New York

Age: 51

Barbara Luck doesn't mind being called an "insurance geek" — in fact, that's what she calls herself.

"I call myself a proud insurance geek partly because I love insurance and I've always enjoyed the coverage aspect and the real technical side of insurance," she said. "I enjoy a good coverage discussion."

That's coming from someone who initially thought she would pursue a career in law. Now president of excess casualty at XL Group Ltd., which does business as XL Catlin, she started her career at American International Group Inc. as a paralegal.

"Once I started working with the underwriters, I realized that was the direction I wanted to go in," said Ms. Luck.

Named to her current New York-based role of president of global excess casualty in December 2016, Ms. Luck in less than a year has overseen the reorganization of the unit to five U.S. regions from three, which is intended to better serve brokers' and policyholders' excess and umbrella liability needs and prepare for future growth. She has added more than 400 new accounts and improved the retention rate to almost 92%.

"Quite honestly, Barbara's the one you go to when you need to get stuff done," Joe Tocco, chief executive of North America insurance at XL Catlin, said in an email. "She's kept that business on a steep path of profitable growth and pushed for more regional resources to put underwriters closer to our clients."

Ms. Luck said the most challenging part of the job is pushing herself and her team "to think differently about the business, to question what we've done for years and look at it with a fresh set of eyes."

Young women should seriously consider insurance as a career, she said. "If you want to be in an industry where you are always learning about clients, changing risks or emerging issues, where you have an opportunity to challenge yourself to find solutions … I would recommend this industry. There are so many opportunities for them to find their passion," whether with an insurer or brokerage, or as a risk manager.

Mark A. Hofmann

> "I've always had such great experiences growing up and being part of teams. That foundation in sports — I've always found it to be meaningful in building my career."
>
> Erin Lynch,
> Beecher Carlson Insurance Services L.L.C.

Erin Lynch

President, global energy practice

Beecher Carlson Insurance Services L.L.C.

Eugene, Oregon

Age: 40

Sports were always important to Erin Lynch growing up in the San Francisco Bay Area.

Ms. Lynch "grew up very athletic," she said, excelling in soccer, cross country, and track and field throughout school. She continued playing soccer at the University of Oregon, but suffered a career-ending injury early on. Despite the setback, Ms. Lynch stayed involved in sports by majoring in journalism with the goal of becoming a sports reporter.

"I've always had such great experiences growing up and being part of teams," she said. "That foundation in sports — I've always found it to be meaningful in building my career."

After graduating, Ms. Lynch spent the first five years of her career at NBC and ABC television affiliates as a sports reporter and morning show news anchor. Then she took a chance and accepted an account executive position at what is now Willis Towers Watson P.L.C., she said.

"I wasn't sure how my skill set as a journalist would transition to something else, but it turned out that it was really great foundational training for a business career," Ms. Lynch said. "It was a big leap of faith."

Ms. Lynch joined Beecher Carlson Insurance Services L.L.C. in 2006. Since December 2016, she has served as president of its global energy practice, leading a team of 20 people who help independent power companies with their risk management and insurance needs. Much of that work focuses on renewable energy, including solar power plants, wind farms and geothermal facilities.

Ms. Lynch said she always had a passion for renewable energy, so she took opportunities she came across to work in that field and, over time, became an expert.

"I've had the opportunity to work on some really groundbreaking projects," she said.

"Erin had an opportunity to step up and lead our national energy practice after a group of individuals had decided to leave and go to another firm," said Joe Siech, executive managing director for Beecher Carlson, now a unit of Brown & Brown Inc., in Atlanta.

"Not only was she able to stabilize the practice group and show great leadership in doing that, but she's also successfully grown the practice by 50%," he said.

She is dedicated to "never letting a client down," Mr. Siech said.

In addition, Ms. Lynch is an active mentor and advocate for other women in her industry, she said. Outside of work, she has raised more than $300,000 for cancer research.

Robert Holly

Brenna Melvin

Senior vice president, energy and marine group

Alliant Insurance Services Inc.

Boston

Age: 48

Brenna Melvin says her success in the male-dominated energy insurance sector began with her parents.

"I have two older brothers, and my dad didn't know what to do with a girl," she said. "So we were raised exactly the same."

Graduating from Boston University, Ms. Melvin started as a receptionist at a small insurance agency and soon asked the owner what training she needed to move up.

"I told him I went to a good four-year college, and my parents would not be happy if I just worked as a receptionist," she said.

She took classes and worked at Willis Corroon Group P.L.C. in Boston as an account manager.

"I was really looking to specialize and thought energy would be interesting because it's so dynamic and highly technical," she said.

She called a headhunter and moved to the energy practice of William Gallagher Associates Insurance Brokers Inc. in Boston, which was headed by Robert J. Bothwell.

Their team has been together ever since, moving to Beecher Carlson Holdings Inc. in 2005 and then taking their large account

energy practice to Alliant Insurance Services Inc. in December 2016.

As Alliant's senior vice president of the energy and marine group, she leads services and marketing in the power generation division.

"She is brilliant in so many ways, and her knowledge level is enormous," Mr. Bothwell said.

Carolyne Murff, senior vice president and head of asset management at New York-based LS Power Group, said Ms. Melvin has handled their portfolio for a decade and is "fearless and tenacious" in finding them the best deal.

As an example, she said, Ms. Melvin put together a complex coverage package that allowed LS Power to close on a $2 billion four-facility purchase in June.

"She convinced the underwriters it was a risk they could handle," she said.

Ms. Melvin said she now mentors her own mostly female energy service group.

"I like to tell women that I started out as a receptionist and that they can do this, too," she said. "It's sort of passing the torch."

Janet Lavelle

Debbie Michel

Executive vice president, national insurance casualty and middle market

Liberty Mutual Insurance Co.

Chicago

Age: 52

When Debbie Michel found that her risk manager clients with Liberty Mutual Insurance Co. wanted more flexibility and control in their insurance programs, she ushered in an unbundled insurance product — and sold $30 million in policies in the first eight months.

Just another day at the office for a woman who credits her success to her team and 22 years at Liberty Mutual.

"It's just another product we are bringing to the marketplace," she said, of the industry trend of unbundling insurance offerings. "It creates another product alternative in the marketplace and gives these large clients flexibility."

She calls herself a "fixer."

"I like to find businesses that are challenging and have lots of opportunities, and I like to go in and align management and align leadership, step back and understand the business and see what works and what doesn't," Ms. Michel said.

Her problem-solving background in accounting helps, she said, having spent eight years as a certified public accountant.

Today her goals include driving new business and helping employees grow.

"I am really focused on driving the business, but driving the business through a

good-quality employee and customer experience," said Ms. Michel, who is a board member of the Spencer Educational Foundation Inc., which provides scholarships and grants for risk management and insurance education.

> "She has mentored me my entire career here ... She will hold the mirror up to your face."
>
> Stacy Graham, Liberty Mutual Insurance Co.

Stacy Graham, a Chicago-based senior vice president and general manager for national insurance in the central division of Liberty Mutual, said she's benefited from Ms. Michel's focus on employee growth.

"She has mentored me my entire career here and most recently helped me get promoted," said Ms. Graham, who was hired by Ms. Michel in 2010. "She will hold the mirror up to your face to show you what you are doing well and what you are not doing well, and she is very honest. She tries to enhance what you are doing."

Louise Esola

Penni L. Nelson

Director of risk management

Hillwood Co. L.L.C.

Dallas

Age: 41

Penni L. Nelson often carries a rugby ball while in the office at Dallas-based real estate developer Hillwood Co. L.L.C., where she was hired as risk manager in January 2015, and then promoted to director of risk management within a year.

Playing on a recreational women's rugby team for the past six years has taught her how to be a strong leader and a team player both on and off the field, Ms. Nelson said.

"Rugby is analogous to life," she said. "It takes a team, it's a long game, we take tackles, and we make tackles. When you're tackled, you have to use your own body weight to pick yourself up. In life, that's what you have to do, too."

Ms. Nelson graduated from Texas A&M University with a bachelor's degree in biomedical science and had planned to go into police forensics. A job as an assistant at a Dallas insurance agency convinced her that her analytical skills were valuable there, too.

Later, she worked as an account executive at Arthur J. Gallagher & Co. in Dallas, then was drawn to the broader role of risk management.

"I love risk management," Ms. Nelson said. "It allows me to touch every part of an organization — from legal to the business side."

She served as director of risk management at Dallas-based Behringer Harvard Holdings L.L.C. before joining Hillwood.

During her first year at Hillwood, the company's overall premiums dropped by $1.5 million due to her market relationships as well as portfolio and policy consolidation. "We really didn't have a professional as our risk manager until we hired Penni," said Tom Mason, Hillwood's chief financial officer. "She understands the technicalities of insurance and has a very deep network." She also consistently takes a leadership role, he added.

Jennifer Kikta, risk manager for Kubota Tractor Corp.'s North American headquarters in Grapevine, Texas, worked with Ms. Nelson at Behringer Harvard. "She's always right and she's a total people person who can get buy-in from anybody. She's like the flame that moths fly to," Ms. Kikta said.

Janet Lavelle

Carolyn F. O´Connor

Regional managing partner

Wilson Elser Moskowitz Edelman& Dicker L.L.P.

Florham Park, New jersey

Age: 55

When Carolyn F. O'Connor, regional managing partner based in Wilson Elser Moskowitz Edelman & Dicker L.L.P.'s Florham Park, New Jersey, office, wants to spread some good news in the office, she uses a bull horn.

"It's actually one of the ways I energize my people" when the office hits various goals, said Ms. O'Connor.

The bull horn "fits her personality and style," said Thomas F. Quinn, a partner in the Florham Park office. "It's part of caring and being exuberant."

"She has boundless optimism and energy" while taking a "realistic and pragmatic view toward every problem and very effectively addressing them," said Chicago-based Wilson Elser Chairman Daniel J. McMahon. "She is someone who is always looking for a way to bring sunshine into people's days."

Ms. O'Connor, a New Jersey native, graduated from the Rutgers University law school in Newark, New Jersey, and was immediately hired by Wilson Elser. She just celebrated her 30th anniversary with the firm.

"It's a great place to work," she said. "I am a huge believer in making your own environment the best you can be. I'm not one of those people who are always looking for greener pastures."

She also enjoys her job, which involves representing clients in toxic tort cases, with large petrochemical firms among them. "I love working with clients that involve me in their decision-making process for large-risk, high-volume matters, like handling entire dockets of litigation," she said.

Ms. O'Connor is a champion of the firm-wide women's initiative, Women Attorneys Valued and Empowered, which was launched in October 2015. She was also selected as chair of the firm's pro bono committee when it was launched several years ago.

But for all her professional accomplishments, Ms. O'Connor considers her biggest achievement to be the birth of her son Charlie, 20, now a college student, who is named after her husband of 27 years, who works as a limousine driver. "He has been the center of our world since he was born," said Ms. O'Connor.

Judy Greenwald

"I am a huge believer in making your own environment the best you can be ... I love working with clients that involve me in their decision-making process."

Carolyn F. O'Connor, Wilson Elser Moskowitz Edelman & Dicker L.L.P.

Kendra Schropp

Director of risk management and safety

On The Border Mexican Grill & Cantina

Irving, Texas

Age: 47

Being a successful risk manager is all about the data, according to Kendra Schropp: "You have to look at your data and watch it regularly. The data shows red flags that need to be addressed."

She's done that since joining On the Border Mexican Grill & Cantina in December 2015 as senior manager of risk management and safety. Based in Irving, Texas, she has created a program driving safety awareness at the restaurant level and moved the chain's Texas restaurants from the state workers compensation program to a nonsubscription program, which has reduced claim costs more than 75%, said Diane Sanford, the company's chief people officer.

Ms. Schropp was promoted to director of risk management and safety in February, overseeing a $3.41 million budget. She's made improvements across several lines of insurance, improving the company's risk position overall, Ms. Sanford said.

"Kendra is extremely smart, but she's also very savvy," she said. "She came in as a subject matter expert but didn't come across that way. She built relationships across our departments and with the operators in the field, and then began to apply change."

Ms. Schropp, who has a bachelor's degree from Baylor University and an MBA from Texas Women's University, said she benefited from having mentors.

"I was absolutely lucky to find people along the way who were willing to show me," she said.

That began in 2000, when she was working as an auto claims adjuster and a recruiter kept calling about a risk management job, a role she'd never considered. She applied and found her first mentor when she was hired at Archon Group L.L.C. in Irving.

"That completely opened my world view of the profession," she said. "For something I didn't know I wanted to do, I have really enjoyed doing it every day."

She found another mentor in Raymond Alletto, vice president of risk management at United Rentals Inc. in Irving, where she worked as a data analyst from 2006-2010.

Ms. Schropp said that now she herself has become a mentor.

"When you see someone with ability and talent, you really need to take that next step," she said.

Janet Lavelle

Veronica Scotti

President and CEO, Canada and the English Caribbean

Swiss Re Ltd.

Toronto

Age: 45

Diversity and inclusiveness are priorities for Veronica Scotti.

"I am a strong advocate of taking all the opportunity we can to show inclusiveness, whether with gender, minorities, lifestyles and thoughts," said Ms. Scotti, Toronto-based president and CEO for Canada and the English Caribbean at Swiss Re Ltd.

"Bringing together these diverse perspectives is something the industry can do and should do," she added.

Shared values forge a strong connection with her employer, Swiss Re

"I didn't get pulled into insurance in the beginning, but I certainly chose to stay, and Swiss Re's vision to make the world more resilient propels me every day," Ms. Scotti said.

She spent the first six years of her career in investment banking at Fox-Pitt Kelton in London, at one point training to become a derivatives trader.

In 1999, the firm was acquired by Swiss Re as part of the convergence in professional services in the financial industry, she said.

Fortunately, her education gave her the background to find a home with Swiss Re after the deal.

"I was pretty good with math, so I ended up studying for degrees that would allow me to do a variety of things while honing my analytical skills. In my master's, I focused on economics, finance and actuarial math." Ms. Scotti said.

The array of skills and training served her well as she transitioned careers from investment banking to reinsurance.

Eric Smith, president and CEO of Swiss Re Americas, spoke of "the great job she has done leading our Canada reinsurance operations. Her commitment to excellence and constant improvement have impressed me and energized the team in Canada."

Ms. Scotti said she believes she has seen progress during her tenure.

"Throughout my career, I came across a good set of opportunities and I have taken chances, but it wasn't always easy and sometimes I felt, especially in my early years, that there were biases," Ms. Scotti said.

"I think we have come a long way. The insurance industry, especially in Canada, is quite diverse," she said.

Matthew Lerner

Leigh Anne Sherman

Executive vice president, North American financial lines

Chubb Ltd.

New York

Age: 50

As Leigh Anne Sherman puts it, she became fascinated with the business of insurance after she entered the industry in an IT operations role, and once the fascination kicked in she "never looked back."

At Chubb, Ms. Sherman serves as executive vice president of North American financial lines, a position to which she was appointed earlier this year. In that role, she leads the private/nonprofit segment of the division, with responsibility for Chubb's underwriting service branch, or USB.

She transformed the USB from an operations center into an underwriting center. In addition, she created a new business services department within the USB to deliver faster turnaround on new business quotes that partners with all Chubb field offices.

Ms. Sherman said the most fascinating aspect of her job is also the most challenging: "It's constantly evolving. Whether it's a new opportunity to develop, a new relationship to build — the prospects are endless."

She has straightforward advice for young women considering a career in insurance: "Go for it — the industry is very welcoming." Because of the diverse skills the industry needs, young professionals have an opportunity to really leverage their strengths, she said. "I've had the opportunity to work with talented individuals at the beginning of their careers. I'm very proud of where they have gone and the impact they have made on the industry," she said.

Mentoring is key, she said. "I've been fortunate to have tremendous role models," she said. She repays that by acting as a mentor herself. "When I'm on the mentor side of the equation, I learn as much from the mentee as I hope I'm providing."

"Leigh Anne is both a visionary and strategic thinker, with much runway in front of her," Ellen Moore, regional executive officer of the Canadian Chubb Cos., who first met Ms. Sherman in Chubb's Baltimore office when Ms. Moore ran the mid-Atlantic regions, said in an email. "She brought a lot of experience in process and workflow, and since those early days has challenged herself to continuous learning."

Mark A. Hofmann

Jillian Slyfield

Managing director, resident sales director, U.S. sharing economy practice leader

Aon Risk Solutions

San Francisco

Age: 44

“She takes really complicated things and figures out how to organize a plan of attack and then gets things done.”

Randy Nornes,
Aon Risk Solutions

When Jillian Slyfield joined Aon Risk Solutions in November 2015, the company was looking for someone to lead a practice to serve the new and exploding sharing economy market.

Ms. Slyfield had previously met risk managers with Uber Technologies Inc. and had seen the challenges of working with a business sector based on individuals sharing services or assets via the internet or mobile apps.

But her role as Aon’s U.S. sharing economy practice leader has required a whole new way of thinking about insurance and risk management, she said.

“The issues are as different as each client,” she said. “If you solve the sharing economy dilemmas for Uber, you’re no better off in solving the issues for Airbnb.”

And those issues have changed rapidly as the new economy expands across continents, she said.

Based in San Francisco, Ms. Slyfield travels to Latin America, Europe, Asia and around the U.S. to work with clients. “I love seeing into these new business models,” she said. “Building new programs is both challenging and fascinating” in an environment that intersects personal and commercial lines of insurance.

In addition, she launched a client impact team that can travel globally on short notice to put together customized services as the client expands.

Ms. Slyfield earned a bachelor’s degree at Michigan State University and an MBA at Wayne State University. She worked as a commercial insurance client executive at Wells Fargo Insurance Services USA Inc. in Michigan, and as a sales leader and client executive at Marsh L.L.C. in Detroit and San Francisco before joining Aon. Early in her career, she formed a professional staffing company that she sold in 2009. Being a business owner gave her lasting insights, she said.

“I think I’m better able to get in the client’s seat and see all the pressures a business owner faces,” she said.

At Aon, Ms. Slyfield has started two monthly events to mentor employees: a “Food for Thought” lunch for early-career people with the theme “everything I wish I had known early in my career that nobody ever told me,” and a “Breakfast with Leadership” open to all employees. She also mentors employees individually.

“It’s really important to me that when Aon and this office attracts talent that we understand what they need in their early career and give it to them,” she said.

Randy Nornes, executive vice president of Aon Risk Solutions in Chicago, said Ms. Slyfield’s strengths include network building and innovation. “She takes really complicated things and figures out how to organize a plan of attack and then gets things done,” he said. “She’s got the sense of urgency, takes personal ownership to get it done, and has repeated that over and over again.”

Janet Lavelle

Teresa Snider

Partner

Butler Rubin Saltarelli & Boyd L.L.P.

Chicago

Age: 50

Insurance and reinsurance legal work is intellectually stimulating for Teresa Snider, and promoting women in the sector gives her additional satisfaction after 25 years in the business.

"This industry has a wonderful combination of interesting factual business and legal issues. It's very intellectually satisfying to try and figure out the facts of what underlay a particular insurance or reinsurance transaction," said Ms. Snider.

As a partner with Butler Rubin Saltarelli & Boyd L.L.P., she provides legal advice to clients in the insurance and reinsurance sector, decides overall case strategy, takes depositions, and manages and tries cases. Ms. Snider has been with the law firm since 1994 and became partner in 1999.

Ms. Snider is also a co-founder of Women in Reinsurance, a forum that brings women in the reinsurance industry together to network and discuss issues of interest. Such organizations are important because there is still disparity between men and women in the workplace in terms of pay, opportunities and the amount of interaction that men and women have with senior people within their organizations, she said.

"Because of these disparities that still exist in many workplaces, it's important for women to have a space where they can discuss the challenges they face as a woman in business, they can be provided with support, they can hear from other women who have been in their situation and learn what strategies have been successful for them while working with other women to brainstorm ways address problems and take advantage of opportunities," she said.

Alysa Wakin, New York-based vice president of claims counsel at Odyssey Reinsurance Co., calls Ms. Snider a "go-to attorney" in the industry.

"She is very calm, even and driven. I would say she is very dedicated and has some of the best substantive knowledge of anyone out there," said Ms. Wakin.

Jim Rubin, founding partner of Butler Rubin Saltarelli & Boyd and Ms. Snider's mentor, credits her analytical ability.

"She is just smarter than everybody else … when you combine exceptionally bright with discipline and judgment … then you have the total package, and she has both," he said.

Joyce Famakinwa

Julie Stephenson

Commercial insurance chief underwriting officer

CNA Financial Corp.

Chicago

Age: 50

Whether it's at home or in the office, Julie Stephenson wants to give her best. "I want to be contributing," she said, "I want to give the very best of myself to my children and my family, and also give the very best of myself to CNA and my work colleagues."

Ms. Stephenson, who studied mechanical engineering at Texas A&M University, is responsible for the profit and loss and overall strategic direction of a $3 billion portfolio, and leads a staff of 184 product line managers, industry segment leaders and underwriting services team members.

As chief underwriting officer for commercial insurance with CNA Financial Corp., which she joined in 2015, Ms. Stephenson said she has been the beneficiary of some important mentors and supporters in her lifetime, starting with her parents.

"My dad is one of those people who has an insatiable curiosity for learning, a logical thinker, a real problem-solver," she said. "My mom has this larger-than-life personality; she did a beautiful job blending her personal and professional lives. They're still a big influence on my life and my career."

Another big influence was Kevin Leidwinger, currently CNA's president and chief operating officer, commercial, with

whom Ms. Stephenson has been working since the mid-1990s when they were both at Chubb Corp.

Mr. Leidwinger was instrumental in helping her leverage her engineering skill set to underwriting, she said. He also convinced her to hold on to her job when she became a parent.

"I really wanted to be at home, but I loved the career," Ms. Stephenson said. "I actually walked into his office one day when my daughter was not even a year old yet and handed him my resignation letter. He handed the letter back to me and said, 'I'm not accepting that from you, we're going to solve this problem.'"

He came up with an alternative work arrangement for her, and she remains passionate about creating successful alternative work arrangements for others, including parents, people with aging parents and those with physical impairments, creating optimal work environments and more.

"Throughout her career," Mr. Leidwinger said in an email, "she takes on new assignments with confidence regardless of her experience, position or title."

Rob Lenihan

Lynn Tu

Area president

Arthur J. Gallagher & Co.

San Jose, California

Age: 53

As area president for Arthur J. Gallagher & Co. in San Jose, California, Lynn Tu has turned her international background into business success, spearheading the brokerage's Asia-Pacific practice and growing the unit to more than $8 million in revenue since 2006.

Born in Vietnam and raised in Hong Kong as the youngest of seven siblings, she moved to Los Angeles with her family when she was a teenager. "As a woman and a foreigner, I came to this country and learned everything from scratch," said Ms. Tu, who holds a finance degree from California State University, Northridge.

Fueled by a love of numbers, Ms. Tu began her career in accounting. Over time, however, she grew to hate the feeling of "being stuck at her desk" and transitioned into the insurance industry, where she saw greater opportunity, she said.

Prior to Gallagher, Ms. Tu served as branch chief financial officer for Jardine Insurance, a unit of Jardine Lloyd Thompson Group P.L.C., in San Jose and then as a senior vice president at Aon Risk Services,

where she first formed her Asia-Pacific team. "I looked around and tried to find ways to differentiate myself compared to my competitors, to utilize this special talent that I have, this language ability," Ms. Tu said. "I decided I'm going to focus on Asia-owned businesses, especially from China."

Jim Buckley, Gallagher's Northwest regional president, said Ms. Tu is a "great team player" who routinely hits revenue goals. The way she has built and expanded the company's Asia-Pacific practice is "exceptionally impressive," he said. "She's very intelligent, persistent and client-focused," he said.

Being a mentor for women looking to break into the insurance industry is important to Ms. Tu. Gallagher's Asia-Pacific team consists of 15 people, most of them women whom she personally recruited and developed, she said. Advice she often gives: communicate and use common sense.

When she's not at work, Ms. Tu is an avid sports fan — and ballroom dancer.

Robert Holly

Alice Underwood

Global leader, insurance consulting and technology

Willis Towers Watson P.L.C.

New York

Age: 50

Having decided that continuing to be a math professor was no longer her priority, Alice Underwood had a decision to make.

"Well, I've got all this math, what can I do?" Ms. Underwood said she asked herself. "This actuarial thing sounds like something maybe I could do."

It was not a choice that had occurred to her when she was originally planning her career.

"Like a lot of people, I wound up in the insurance industry by accident," said Ms. Underwood, who is now global leader, insurance consulting and technology at Willis Towers Watson P.L.C. in New York. "I had originally thought I was going to be a mathematics professor," said Ms. Underwood, who was on the faculty of the University of North Texas from 1993-1996.

Having joined the industry, she sees insurance as vital and integral to global business and people's lives.

"The insurance industry is there to help people do all the other things they want to do," Ms. Underwood said. "You really couldn't have a modern economy without insurance. I've been very fortunate in that it's been a terrific career for me."

A career which has taken her to many places and meet different people.

"It's given me the opportunity to see businesses in different parts of the world, to live overseas, and to connect with a lot of people in businesses that I had never thought about when I was a college student planning my career."

Colleagues and business associates note her technical abilities and the breadth of her accomplishments.

"Alice Underwood is exceptional in her ability to respectfully translate complex concepts into the understandable," said Amy Stern, chief ceded reinsurance officer, global reinsurance, at American International Group Inc.'s property/casualty business in New York.

"Alice has an absolutely unbelievable aptitude to accomplish a broad and varied range of corporate objectives," said Lindsey Frase, executive vice president for Willis Re Inc. in San Francisco, and a 2015 Women to Watch honoree.

Matthew Lerner

Dawn Watkins

Director of integrated disability management

Los Angeles Unified School District

Los Angeles

Age: 61

Dawn Watkins thought she was destined for a career in retail before she perused a career counseling magazine on a cross-country trip to California featuring an article about careers in insurance.

Fascinated by the industry's potential, the native, then-nondriving New Yorker decided she would give a career in the sector a try. "I've never regretted it — I love this world that I work in," she said.

Ms. Watkins is now director of integrated disability management for the second-largest U.S. school system, which has about 60,000 employees, including its own police force, and has long since learned to operate a motor vehicle in the driver's mecca that is Los Angeles. But she started her career as a claims examiner with the San Francisco-based State Compensation Insurance Fund and later worked as assistant claims manager for the Los Angeles-based Southern California Gas Co.

She started working in the industry when "thinking about the impact on the injured worker was not popular," but decided she would pursue a radically different approach — not just managing the risk, but doing so with compassion, including explaining the claims process to injured workers, anticipating their needs and "always treating them with dignity and respect."

Later, while working as the workers compensation administrator for the city of Torrance, California, she established open lines of communication with the doctors treating the city's injured workers and opposing legal counsel. "The adversarial approach that was so common in California workers comp was not the approach that I used," she said. "We each had a role in this workers comp process, and at the center of this process was the injured worker."

Sharon Douglas, CEO of RehabWest Inc. in San Marcos, California, who has partnered with Ms. Watkins on disability management programs, called her a "real innovative thinker."

"The Rose Lady," as Ms. Watkins — an avid gardener — is known, advises young people to be open to all opportunities and continually educate themselves, including through networking and pursuing professional certifications even if they don't pertain to their current positions.

"Throughout my career, my opportunities came about because I was prepared for each and every one," she said.

Gloria Gonzalez

Kathleen Zortman

President of property/casualty

QBE North America, a unit of QBE Insurance Group Ltd.

New York

Age: 52

For someone who didn't map her way to success, Kathleen Zortman has certainly come a long way.

"I wish I could say I had a calculated path to land exactly right where I am today," said Ms. Zortman, president of property/casualty for QBE North America, a unit of Sydney-based QBE Insurance Group Ltd. "But that is not the case. The fact is that my career was shaped by a number of pivotal moments, people and decisions."

Ms. Zortman began her insurance career at Chubb Corp. as an underwriter, fresh out of Boston College. "There weren't a lot of women when I started," she said, "but Chubb was committed to diversity and inclusion. That's where I learned how important a company's culture is, as well as the power of mentoring — a lesson we are applying today at QBE."

In her current role at QBE, Ms. Zortman has led the turnaround of a $2.2 billion business portfolio spanning small to large commercial insurance, personal insurance and programs.

While business accomplishments are important, Ms. Zortman said that "what matters most are the relationships you build and the people you affect." She mentors

women at Boston College and in her organization, and she also guides by example.

"As a leader," she said, "you actually mentor people every day through everything you do. I really believe that behavior defines culture, and culture trumps strategy."

She describes her parents as her greatest influences, as they instilled "deep values and a sense of honesty, respect and hard work."

"Since joining QBE in 2015, Kathleen has developed new strategies and procedures to drive underwriting and customer service excellence, and she has engaged our key brokers and instilled trust and enthusiasm," Russ Johnston, CEO of QBE North America, said in an email.

By her own admission, Ms. Zortman doesn't balance her work and personal time very well, but she's OK with that.

"I have my own definition of work-life balance, and it works for me," she said.

Rob Lenihan

Amy Barnes

Chief client officer, global energy and power business; and client service director, U.K. specialty

Marsh Ltd.

London

Age: 42

Amy Barnes doesn't let things stand in her way. At 23, she arrived in Azerbaijan to begin work as a commercial diver. Her employer, however, had not realized prior to her arrival that she was a woman, and strict working practices meant she was unable to take up the job.

Rather than be disheartened, Ms. Barnes, who graduated in geography from University of London, negotiated herself a job at British Petroleum P.L.C., carrying out investigations at an asbestos landfill site.

An accomplished cook, she catered her own wedding, and she and her husband built their own house, where they now live with a "menagerie" of animals.

Now chief client officer of the global energy and power business and client service director for U.K. specialty at Marsh Ltd., which she joined in 2009, Ms. Barnes said that seeing someone develop or knowing that you have helped a junior member of staff are the real moments of fulfillment.

Ms. Barnes said she has mentors both in and outside of the work environment. While professional mentors often have helped give her confidence in her own thinking, she said friends or peers with strong moral compasses have said things that really have resonated. One such lesson, she said, it to be mindful of "manners rather than politics" in the workplace and to have respect for and be courteous to colleagues with other areas of expertise.

Having developed deep expertise in the energy and power sector, Ms. Barnes leads many large accounts. She travels extensively, working with a team of over 700 on the global energy side of her job. In her role as client service director, she works with more than 1,000 client-facing colleagues.

She encourages young employees to "take ownership" and not think of the organizations in which they work as a "they" — some sort of other entity — but rather as something of which they are a part and for which they have a responsibility.

"Amy brings out the best in people, as they are enthused by her vision and energized by her ideas and drive," said Andrew George, chairman of the energy and power practice at Marsh in London. "Amy has a huge amount of potential and has continued to prove herself time after time."

Sarah Veysey

Gillian Barnes

Head of claims

Ironshore International, a unit of Ironshore Inc.

London

Age: 54

Gillian Barnes learned the value of hard work early in her insurance career.

Ms. Barnes, London-based head of claims for Ironshore International, a unit of Ironshore Inc., came to the industry in 1986 as an accident claims correspondence clerk for Municipal Mutual Insurance Co. after having studied law at university.

"I quickly realized that I worked in a fairly male-dominated environment in London at the time," she said. "So I felt I just had to work very hard and try and do my best and work diligently and try to deliver everything I was asked to deliver."

Fortunately, Ms. Barnes said, she was working with people who appreciated her hard work and who gave her opportunities to grow.

"I am a determined person, and I'm always looking to reach the ultimate and not just second best, if that can be achieved," she said.

Ms. Barnes worked for SVB Syndicates, where the CEO was a woman — Lorraine Adlam — which was very unusual in the London market, Ms. Barnes said.

"She was an inspiration in that she treated everybody the same," Ms. Barnes said.

She joined Lloyd's of London syndicate 4000, managed by Pembroke Managing Agency Ltd., as a founding member and claims director in 2005. She became a member of the board in 2008 when the syndicate was bought by Ironshore, which is now owned by Liberty Mutual Insurance Co., where she has been involved in the company's mentorship program.

"When I look around the office," she said, "there are a lot more females present, which is encouraging. I think women in managerial and senior positions have also increased."

When she's not in the office, Ms. Barnes said she likes to get out in the fresh air.

"I'm lucky enough to own a property in Steamboat, Colorado," she said. "It's in the mountains, which is great for skiing and for hiking."

"Gillian has established her impeccable reputation at the very heart of the London specialty insurance market," Mark Wheeler, Ironshore International's CEO, said in an email. "She has held positions of increasing responsibility as Ironshore has emerged as a leading global specialty insurer."

Rob Lenihan

Heather Batchelor

Chief underwriting officer, business insurance (Europe)

Travelers Co. Inc.

London

Whether it's in her professional or personal life, Heather Batchelor relies on collaboration to get the best results.

With nearly 30 years in the insurance industry, Ms. Batchelor, chief underwriting officer of business insurance (Europe) for Travelers Co. Inc., is one of the founding members of the insurer's European Women's Diversity Network and a member of its leadership committee. The network, established in 2014, is responsible for promoting and supporting women at Travelers.

"I've definitely taken a lot from working with others in our network," she said. "It's an opportunity to share experiences and explore ways you can work through challenging times in your life."

Ms. Batchelor understands challenges and is able to work with people to achieve the best outcome. Early in her career, she said, Martin Hudson, the general manger of St. Paul Fire and Marine Insurance Co., which would later merge with Travelers, was a great inspiration to her.

"He was somebody who really changed how I thought about challenges and problems, and to think about different ways to approach them," she said. "By working with others, you can tackle almost any problem that's thrown at you."

This talent came in handy when her daughter's school was going to be closed while she was in her final year. "I had an opportunity to work with the parent group to rescue the school and get it back on its feet," she said. "It was a great example of people from all different walks of life coming together and doing what we felt was the right thing ... for our children."

Michael Lawton, vice president of business insurance for Travelers Europe, said Ms. Batchelor "is an incredibly talented individual and a great asset to our company."

"She has extensive industry experience, excellent technical knowledge, and her passion for helping others and doing the right thing are second to none," Mr. Lawton said in an email.

Ms. Batchelor and her husband are recent "empty nesters," and she is looking forward to traveling and playing cello more regularly. "I enjoy music. I was a cellist," she said.

Rob Lenihan

Catherine Bourland

CEO

Aon Benfield France

Paris

Age: 58

Catherine Bourland says her commitment to building strong relationships has helped her reach the position she is now in and to "reveal my own strengths."

A highly respected figure in the French reinsurance market, Ms. Bourland is CEO of Aon Benfield France. With almost 40 years of experience, including some time in the United States, working with people of different backgrounds and experiences has been key to building her career, she said.

"Access to high-quality people of different origins, training and nationalities enables you to better define and understand your own qualities, while identifying how to complement colleagues and cultivating skills to adapt to the business sector in which you evolve," she said.

The most important factor in the insurance and reinsurance business is understanding risk — "its definition, its evolution, its complexity, its control and the solutions to master it," Ms. Bourland said.

To do this, she said, brokers need to be "in the heart of our market, getting proximity with all its actors and being open-minded enough to accept that the risk evolves constantly."

Ms. Bourland organizes and supports many networking and charitable events within Aon Benfield and the wider market in France.

Women do not need to be mentored specifically on the grounds of their gender, she said. "They just need to know that they have the talent for any type of job in our business and feel confident that they will be recognized as much as any other person for their work," she said.

To anyone thinking of entering the insurance industry, Ms. Bourland says it is a creative, challenging and interesting environment in which to work. "Don't be shy, and ensure that your specific qualities help the insurance world to progress," she said.

Outside of reinsurance, Ms. Bourland has a keen interest in architecture and how it can improve people's living conditions.

"Catherine justly deserves this position as one of the reinsurance industry's most senior figures. She is a popular leader and client advocate," said Dominic Christian, CEO of Aon UK Ltd. and Aon Benfield and international executive chairman.

Sarah Veysey

Rachel Cope

Vice president, international finance director

FM Global

Luxembourg

Age: 44

When Rachel Cope turned 18, she had a critical life decision to make: attend university or take advantage of an apprenticeship opportunity with a major accounting firm.

While others were urging her to go to college, she felt strongly that she should take advantage of the opportunity to join KPMG in the U.K. and has been moving up in the accounting and finance sector ever since, including spending the past 12 years with Johnston, Rhode Island-based mutual insurer FM Global.

"The one thing I always say is to follow your gut instinct and do what you believe is right for you," she said of the advice she would give young women confronting major career choices. "I think sometimes people may have opinions on what they think is the right move for you, but you're the only person that knows whether that's going to work for you. When I joined KPMG, there were a number of people who told me I should go to university, I'd never get anywhere in life if I didn't go to university. But I truly believed that wasn't the right path for me to take. If you follow your gut instinct and stay true to yourself, you can't go far wrong."

Ms. Cope has been the finance director of FM Global's U.K. subsidiary FM Insurance Co. Ltd., but also recently moved to Luxembourg to oversee finance and administration at FM Insurance Europe S.A., which received its business license in May. Her task is to ensure a "seamless" transition of a large portion of business from the U.K. entity to the European subsidiary.

"It was something that we were always looking to do, but obviously the Brexit would have accelerated that," she said. "We have been looking for some time at the resilience of the company and whether having an additional European subsidiary would make that more resilient."

Ms. Cope has "earned the trust of our senior executives," said Angela Kelly, FM Global's vice president, diversity and international human resources in Rhode Island.

"I see Rachel as somebody who is very employee-focused," she said. "That said, she's not afraid to make tough decisions. She executes on those decisions very well while maintaining that humanity."

Gloria Gonzalez

Andrea Fregona

Managing director

Crawford & Co. (Germany) GmbH

Dusseldorf, Germany

Age: 46

Andrea Fregona started her insurance career learning the basics of the business across multiple coverage lines but soon focused on the claims side of insurance.

Joining Crawford & Co.'s Germany unit in 2009, she was responsible for leading and developing a nationwide network of field adjusters for the company. Earlier this year she was named managing director of Crawford & Co. (Germany) GmbH.

While she has responsibilities across the unit's operations, she is maybe most proud of creating and implementing Crawford's Claims Academy in Germany. The academy trains and educates employees and contractors and is also a source of education for employees of Crawford's clients, she said.

The academy also offers programs to help working mothers return to the workplace by refreshing their knowledge after they have taken time off to have children.

The field adjuster network she implemented also has developed more opportunities for women to return to work after having children. The model allows flexible working that enables women to work part-time and balance their roles as mothers with active careers, she said.

Ms. Fregona cites the Italian writer and politician Giuseppe Mazzini when offering advice to women entering the industry: "The secret of the skill lies in the will." It is important to believe in yourself and accept challenges, she said.

Outside of the workplace Ms. Fregona enjoys interior design and says that creativity can be transferred to work and into new ideas and solutions. She relaxes by spending times with her horse and French bulldog. "This helps me clear my head and recharge my batteries — the view of things often becomes clearer," she said.

And spending time with friends from different walks of life also can help to bring a fresh perspective.

"I love to cook and eat with friends," she said. "Talking to people from completely different areas often gives you a completely different view of things and makes things much clearer and easier," she said.

Sarah Veysey

Simona Fumagalli

Country manager, Italy; chief underwriting officer for professional indemnity, international financial lines

XL Group Ltd.

Milan

Age: 42

As a female head of a multinational insurer's operations for Italy, Simona Fumagalli is in a high-profile and rarefied space.

"When I started in my role as country manager in March of last year, I received a lot of good wishes from the local market because I am, I believe, one of the first women to be appointed into a country manager role in Italy," said Ms. Fumagalli, country manager of Italy and chief underwriting officer for professional indemnity, international financial lines for XL Group Ltd., which does business as XL Catlin.

She first joined the industry at age 18 when she had an internship with Swiss Re Ltd. working on pollution and environmental insurance. "It was part of my studies," Ms. Fumagalli said. "I liked it and decided to stay in the business."

Early in her career, she worked as both a broker, for a unit of Marsh & McLennan Cos. Inc., and an underwriter, but decided she wanted to be on the risk-taking side of the insurance business.

"I like taking the risk and making the decision," Ms. Fumagalli said.

As country manager for Italy, she has overseen the development of a new environmental policy wording, and is working toward bringing new products to the Italian market before the end of this year.

She also values the people around her. "It's a job based not only on numbers but also on relationships. It's your team, it's the people that you work with, your clients, your stakeholders outside the company," she said.

Ms. Fumagalli used her broad skill set when bringing in changes to XL Catlin's Italian operations, said Bruno Laval, regional director of Southern Europe-insurance at XL Catlin.

"Simona has shown great leadership, demonstrating an exceptional combination of determination and soft skills that has delivered superior execution and results in reshaping our Italian operation," he said.

"Simona is a very strong woman, with great focus on objectives. In our insurance profession she can stand with a high profile and with sound experience despite her young age," said Lucio Barbati, placement leader for Marsh S.p.A. in Milan.

Matthew Lerner

Janice Hamilton

Chief financial officer

AmTrust International, a unit of AmTrust Financial Services Inc.

London

Age: 36

Taking risks in her career has provided Janice Hamilton with opportunities to take on new and challenging roles and to swiftly rise to the role of chief financial officer of a division of a Fortune 500 company while still in her thirties.

An accountant by training, she left Ernst & Young five years ago to join Lloyd's of London firm Jubilee Managing Agency Ltd., which was acquired by rival ANV Holdings B.V., which itself was purchased by U.S. insurer AmTrust Financial Services Inc.

Over the course of that time, Ms. Hamilton has played an integral part in the company's transformation. She was named chief financial officer of AmTrust International, a unit of AmTrust Financial Services Inc., earlier this year.

"I have worked very hard over my career, each time never fully prepared for the next step. But with the trust and confidence of the management and finance teams, I was able to grow into each role," she said.

One of the best pieces of advice she has ever been given, she said, is to "always go with your first instinct."

"I know it is not strictly career advice, but I reflect on this almost every day and consider it one of the most useful pieces of advice I have ever received," she said.

To women entering the industry, she advises that they "never be afraid to be the only woman in the room." But that should not be the status quo, she said, and women should help try to improve the gender balance in senior insurance positions.

In an effort to improve the balance, mentoring and coaching others is part of Ms. Hamilton's day-to-day work.

"It is so important to me that individuals are well-equipped to perform their roles and know that they can trust the management team to have succession planning and talent mapping as important objectives," she said.

"I am delighted that Janice has been selected as one of this year's Women to Watch honorees," said Lynsey Cross, chief operating officer at AmTrust International and herself a Women to Watch honoree last year. "As a market-leading finance director, her energy, vision and insight have been key to driving the success of AmTrust at Lloyd's. She has fantastic leadership qualities and empowers her team to grow and develop in their roles."

Sarah Veysey

Tracy Harrington Cloud

Senior vice president, international distribution and broker management

Axis Insurance, a unit of Axis Capital Holdings Ltd.

London

It is important for women in the insurance industry to share their achievements and not underplay their successes, according to Tracy Harrington Cloud, London-based senior vice president of international distribution and broker management at Axis Insurance, a unit of Bermuda-based Axis Capital Holdings Ltd.

When Ms. Harrington began her insurance career 30 years ago, she was one of few women in the London market, and she cites being able to "stay the distance" as a source of pride.

She followed in her father's footsteps by coming into the industry, and over the course of a varied career has built teams and processes — often from scratch — in a number of organizations.

She has worked at various brokerages and insurers, and notably was Sydney-based QBE Insurance Group Ltd.'s first-ever client relationship manager in London and built an insurance consulting team at Marsh Ltd.

In her current role at Axis, Ms. Harrington is tasked with helping to change the insurer's culture to make it even more relevant to its policyholders and brokers, among other things.

She sees the value in relationships, still such an important part of the industry.

Ms. Harrington, who joined Axis from Marsh in 2016, was one of the pioneers of the brokerage's Women at Marsh networking events that were set up to empower and inspire women. And she continues to mentor a woman who started at Marsh as a graduate even now that she herself has moved on to Axis.

Women entering the insurance industry should make sure their voices are heard, Ms. Harrington said.

"Make sure you have a voice — if you have an opinion, share it," she said.

"It is not always easy, but you should try not to be intimidated by other people regardless of their role or gender," Ms. Harrington said.

Away from work, Ms. Harrington says she likes to meditate to keep a healthy mind and remain focused.

Sarah Veysey

Patty Karuiahe-Martin

Managing director

Namibia Reinsurance Corp.

Windhoek, Namibia

Patty Karuiahe-Martin has focused on her company and the community it ultimately serves in her role as a senior executive at Namibia's state-owned reinsurer.

As managing director of Namibia Reinsurance Corp., Ms. Karuiahe-Martin is charged with overseeing NamibRe's mission to help the country's domestic insurance industry contribute to Namibia's gross domestic product by stemming the flow of reinsurance premium overseas and, ultimately, helping to improve Namibia's balance-of-payments position.

The reinsurer was established in 1998. During her time in the role, between 2014 and 2016, NamibRe's gross written premiums have increased by 35% and net profit by 82%, according to the company.

Ms. Karuiahe-Martin has helped to raise the profile of NamibRe and strengthen its relationship with the insurance industry in several ways.

In September 2016, NamibRe chaired the organizing committee and worked in conjunction with local insurers to host the Organisation for Eastern & Southern Africa Insurers' conference, for example.

Training and development is a particular focus for Ms. Karuiahe-Martin, who has had a career of more than 20 years in the financial services industry, including working in auditing.

In her previous role as a director at PricewaterhouseCoopers Namibia, she established an academy that trained many young black Namibians.

At NamibRe, she submitted a policy to the board to ensure that all senior managers at the company take part in leadership and development programs. In addition, all her staff at NamibRe have regular training in reinsurance and finance subjects. Ms. Karuiahe-Martin also implemented annual bursaries to train actuaries and engineers. She is also working on an initiative to establish a school of insurance for Namibia.

During her time at NamibRe, Ms. Karuiahe-Martin has helped to increase the company's budget for charitable donations, and spending has been directed to buy computers and books for rural schools, and mattresses and blankets to help impoverished communities, among other things.

Ms. Karuiahe-Martin was not available for an interview for this feature.

Sarah Veysey

Mary O'Connor

Head of client, industry and business development

Willis Towers Watson P.L.C.

London

Age: 51

Mary O'Connor discovered risk at Willis Towers Watson P.L.C. after a diverse career that took her from prosecuting criminals in Washington, D.C., to being a financial regulator in London.

"I was a lawyer and a prosecutor in the U.S. attorney's office in Washington in the late 1990s, prosecuting drug cases, homicides and gang narcotics," Ms. O'Connor said.

"I loved being a lawyer, but then I discovered risk when I came to Willis as head of risk and compliance to support the company in its internal efforts to improve risk management," she said.

Ms. O'Connor was with the U.K. Financial Services Authority between 2008 and 2012, first as a manager in enforcement, then as head of approved persons. Prior to that, she was a partner at Kilpatrick Stockton L.L.P.

"Among other things, I am interested in using my regulatory and capital markets expertise in the use of alternative capital," Ms. O'Connor said.

She also enjoys the breadth and reach of the industry and the travel opportunities that come with her job.

Her growth path within the company has been unusual.

"Mary has had a very special career's evolution whilst working at Willis Towers Watson, successfully transferring from a senior technical control function role to a business leadership role," said Nicolas Aubert, CEO for Great Britain at Willis Towers Watson.

In addition, she is involved in mentoring other women at Willis Towers Watson, which she said is analogous to her work with the brokerage's clients.

"Mentoring and client work are similar, because it's all about helping people achieve their goals," Ms. O'Connor said.

The changing nature of the business, she believes, affords opportunity to women in insurance.

"Our industry is being hit by a number of megatrends such as technology and the impact of the low-interest-rate environment," she said.

"With so much change coming to the insurance industry, there are enormous opportunities for women, and I feel privileged to try to help other women," Ms. O'Connor said.

Matthew Lerner

Romaney O'Malley

Head of U.K. regions; head of industrials segment-commercial Europe, AIG Property Casualty

American International Group Inc.

London

Age: 41

With nearly 20 years of insurance industry experience, Romaney O'Malley is changing her views of success.

"Early in my career, I was more focused on what makes a more successful CEO," she said. "But I think that shifts over time and the people who influenced me more in the last 10 years are those who really stayed true to their values at the same time as being successful in their business."

An Australian native, Ms. O'Malley is currently the head of U.K. regions and head of industrials segment-commercial Europe, AIG Property Casualty for American International Group Inc.

Like many people in the industry, Ms. O'Malley had not planned on an insurance career. Her interest in the field started after she joined Ernst & Young's graduate program and was assigned to mostly insurance and financial services companies.

Ms. O'Malley said that taking intelligent risks was a factor in her success.

"I think most good opportunities that result in a step change in your career are not going to be risk-free," she said. "They're going to require you to take a leap of faith, and I think it's about making a decision about which are the right ones and which are the wrong ones."

Ms. O'Malley is currently mentoring 12 women and said mentoring was a critical factor in her early career. "I've had a series of really strong mentors who have given me not only great advice but also advocated for me," she said.

Ms. O'Malley graduated from AIG's 15-month Women's Executive Leadership Initiative last year. "It not only allows me to do a better job," she said, "it allows me to bring a broader leadership role and understanding to what works and what doesn't work so I can help that next generation."

Ms. O'Malley serves as an example to others in the industry, Anthony Baldwin, CEO of AIG Europe and AIG U.K., said in an email. "Her outstanding work during her career to date, as well as her determination to encourage others to succeed, is a true inspiration."

Rob Lenihan

Julie Page

CEO

Aon Risk Solutions U.K.

London

Age: 50

A curious nature and a keenness to "get involved" have driven success. "I respond to opportunity."

Julie Page, Aon Risk Solutions U.K.

Julie Page is a broker through and through. Having begun her career at Aon P.L.C., she spent 17 years at rival broking powerhouse Marsh Ltd. before rejoining Aon in 2016. Earlier this year she was named CEO of Aon Risk Solutions U.K.

She loves broking, she said, because of the direct engagement with clients and the diversity of experience, industries and companies with which she comes into contact. Having the "risk conversation before the insurance conversation" is vital, she said, and the industry "really does keep the world moving."

Having a curious nature and a keenness to "get involved" have been among the drivers of her career success, she said. "I respond to opportunity," she said.

Ms. Page is a champion of diversity and inclusion in the workplace and was part of the steering committee behind the first Dive In festival in London.

It has been a source of great pride to see that event for diversity and inclusion in the insurance industry "blossom into a truly global event," she said.

Among those who influenced her career, Ms. Page cites an early female role model, Wendy Wastnedge, a senior broker at a time when there were few women at managerial level. "She was a trailblazer who carved her way through the bias," Ms. Page said. "She showed me that there is way through and you do not have to accept the status quo."

Ms. Page also cites as inspiration a male boss with whom she worked at Marsh early in her career and who offered her a promotion. At the time, she was a single parent with a young son living outside of London, and declined the job because the typical early starts of the meetings she would be required to attend would be impracticable from a childcare standpoint. She said her boss's reaction was to say, "I have never thought of it like that before. Why don't we change the times of those meetings?"

Sarah Veysey

Kerry Rainer

Director of claims services-London market

DXC Technology

London

Age: 40

During her 15 years at DXC and its predecessor company, XChanging, Ms. Rainer has built up extensive knowledge and experience of implementing robotic process automation across different elements of the claims process.

Kerry Rainer, director of claims services for the London insurance market at DXC Technology, leads a multinational team of about 300 claims professionals.

In her role, Ms. Rainer is responsible for all aspects of claims delivery and product development for DXC into the London market.

More than 80% of managing agents at Lloyd's of London contract with DXC for claims services, according to the company.

As well as the more than 1.3 million transactions generated by DXC's core claims contract with the market, DXC also operates delegated authority service contracts, claims administration and coordination services.

During her 15 years at DXC and its predecessor company, XChanging, Ms. Rainer has built up extensive knowledge and experience of implementing robotic process automation across different elements of the claims process, helping to reduce claims cycle time, improve the accuracy of submissions and manage costs.

Ms. Rainer began her career in the Lloyd's Policy Signing Office, and prior to joining DXC worked at Lloyd's brokerage SBJ Global Risks.

Ms. Rainer was not available for an interview for this feature.

Sarah Veysey

Carol Richmond

Chief risk & compliance officer

Arthur J. Gallagher (U.K.) Ltd.

London

Carol Richmond has played a huge role in transforming Arthur J. Gallagher & Co.'s U.K. operations from a collection of small broking houses and underwriting entities into one of the largest brokerages in the market.

Along with that growth have come the challenges of ensuring the brokerage complies with being more heavily regulated because of its larger size, and helping to steer it in a new strategic direction.

Transformational change is a challenge that Ms. Richmond relishes.

Having taken part in other transformational changes earlier in her career, "the sense of pride for the contribution made by my team has been the highlight every time," said Ms. Richmond, chief risk and compliance officer for Arthur J. Gallagher (U.K.) Ltd.

Ms. Richmond has more than 30 years' experience in the governmental and regulatory environment, and worked at the U.K. financial services regulator, the Financial Services Authority, before having roles at several insurance and brokerage companies.

Like many parents, creating a work-life balance that enabled her to devote time to her son was a priority for Ms. Richmond. "I was lucky to have a series of great bosses, all men, who allowed me to work flexibly during his childhood," she said. "Being visible and accessible to my team was important, but so was making sure I never missed out on the important milestones and moments in my young son's life."

Creating an inclusive culture at Gallagher is also a focus. "We believe creating a truly inclusive culture will engage and empower our people to drive greater customer-focused innovation and further improve productivity," she said. "So it brings big business benefits as well as fantastic career opportunities for our people, too."

The introduction in the United Kingdom this year of Gender Pay Gap reporting may prove to be a game-changer and is improving the insurance industry's overall diversity and inclusion credentials, she said: "While it's a complex issue, with no easy one-size-fits-all solution, the requirement to report will focus the minds of organizations."

Sarah Veysey

I think the most important leadership trait is humility and being able to acknowledge that your personal success depends entirely on your ability to empower others to succeed.

UP CLOSE

Katherine J. Brennan

NEW JOB TITLE: New York-based deputy general counsel, corporate secretary and chief compliance officer at Marsh & McLennan Cos. Inc.

PREVIOUS POSITION: New York-based senior vice president, deputy general counsel and corporate secretary for S&P Global Inc.

LOOKING FORWARD TO: Rejoining Marsh & McLennan and the incredible colleagues with whom I worked for seven years previously, from 2008 to 2015.

GOALS FOR NEW POSITION: To champion the strong culture of ethics and integrity at Marsh & McLennan and to motivate and empower my team.

ON LEADERSHIP: I think the most important leadership trait is humility and being able to acknowledge that your personal success depends entirely on your ability to empower others to succeed.

CHALLENGES FACING INDUSTRY: The rapidly evolving risk landscape.

CRYSTAL BALL: Better technology, smarter analytics, new risks.

FIRST INDUSTRY JOB: Corporate associate, Dewey & LeBoeuf L.L.P., working on insurance-linked securities transactions.

WHAT SURPRISED ME: The complexity and sophistication of the industry and the collective thirst for solving complex problems.

ADVICE: Question the status quo. To quote Marsh & McLennan Cos.' President and CEO Dan Glaser, "There is always a smarter way."

OUTSIDE THE INDUSTRY, A DREAM JOB: International photojournalist

HOBBIES: Skiing, travel and autumn tailgating.

THING MOST PEOPLE DON'T KNOW ABOUT ME: Well, people know this, but I am an "Army brat" and grew up moving around the country and the world, spending most of my life before college in Germany and Austria. I was very excited to learn that we have an office in Vienna!

WHEN I RETIRE: Travel!

CAN'T-MISS TELEVISION SHOW: "Veep"

BEST CITY: New York. But I have many favorites — from Vancouver to Vienna to Hong Kong.

ON A SATURDAY AFTERNOON: A run in Central Park.

MONDAYS: If you simply work every day, Monday is just another day of the week!

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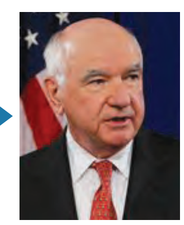
ON THE MOVE

American International Group Inc. named **Chris Townsend** to the newly created role of CEO for international general insurance. Previously, Mr. Townsend was president of MetLife Inc.'s Asia region. He is expected to join AIG in the first quarter of 2018, and previously worked at AIG from 2010 to 2012 as CEO of its Asia-Pacific region.

Willis Towers Watson P.L.C. named New York-based **Janet Pane** head of global services and solutions within its corporate risk and broking segment, effective immediately. In the newly created role, she will be responsible for multinational clients. Previously, she was head of market relationship governance.



John Degnan, a former Chubb Corp. senior executive, was named president and CEO of the American Insurance Association, effective Nov. 8. He replaces Leigh Ann Pusey, who left the association in June to take on a corporate affairs job at Eli Lilly and Co. Mr. Degnan was most recently the chairman of the Port Authority of New York and New Jersey.

Ironshore Inc. named **Kristin McMahon** head of global claims, effective immediately. She assumes the role from Mike Mitrovic, who recently left the company, and has global responsibility for claims management oversight and litigation management services. She joined Ironshore in 2008 as the chief claims officer for IronHealth, and most recently was head of U.S. claims.

QBE North America, a unit of QBE Insurance Group Ltd., named New York-based **Matt Keeping** regional executive for the Eastern region. Previously, he was head of broking for Willis Towers Watson P.L.C. He replaces Brian Griffith, who was recently named chief sales and marketing officer for One Call Care Management in Jacksonville, Florida.

Wayward priest defrocked for fraud

Being dubbed the "randy reverend" for frolicking with a member of the congregation wasn't enough to cause an Anglican priest to lose his job, but forging a senior bishop's signature on insurance forms sure was.

Former priest David Huntley, 54, has been defrocked for forging the Bishop of Durham's signature in an alleged insurance fraud scheme in England. This after being suspended for two years in 2016 after he had an affair with 28-year-old member of his congregation, the Daily Mail reported.

Mr. Huntley allegedly faked a letter to insurers in a false redundancy claim, using the bishop's official headed paper for authenticity, the newspaper reported.

A disciplinary tribunal described it as "grave, indeed criminal, misconduct" in its ruling. "It fell very far short of the high standard of behavior expected of clergy."

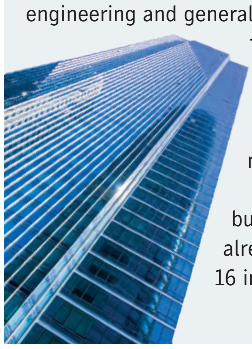
Skyscraper sinks in San Francisco

Call it the leaning litigious tower of San Francisco.

The heavy 58-story Millennium Tower skyscraper has been gradually sinking and leaning since the first condominium units went up for sale in 2006, a disclosure that is the point of contention in numerous lawsuits against the developers and other stakeholders and the subject of an airing of "60 Minutes."

In perhaps the largest suit, the building's homeowners association in May filed suit against Millennium Partners and numerous architectural, engineering and general contractor firms involved in building the tower, according to media reports.

By then, the building had already sunk 16 inches.



AUTHORITIES HOPE YOUNG BEACHGOERS IN NEW ZEALAND WILL FEAR THE REAPER

The floaty-toting, daiquiri-drinking Grim Reaper on Instagram has an important risk-management message for young, hip beachgoers: You can drown.

In a campaign set up by Water Safety New Zealand, the "Swim Reaper" character can be seen carrying a surfboard, playing volleyball and even acting as a lifeguard in darkly funny holiday snaps, the Irish Sun newspaper reported.

The campaign's target audience is at-risk young men ages 15 to 30, who make up 14% of the population but account for one-third of all fatal drownings annually, according to the newspaper.

The iamtheswimreaper Instagram account now has 100,000 followers and counting, and tells visitors to its page: "If ur gonna make dumb decisions in the water, I'll be waiting. Holla!"

Jonty Mills, CEO of Water Safety New Zealand, told a reporter: "A lot of these drownings (of young men) are what we would describe as preventable fatalities. Lives would be saved if young males simply made smarter decisions around water."

In-home delivery opens risky doors

Some retailers are adding another "what if" to their risk profiles: slips and falls — in your home.

Bentonville, Arkansas-based Wal-Mart Stores Inc. and Seattle-based Amazon.com Inc. are among retailers piloting programs that not only deliver groceries and other goods to customers' doors, but also place packages inside the home and, if needed, inside the refrigerator, according to the Detroit Free Press.

This not only raises issues for homeowner insurers but also leaves the retailers open to new risks, such as: What if a delivery person is attacked by a dog?

Christmas jingles jangle workers

It's not the most wonderful time of year for your mental health if you work in retail and are exposed to ongoing holiday music, a British psychologist told the online news site Sky News.

Although holiday music can be stressful for most people, workers were "more at risk" of being mentally harmed by the cheerful jingle music, and the same songs being played constantly makes it hard for employees to "tune it out" and keeps them "unable to focus on anything else," Linda Blair, a clinical psychologist and the author of "The Key to Calm" told reporters.

The continuous playing of Christmas music in the car or stores reminds people of all the things they need to do before the holiday arrives. "You're simply spending all of your energy trying not to hear what you're hearing," Ms. Blair told Sky News.