

GENERAL INSURANCE SERVICES

# RISK & BUSINESS

MAGAZINE



SPRING 2018

## CUSTOMERS AND COMMUNITY

Graham Weston on Living the Service Mantra

- + ARI MEISEL - COMMUNICATION
- + SHAWN HUNTER - FUTURE SKILLS
- + DR. ROBERT CIALDINI - PRE-SUASION

General  
Insurance  
Services | GIS

# RISK & BUSINESS

PUBLISHER  
EDITOR  
GRAPHIC DESIGN  
CONTENT COORDINATOR

Carle Publishing Inc.  
Erika MacLeod  
Jessica Embree  
Stacey Cowperthwaite

## CONTRIBUTORS

Ari Meisel  
Dr. Peter H. Diamandis  
Dr. Robert Cialdini  
Graham Weston  
Joe Polish  
Kathleen Quinn Votaw  
Michael Bungay Stanier  
Shawn Hunter  
Craig Menne  
Sandy Menne  
Eric Gibson  
Charlie Keene  
Don Long  
Alison Williams

## ADVERTISING (Local)

Kara Moon

## PHOTOGRAPHY

All images sourced from Carle Publishing Inc or iStock.com unless otherwise identified.

## CARLE PUBLISHING

Toll Free: (877) 719-8919, Fax: (866) 609-5674  
Email: [info@carlepublishing.com](mailto:info@carlepublishing.com)  
Website: [www.carlepublishing.com](http://www.carlepublishing.com)



## GENERAL INSURANCE SERVICES

421 Franklin Street, Michigan City, IN 46360  
[WWW.GENINS.COM](http://WWW.GENINS.COM)

General Insurance Services Risk & Business Magazine™ is published by Carle Publishing Inc. All content, copyright © 2018, Carle Publishing Inc. All rights reserved.

Risk & Business Magazine™ is a valued and recognized trademark of Carle Publishing Inc. This publication may not be reproduced, all or in part, without written consent from the publisher. Every effort has been made to ensure the accuracy of all content in this publication, however, neither the publisher nor General Insurance Services will be held responsible for omissions or errors.

Articles, reports and information contained herein reflect the views of the individuals who wrote or prepared them and do not necessarily represent the position of the publisher or General Insurance Services. The material herein is intended for educational and informational purposes only. Nothing herein is to be considered the rendering of insurance advice for specific cases or circumstances. Communication of any legal information contained herein does not constitute an attorney-client relationship, nor convey legal advice or recommendation of any kind. Do not rely on information contained herein to replace consultation with qualified brokers, attorneys or other professionals in your jurisdiction.

Please address all editorial and advertising inquiries to Carle Publishing Inc., Email: [erika@carlepublishing.com](mailto:erika@carlepublishing.com). Carle Publishing Inc. is not held responsible for the loss, damage or any other injury to unsolicited material (including but not limited to manuscripts, artwork, photographs and advertisements). Unsolicited material must be included with a self-addressed, overnight-delivery return envelope, postage prepaid.

Carle Publishing Inc. and General Insurance Services will not give nor rent your name, mailing address or other contact information to third parties. Subscriptions are complimentary for qualified individuals.



Auto • Home • Life • Health • Business Insurance

LA PORTE

219.362.2113

MICHIGAN CITY

219.879.4581

VALPARAISO

219.464.3511

HOBART

219.850.1001

[www.genins.com](http://www.genins.com)





# 16

FEATURE

## GRAHAM WESTON

CUSTOMERS & COMMUNITY

# CONTENTS

**3 LETTER FROM THE PRESIDENT & CEO**

**4 WHAT'S HAPPENING WITH GIS**

**5 WHY YOU NEED EPLI**

Are You Protected?

**7 TWENTY-FIVE MOST COMMONLY STOLEN PASSWORDS**

**8 WHY COMPANY CULTURE MATTERS**

**9 LAYER CAPABILITIES**

**10 SOLVE YOUR PEOPLE PUZZLE**

Treat Recruitment Like An Ongoing, Strategic Sales Process

**12 PRE-SUASION**

Selling Into The Ideal Moment

**14 COMMUNICATION**

Work Problems

**20 GREAT BUSINESS LEADERS**

**22 THE SURPRISING SKILLS NEEDED IN THE FUTURE**

**24 A BRIDGE TO ABUNDANCE**

**25 SMALL COMPANIES CAN SELF-FUND TOO**

**26 TOP 10 OSHA VIOLATIONS IN 2017**

**28 NEW TRUCKING TECHNOLOGY MAY HELP LOWER INSURANCE BILLS**

**30 CONFRONTING THE DISTRACTED DRIVING CRISIS**



# Welcome!

## LETTER FROM THE PRESIDENT

**T**hank you for taking some time to explore our inaugural *Risk & Business Magazine*.

Our goal in creating this publication is twofold. First, we hope to provide some insights that may better protect you and your organization. As one of the leading risk advisory firms in Indiana, we're privileged to work with a wide variety of individuals and organizations in the private, nonprofit, and public sectors. We hope some of those perspectives and experiences can help you make an immediate, positive impact on your organization.

Our second goal in producing this magazine is to provide some broader business insights that can help your organization grow and better achieve its mission. Ultimately, our mission is to *Secure the Future of the Communities We Serve*. We truly want to be a part of making Northwest Indiana a place where our children *might* one day want to raise their own children. We recognize we cannot accomplish that goal on our own, but working in collaboration with like-minded organizations in Northwest Indiana such as your own, we know we can make that a reality.

Please enjoy this publication and if you find any of the articles helpful, we would love to hear your feedback.



Craig Menne, President & CEO

[WWW.GENINS.COM](http://WWW.GENINS.COM)





# GIS Partners With US Insurance Services and American Insurance Services, Adding A New Location In Hobart

**T**he beginning of 2018 brings exciting news for General Insurance Services Inc. (GIS) as they announce a strategic partnership with U.S. Insurance Services (USI) and American Insurance Services (AIS) of Hobart.

“Part of our strategic plan has been expansion into Lake County, and we’re thrilled to have USI and AIS serve as the foundation for that growth,” said Craig Menne, President of General Insurance Services. “Their values and the way they conduct business are both similar to our own, and we’re excited to serve as the perpetuation partner for both agencies.”

GIS will be retaining USI and AIS’s Hobart location at 8085 Randolph Street, making this the fourth GIS office in the region. The addition of this new office provides GIS the opportunity to expand the agency’s footprint in Northwest Indiana and strategically compliments their other offices located in La Porte, Michigan City, and Valparaiso.

USI and AIS have been family owned and operated by the Stroguiludis family since 1966. With an established reputation of quality service and integrity, USI and AIS are a perfect fit with GIS’s culture and values.

“Their dedication perfectly aligns with our mission to secure the future of the communities we serve,” Menne says. “It’s particularly exciting to know that Hobart is, formally, the next community whose future we are going to help secure.”

“We chose to partner with GIS because they have been an industry leader in Northwest Indiana since 1935,” added George Stroguiludis. “They embrace the same values and professionalism we believe are critical when making insurance decisions that affect our clients.”

GIS has been serving Northwest Indiana for over eighty years, offering a wide range of insurance products including Personal, Commercial, and Life & Health options. GIS strives to be a resource to

its clients for all forms of insurance and risk management, and it is committed to the highest standards of service, integrity, and responsiveness.

For more information on General Insurance Services, please visit [www.genins.com](http://www.genins.com). +

General Insurance Services | GIS

CONNECT WITH US TODAY!





BY: CHARLIE KEENE, VICE PRESIDENT  
OF COMMERCIAL LINES, GENERAL  
INSURANCE SERVICES

# Why You Need EPLI

## Are You Protected?

**T**hese days, talk of sexual harassment is practically everywhere—from Hollywood to Wall Street. People are generally becoming more aware of what constitutes harassment and that makes employers extremely vulnerable. Not only are you subject to liability for employees that may harass other employees but you also may be held accountable for alleged harassment involving a third party that is associated with your organization.

Employment Practices Liability Insurance (EPLI) provides the protection for your organization in the event of an alleged or actual incident of harassment. EPLI doesn't just protect your organization against sexual harassment but also against many other wrongful acts. Other types of covered wrongful acts include (but are not limited to) any type of discrimination, wrongful termination, failure to promote, defamation, invasion of privacy, deprivation of a career opportunity, and creating a hostile work environment. Gone are the days when this type of behavior is "swept under the carpet." Employers need to demonstrate leadership by taking every allegation seriously and conducting due diligence—even if it leads to potential liability.

The other day, I was asked by someone, "How many employees are necessary before you would recommend EPLI

insurance?" My answer? One. Even if you have just a single employee—yourself—you are not immune from harassment allegations from customers, vendors with whom you work, and others. The simple fact is that every business and organization needs EPLI.

If you need further convincing, take a look at some simple scenarios that you could be held accountable for:

- an employee offends another employee by telling an off-color joke
- you offer early retirement packages to some employees but not to others
- you are deciding upon two women for promotion and choose the one who is not pregnant
- you don't allow an employee to return from a medical leave unless the employee can perform all job duties
- you pay a man and a woman with similar backgrounds different amounts for the same job

You may think that your basic business liability insurance is enough to cover such claims, but that is not the case. You need a separate policy that spells out coverage specifically for these types of issues. Many employers also have a mistaken belief that a good HR department can protect them against these claims or handle any problems that arise. When it comes to these types of serious allegations,

however, that is simply not the case. Don't be surprised if the US Equal Employment Opportunity Commission (EEOC) even ends up joining the lawsuit. These lawsuits end up in federal court and are expensive to defend.

The good news is that for over two decades, General Insurance Services has been advising clients on EPLI coverage options customized to their specific exposures along with providing resources to mitigate their risks. Also, EPLI premiums have come down dramatically due to increased competition and access to better loss data. There are many insurance carriers that provide EPLI coverage with many different options. General Insurance Services represents many EPLI carriers, each with expertise in different markets and industries.

Please contact us at 800.766.4478 to talk with one of our risk advisors about EPLI options for your organization. +

*Charlie Keene is Vice President of Commercial Lines at General Insurance Services. Specializing in the industry for over twenty years, he provides risk management consulting and insurance brokerage services to clients in the Greater Chicago Area, Northwest Indiana, and Southern Michigan. He earned a BS degree in Insurance and Risk Management in 1997 from Ball State University.*

# Improve Your Password

1. Change your password every **30-45 days**.



2. Choose a password between **8-16 characters**.



3. Use at least **two special characters** (!@#\$\$%^&\*) randomly within your password.



4. **Avoid** using family or pet names, dates or common phrases within your password.



5. **Never reuse or repeat** a password across accounts.





# 25 Most Commonly Stolen Passwords

**PROTECT YOURSELF - AND YOUR COMPANY - BY MAKING SURE YOU'RE NOT USING ONE OF THE TOP 25 MOST COMMONLY STOLEN PASSWORDS OF 2017, AS DETERMINED BY IT SECURITY FIRM SPLASHDATA.**

- |              |              |
|--------------|--------------|
| 1. 123456    | 14. login    |
| 2. Password  | 15. abc123   |
| 3. 12345678  | 16. starwars |
| 4. qwerty    | 17. 123123   |
| 5. 12345     | 18. dragon   |
| 6. 123456789 | 19. passw0rd |
| 7. letmein   | 20. master   |
| 8. 1234567   | 21. hello    |
| 9. football  | 22. freedom  |
| 10. iloveyou | 23. whatever |
| 11. admin    | 24. qazwsx   |
| 12. welcome  | 25. trustno1 |
| 13. monkey   |              |



**Gain control  
over your  
healthcare costs**



## Healthcare out of control? Change the status quo.

EmCap® is an innovative funding strategy that puts small and midsize companies in charge of their own employee health plans. You can gain control, transparency, and stability – and the opportunity for real cost savings. Take control today with EmCap. To learn more, contact:

**Craig Menne**  
General Insurance Services  
CMenne@GenIns.com

**Shawn Lanter**  
Berkley Accident and Health  
SLanter@BerkleyAH.com

This example is illustrative only and not indicative of actual past or future results. Stop Loss is underwritten by Berkley Life and Health Insurance Company, a member company of W. R. Berkley Corporation and rated A+ (Superior) by A.M. Best, and involves the formation of a group captive insurance program that involves other employers and requires other legal entities. Berkley and its affiliates do not provide tax, legal, or regulatory advice concerning EmCap. You should seek appropriate tax, legal, regulatory, or other counsel regarding the EmCap program, including, but not limited to, counsel in the areas of ERISA, multiple employer welfare arrangements (MEWAs), taxation, and captives. EmCap is not available to all employers or in all states.

©2018 Berkley Accident and Health,  
Hamilton Square, NJ 08690.

All rights reserved. BAH AD 2018-02 1/18

[www.BerkleyAH.com](http://www.BerkleyAH.com)

**Berkley**  
Accident and Health  
| a Berkley Company



BY: CRAIG MENNE,  
PRESIDENT, GENERAL  
INSURANCE SERVICES



## — Why Company Culture Matters —

**E**arly last year, we were notified by the Indiana Chamber of Commerce that our firm had been named one of the *Top 100 Places to Work* in the state of Indiana. We were thrilled to receive the award and recognition, of course, but the most valuable aspect of that designation was the insight that it provided to our team.

Long story short, we've been on a journey for many years. A journey to build, cultivate, and maintain a very specific corporate culture. The Best Places to Work award was simply a small acknowledgement that we were on the right track in pursuit of that objective. We know we can always improve, and that's something we focus on doing every single day. We maintain that focus within the broader context of fostering our unique culture. The real reward doesn't come from third-party recognition. The real reward comes from achieving our goal.

But enough about us.

If you will allow me to pose a few questions, I promise there won't be a test. Does your organization have a specific "culture goal"? I would guess you have growth goals or some type of

performance metrics that you track on a daily basis. That's great. Those are important. But do you have cultural metrics that you track on a daily basis? I promise those are just as important. In fact, they highly correlate to your growth and operational goals.

How about a more basic question? Can you describe your organization's culture? Can you do so in one sentence? Would your colleagues describe your culture in the exact same way? Would they use the same words? If so, congratulations! I ask these questions of many people, and the vast majority of folks aren't able to provide a simple, concise answer.

Is the culture described by your team, by your customers, and by your vendors the culture you want? The truth is every organization has a culture. The question is, who is setting and defining that culture? In many settings, the "squeaky wheel gets the grease," and that approach also sets the tone for much of the rest of the team. Is that the goal of those organizations? You can envision the T-shirts: "Keep Calm and Squeak On."

My point is not to try and prescribe some specific culture for your organization. That's impossible. That needs to be done by you and your leadership team. It must

align with your Mission, your Values, your Vision, and your Strategy. It must also be 100 percent authentic.

If you haven't clearly defined your one sentence Culture Statement but you would like to start down that path, then where do you begin? Honestly, give me a call or send me an email. My direct dial is 219-510-6210 and my email is [cmenne@genins.com](mailto:cmenne@genins.com). The process differs for each organization, but I would be happy to walk you through some specific steps that helped our firm and will almost certainly help you and your organization on your journey. +

*Craig Menne, president of General Insurance Services, was born and raised in La Porte. He attended DePauw University where he received his degree in Economics and graduated as a Management Fellow. In addition to his undergraduate degree, Craig also received his Juris Doctor degree from the Valparaiso University School of Law and his Master of Business Administration from the University of Notre Dame. He is presently a Board Member of IU Health La Porte Hospital, Porter Regional Hospital, and Family Advocates of La Porte County.*





# Layer Capabilities



BY: JOE POLISH  
FOUNDER & CREATOR,  
GENIUSNETWORK.COM

**I**n order to make your opportunities real, your capabilities need to match your opportunities. Until your capabilities match your opportunities, you won't reach your opportunities. You will have goals, dreams and desires, but you will be frustrated.

Everything you need to do is a constant layering of capabilities. As you build up capabilities you end up reaching your goals. Think of your pursuit of knowledge as picking up capabilities.

What you really want in your life is a result. It's building capabilities that will deliver results for you.

When you face roadblocks, remember what my friend Dan Sullivan says: Irritated oysters make pearls. Whatever irritates you in your life, there is

something in it that gives you the ability to transform it.

Be willing to destroy anything in your life that is not excellent. Most people are unwilling to do that. They will deal with relationships they hate, jobs they dislike, things they are unwilling to let go of, and so on.

Wherever your life is working, you have habits and rituals that are making it work. Wherever your life is not working, you have habits and rituals that are making it not work.

One of the capabilities in life to develop is that of being your best friend. You treat your best friend well and you take care of them. You don't force them to do stuff they dislike over and over again.

Become your own best friend, no matter what has happened in the past. +



THE  
**AVERAGE JOE'S  
MARKETING  
BOOK**

THE MISSING MANUAL FOR MARKETING  
& GROWING YOUR SMALL BUSINESS

**JOE POLISH**

Joe Polish is the founder of Genius Network® and GeniusX®, President of Piranha Marketing Inc., and Co-Founder of roXTalk.com and ILoveMarketing.com, two highly popular free podcasts on iTunes. Joe's marketing expertise has been utilized to build thousands of businesses and has generated hundreds of millions of dollars for his clients. To Layer YOUR Capabilities with free training from Joe on Business Mindset Mastery and get Joe's new "Anatomy of a Successful Business" Info-Graphic please visit: [www.GeniusNetwork.com/Capabilities](http://www.GeniusNetwork.com/Capabilities)



BY: KATHLEEN QUINN VOTAW,  
CEO OF TALENTRUST

# Solve Your People Puzzle

## Treat Recruitment Like An Ongoing, Strategic Sales Process

**U**.S. unemployment is below 5 percent. And three in four employed workers are actively seeking or open to new job opportunities.

This “churn” in the labor market is a great indicator of sustained economic recovery and overall consumer confidence, however it’s not a great indicator for executives who are growing their companies!

### **TALENT SHORTAGES AND EMPLOYEE TURNOVER ARE SIGNIFICANT ISSUES**

As a business leader, you must focus on both recruiting the most talented people for your open positions and on retaining the top players who are already on your team. If you don’t, your company’s growth will be limited. If you continue with the status quo and don’t innovate your talent strategy—likely treating your people as an afterthought and taking a tactical approach—you’ll struggle to get ahead and meet your revenue goals.

### **IT’S AS SIMPLE AS ABC**

If you can forecast your revenues for the next few years and plan for them, you can also forecast your people needs for

the same time period and plan for them. Think of recruitment as an ongoing, strategic sales process. Sales pipelines and candidate pipelines are very similar. It’s as simple as ABC - “always be cultivating” for the right people. You’re always cultivating for new customers, right? (**See Figure 1 & 2**)

You must spend time and energy on employee attraction, just as you do on customer attraction. Establishing and maintaining a strategic and ongoing recruitment process ensures you’ll find and keep talented individuals to fit your unique culture and help drive your company’s growth. You’ll address immediate hiring needs and have a pipeline of candidates available when you need them. This process will force you to be proactive, vs. reactive. It will allow you to uncover the most talented people, likely passive candidates who are too busy helping another company succeed to actively seek new opportunities.

### **ASSESS, ENHANCE AND LEVERAGE YOUR EMPLOYMENT BRAND**

It’s an employee’s market, and employees

want much more than a job. They want an experience, in order to work for you and stay engaged. Evaluate your company culture and understand how employees view you as an employer. Use strength in these areas to differentiate from other employers and offer current and prospective employees the most compelling value proposition.

### **THE BENEFITS OF AN ONGOING RECRUITMENT PROCESS**

1. Attract more qualified candidates that fit your culture
2. Engage with passive candidates who are succeeding elsewhere and likely unaware of your company
3. Experience candidate choice, to address both short-term and long-term needs
4. Compare multiple candidates for each open position, instead of evaluating one candidate in isolation
5. Look beyond your immediate needs and consider opportunistic hiring of game changers and A-players
6. Address turnover with a “bench” of available candidates

7. Manage performance issues and eliminate the bottom 10 percent

### WHERE DO YOU START?

Begin shifting your paradigm to recruitment as a sales process. Ask these questions:

- Are we strategic in forecasting our internal talent needs and understanding the impact of external forces?
- Do we have a strong employment brand that accurately communicates the culture of our company?
- Do we leverage our employment brand through effective social media campaigns and employee referral programs? Are our employees brand ambassadors and raving fans of their employment experience?
- Do we continually source candidates with the right skills, experience, and cultural fit?
- Does everyone involved in the hiring process at our company know how to offer candidates an engaging, compelling experience? Do we dazzle and delight?
- Do we offer an effective 90-day onboarding plan to entangle new hires and get them up to speed quickly?

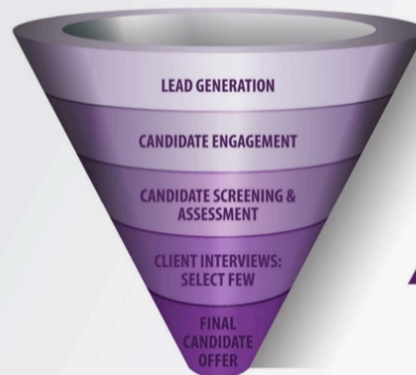
Then be prepared to:

- Shift the resources you allocate. Get realistic about the time and money it takes to cultivate relationships with candidates and employees.
- Provide executive oversight and buy-in. Thoughtfully consider the leader you appoint to drive this initiative and establish recruitment as an ongoing and strategic process.
- Evaluate the internal and external experts you rely on. Go beyond HR tacticians to incorporate sales and marketing best practices.

It's harder today to find top talent than it is to find new customers. Isn't it time to apply a sales methodology to your recruiting efforts? +

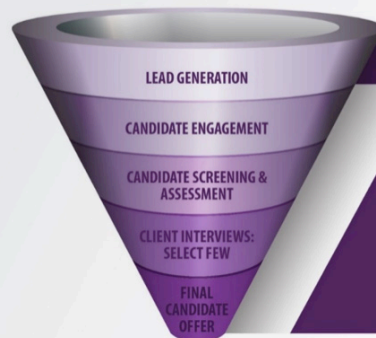
## RECRUITMENT IS A SALES PROCESS

Figure 1



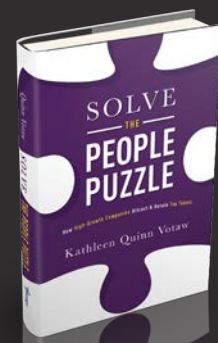
## LEAD GENERATION

Figure 2



- Major general job boards and aggregators
- Niche and industry specific boards
- Trade groups and business associations
- Substantial internal database
- Robust professional networks of current team
- Automated sourcing tools and resources

Kathleen Quinn Votaw is a CEO, author and speaker. Her firm, TalenTrust, serves clients across the U.S. and has been named to the Inc. 5000 list of high growth companies in 2016 and 2015. She is the author of *Solve the People Puzzle: How High Growth Companies Attract and Retain Top Talent*.





# Pre-Suasion

## Selling Into The Ideal Moment

What happens in the brains of consumers during the milliseconds before they make a purchase decision? A lot, actually, and that precious moment can become key real estate for your next marketing or sales campaign. In fact, most businesses are so focused on the message they are trying to convey that they forget to “set the table” in the best possible way for their message to resonate with consumers.

I researched this phenomenon extensively in preparation for my new book, *Pre-Suasion: A Revolutionary Way to Influence and Persuade*, and my results just may change the way you think about your message and the context in which it is delivered. The good news is that making this simple change to break through the clutter is usually fairly straightforward, simple, and inexpensive.

The theory behind my research is this: if we focus our audience on a particular idea or concept, they will prioritize all subsequent information related to that idea or concept. Once they are oriented in the right direction, they will want to learn more, value the information more, and be more likely to take positive action.

Your website—essentially your company’s “calling card”—is the first place consumers go to learn about your business. If you sell furniture, for example, consider which landing page image might have a more positive effect on sofa sales: a photo of puffy clouds or of pennies. In this example, our research showed that the group viewing the clouds prior to entering the site were more likely to search and purchase furniture based on comfort while the group viewing the pennies focused primarily on price, and therefore spent less on the site overall. We found, essentially, that consumers focused their attention on items that were congruent with their very first impression of the site—either the comfort of soft clouds or the frugality of literally “watching the pennies.”

In addition to altering behavior with images, we found that words can have a similar effect. Consider a research study for introducing a new soft drink to the market—admittedly not a simple feat with the mega-cola companies already dominating store shelves. We tested consumers’ affinity for trying new products by posing an introductory question in two different ways. First, we asked a group of consumers if they would be interested in trying the new product, positioned as a brand new soft drink that had never before been on the market. Those who responded positively would submit contact information and a free sample would be sent to them. This approach scored a respectable 30 percent conversion rate.

In the second approach, we asked a simple question at the top of the marketing material: “Are you an adventurous person?” The ad went on to describe the product and free sample offer in much the same way as in the first approach. But that simple challenge question dramatically improved consumers’ responses: the conversion rate for this



# "YOUR WEBSITE— ESSENTIALLY YOUR COMPANY'S "CALLING CARD"—IS THE FIRST PLACE CONSUMERS GO TO LEARN ABOUT YOUR BUSINESS."

approach nearly doubled that of the first, scoring a whopping 55 percent positive response rate.

A third way of communicating information prior to the introduction of your message is through context. For this example, a French experiment was conducted in which an attractive male approached a woman walking through a shopping mall and boldly asked for her phone number to arrange a date for some future time. This gentleman didn't score too badly on this task, with around 13 percent of women offering their phone numbers when the invitation took place in front of an ordinary clothing boutique or shoe store. But would his results improve when the request was staged in front of one of the most romantic of shops—a flower store? You guessed it. Our tester received phone numbers from 24 percent of the women he asked in this scenario, nearly double that of the first scenario. Essentially, the study found that even a hint of romance can beat risk under the right circumstances.

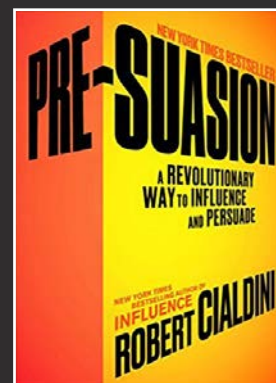
I experienced this effect firsthand some years ago when approaching a contract renegotiation with a particularly thorny vendor. As usual, the meeting was slated to take place at the vendor's office with groups in attendance from each of our two companies. Arriving early for the meeting, I made one simple change that dramatically altered the tenor of the meeting from contentious to cooperative. What was that change? Rather than our team sitting in a row on one side

of the table, leaving the opposite row for the vendor's team, we alternated seating, leaving spaces available for them in between our own chairs. What resulted was a complete sea change in how we worked together to get the job done—an approach that stemmed from a feeling of collaboration rather than contentiousness.

One person that does this better than anyone is the business tycoon Warren Buffet, who in many of his letters to shareholders will issue a "mea culpa," taking responsibility for some mistake he has committed during the previous investment period. The effect of such a disarming statement is to immediately instill a sense of trust in the reader, as in, "If he is admitting to his mistake up front, he must be an honest guy." Once he has connected with his reader in this humbling way, Buffet could practically sell his reader the next Brooklyn Bridge.

The takeaway from my research is that advertisers and other businesspeople are missing out on a golden opportunity: those critical moments before you actually deliver your message. Everyone with something to sell—and that's all of us, frankly—should invest in some simple research to see what messages motivate our customers to buy. Would a change in your website background images do the trick? A new headline for your advertising campaign? What kind of trigger words, images, and situations do the best job in getting your prospective customers to convert?

The answer will be different for every business, but it's worth it to spend some time trying to unlock the code that works best for yours. And while you're doing so, here's another tip. In vetting your next campaign idea, ask your co-workers for their advice, not their opinion. That small change in wording will suggest collaboration and teamwork rather than essentially asking your colleague to turn inward to formulate a response. In working together to brainstorm and experiment with new marketing ideas, you can hone your skills of "pre-suasion" and soon see some very real results—right on your bottom line. +



## PRE-SUASION: A Revolutionary Way to Influence and Persuade

What separates effective communicators from truly successful persuaders? Using the same combination of rigorous scientific research and accessibility that made his *Influence* an iconic bestseller, Robert Cialdini explains how to capitalize on the essential window of time before you deliver an important message. This "privileged moment for change" prepares people to be receptive to a message before they experience it. Optimal persuasion is achieved only through optimal pre-suasion. In other words, to change "minds" a pre-suader must also change "states of mind."



BY: DR. ROBERT CIALDINI,  
CEO AND PRESIDENT,  
INFLUENCE AT WORK

*Dr. Cialdini is CEO and President of INFLUENCE AT WORK; focusing on ethical influence training, corporate keynote programs, and the CMCT.*

*Dr. Cialdini's clients include such organizations as Google, Microsoft, Cisco Systems, Bayer, Coca Cola, KPMG, AstraZeneca, Ericsson, Kodak, Merrill Lynch, Nationwide Insurance, Pfizer, AAA, Northern Trust, IBM, Prudential, The Mayo Clinic, Kimberly-Clark, The Weather Channel, the United States Department of Justice, and NATO.*

# *Communication*

80% Of Your Work Problems Are Due To  
Communication



*“Slack and Trello are absolute  
game-changers!”*



As business owners, finding the room to really *look* at your company can be a challenge. Oftentimes, we spend so much time working *in* our business that we don't have the time to sit down and analyze things.

We know there are inefficiencies.

We know there are problems.

But finding the bandwidth to actually identify *where* those problems are rooted, why they're there, and how we can fix them is a different story.

That's one of the perks of starting Leverage—our business is your business, which means I have the time to really look at what's happening.

In the roughly seven months we've been running LDVA, I've noticed a particular pattern amongst our clients. A pattern that stretches across industries, geographies, and depth of expertise.

This pattern emerges in the *type* of issues our clients most frequently ask us to resolve for them.

APPROXIMATELY  
FOUR OUT OF  
EVERY FIVE  
ISSUES—BE THEY  
TECH, TEAM, TOOL,  
OR PROCESS-  
RELATED—ARE  
DIRECTLY TIED  
TO THE QUALITY  
OF INTERNAL  
COMMUNICATION.

And, based upon what I can see, the excessive and maddeningly inefficient use of email is at the very heart of problem.

Email needs to be reserved—almost exclusively—for external communication. If it's a conversation

that should be happening behind closed company doors, only use email as a fail-safe, last resort.

Instead, try using the two tools I recommend above all others:

### SLACK AND TRELLO

Slack and Trello are absolute game-changers!

**Slack** is the *perfect* tool for collaboration. It allows for direct, one-on-one conversations as well as on-going group discussions with multiple participants. Slack can also be paired with numerous apps and bots that take its versatility to astonishing heights.

**Trello** is a project management tool par-excellence. It's simple, clean, and outrageously intuitive. When communication—be it a comment, question, or marching order—is tied to a specific project, it should be directly added to the project's profile in Trello. At Leverage, doing this enables us to stay unbelievably organized—everyone knows the exact state of a project and any given time.

Slack and Trello have 10x'd our ability to conduct business at Leverage, and those results have been mirrored in every client we've migrated to these two tools.

Now, having said all that, there is a critical caveat to pay attention to:

If Slack and Trello aren't properly set up, your communication **WILL NOT IMPROVE**.

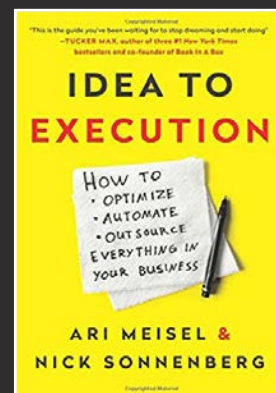
Remember—as phenomenal as Slack and Trello are, they (like email) are tools, and tools can either be helpful or harmful.

When you're employing new communications and project management technologies, it is absolutely imperative to look before you leap—think about the best way to use your tools before using them.

Don't create a Slack channel that only has one member

Don't build a Trello board with only one card.

Be strategic in laying the groundwork and you'll be strategic in the eventual execution. +



### IDEA TO EXECUTION: How to Optimize, Automate, and Outsource Everything in Your Business

Ari Meisel and Nick Sonnenberg recently launched a profitable Virtual Assistant (VA) business in just one day – challenging the startup mentality that every new venture requires months of planning and a large investment of capital. Their VA business was born from scribbled notes on a cocktail napkin during dinner and was an up-and-running less than 24 hours later. By following their 3 step process: Optimize, Automate, Outsource, they leveraged free, readily available digital tools and apps with no outlay of cash whatsoever.



*Ari's story starts in 2006, when some unexpected news derailed his booming real estate career: Crohn's Disease. He lost weight, energy, and the ability to work with regularity — in fact, there were times he could only work for sixty minutes a day.*

*Through excruciating amounts of trial and error, Ari not only regained control of his life but beat this seemingly unbeatable disease — and is now symptom-free.*

# Customers & COMMUNITY

LIVING THE SERVICE MANTRA

*“If there were so many people out there wanting to do business with us, shouldn’t we find some way to accommodate them—and, of course, monetize our idea in the process?”*





BY: GRAHAM WESTON  
ENTREPRENEUR & FOUNDER  
OF RACKSPACE

I never really considered myself a “techie,” but boy, could I nose out business opportunities. I launched a variety of businesses beginning at the tender age of thirteen, ranging from selling pork to livestock photography to, eventually, real estate and development. Yet there was a growing force that I simply could no longer resist: the Internet. Though comfortably ensconced in my thriving real estate business, I sensed opportunity and I wanted “in.” When I encountered three local Trinity students seeking funding for an Internet-hosting business, we banded together and I became the first investor and cofounder of their fledgling company, Rackspace.com. Within six months, I had put my real estate business on hold and assumed the roles of CEO and Chairman, positions I held until 2006.

A full two decades after we founded Rackspace, I still enjoy recalling the early days at the company and describing how we ended up veering from our initial concept. At the beginning, I assumed I would model it after the real estate industry. Instead of renting apartments, however, we’d be renting out server space to customers. Back then, we helped our Internet Service Provider (ISP) customers with just about anything and everything, including fixing computers and networks, just to generate revenue. But when we zeroed in on the dedicated-server rental concept, we chose to focus on that to the exclusion of everything else. Our ideal customer was self-sufficient—in the model of Amazon or Google—where transactions were made purely online, with no customer support and virtually no customer contact of any kind.

To give you an example of how diligently we stuck to this philosophy,

one founder actually had his email autoresponder message state his mailbox was full and divert people to the customer support number, while his phone message did just the opposite—refer people to a full mailbox. In reality, we were not dealing with this “novice” group of customers at all, deeming them incongruent with our desired customer profile. The angry emails started pouring in, and they were decidedly not in the form of emotional rants. Instead, they included logical arguments supported by details of customers’ multiple contact attempts and their resulting frustration.

I grabbed one such relatable email—remember, I’m not a techie myself—and showed it to our founders to discuss. Somehow, generating all this anger seemed contrary to

“YET THERE WAS  
A GROWING  
FORCE THAT I  
SIMPLY COULD NO  
LONGER RESIST:  
THE INTERNET.”

the principles of good business management, and the alarm bells were ringing. If there were so many people out there wanting to do business with us, shouldn’t we find some way to accommodate them—and, of course, monetize our idea in the process?

#### A REVERSAL TO FORTUNE

We decided to do a complete one-eighty. The company was only nine months old at the time, and I knew that it was not too late to change our culture to one of service, with



customer satisfaction as our ultimate barometer of success. I realize that every company these days has a mantra of customer service, but what does it take to actually make these words a reality?

I called on David Bryce, the most customer-focused executive of anyone I knew at the time, to shepherd this change. He joined the company in 1999 as the vice president of customer care. Handing me a book by famed customer service advocate Leonard Berry, Bryce set the company on a brand new path, which he called “fanatical customer support.” In a nutshell, we did anything and everything to service our customers, as quickly and as efficiently as possible. When they called on us for help, we would be there. Period.

Here are a few examples of how this new philosophy of fanatical support permeated every aspect of Rackspace’s corporate culture:

#### **COMMITMENT TO RESOLUTION**

No matter how complex the customer problem, it always had an “owner,” someone to coordinate the various support players to get the job done. No flipping the account from person to person. The point person continued to claim ownership throughout the resolution period, vowing to own the problem until it was fixed.

#### **ELIMINATED FALLBACK POSSIBILITIES**

We decided to literally give our support staff “no way out” when it came to servicing our clients. We had installed a new phone system, but tough as it was, we disabled our voicemail and auto-attendant capabilities so it was always on us to answer each call. We had zero tolerance for the “I can’t get to it right now” mentality. Instead, you made it happen.

#### **ASSIGNED A TIME FRAME**

Time matters when it comes to customer support, so resolving problems quickly became a priority. Answering phone calls within three rings or fixing the problem within one hour became the standard. We created a “hustle” mentality and lived it each day.

“YOUTUBE, WHICH FAMOUSLY CALLED ONE NIGHT DURING OUR EARLY DAYS, ASKING FOR OVERNIGHT INSTALLATION OF TEN NEW SERVERS FOR ITS FLEDGLING BUSINESS.”

#### **CONSIDERED CUSTOMERS BLAMELESS**

When a customer called, we did not spend precious time trying to figure out who caused the problem or play the blame game. We knew that this approach was counterproductive and would not help fix the problem any faster. We only cared about a quick resolution so that our customers could get back to work.

#### **CREATED A MANIFESTO**

Our mantra of “fanatical support”

became a way of life within Rackspace, and everyone who was hired understood that service was the name of the game. Our company culture was defined by it and became known for it, even after the company went public in 2008.

Once we set these rules in motion, the marketplace responded. We grew by 50 percent a year for over ten years, adding fifty to one hundred employees a month. Our commitment to service was not an added expense that dragged us down but a tremendous motivator to help us always do better.

#### **THE POWER OF GIVING BACK**

These days, I spend most of my time consulting with budding entrepreneurs, and I recommend the above guidelines to virtually everyone in every industry I come across. I continue to be drawn to big, transformative ideas and finding ways to nurture the entrepreneurs that develop these ideas.

In 2011, I cofounded Geekdom with Nick Longo, a former Rackspace colleague who is now Geekdom’s “mentor-in-chief.” In researching our initial concept, we found plenty of office-sharing setups, but we had never seen one quite like the one we were driven to create. Our goal was to develop a collaborative space that was about much more than shared physical resources like desks and meeting space. We also wanted to share the teaching, training, and tools that could help people be successful in nurturing their own entrepreneurial ideas. The ranks of members we admit are committed to this principle, whether drawing from populations of undergraduate students, basement inventors, curious entrepreneurs, or established small businesses.

Geekdom was founded upon what I like to call “The Five Pillars of Geekdom,” which consist of the following principles (according to our

research, these have never coexisted before in a single institution):

### 1) THE POWER OF OPEN

Our members are driven to openness and sharing, whether they are just aspiring student inventors or established and even profitable small businesses.

### 2) THE POWER OF MENTORSHIP

Part of the membership contract is that each participant commit to giving back one hour per month to collaborate with and provide guidance to other members.

### 3) THE POWER OF COMMUNITY

We are all about building technologists and entrepreneurs through the lens of collaboration. Nobody who comes here works as an island.

### 4) THE POWER OF MISSION

We aim to be a force for good, working toward advances in human and community progress and not just toward financial goals.

### 5) THE POWER OF HEART-SET

The fabric of Geekdom is more than a mind-set. It's a "heart-set" that grants members permission to take risks and to fail. We believe that all entrepreneurs must work through problems to arrive at the right solutions.

Now, the organization draws over 1,600 members who are spread throughout a 50,000-square foot facility over eight floors, working collaborative with Geekdom's 150 supporting mentors. Members engage in events like content clinics, mixer nights, "Fermented Fridays" beer bashes, and even the occasional yoga class. There are also more intensive special events that take place, like Geekdom Mentor Week, Start-Up Weekend, and a Students + Start-Ups college internship program. Start-

Up Weekend is a 54-hour event held in collaboration with Techstars, which brings together designers, entrepreneurs, and other experts to grow and nurture their ideas.

Interestingly, the Weston Centre, which first housed Geekdom, has a long and illustrious history. First, as Rackspace's original home, and later as the birthplace of a small company you may have heard of called YouTube, which famously called one night during our early days, asking for overnight installation of ten new servers for its fledgling business.

I also participate in organized philanthropy through my other area of focus: the 80/20 Foundation, which is helping our city develop into the type of livable city that most young entrepreneurs tend to gravitate toward. The foundation name draws from the Pareto Principle—or 80/20 rule—wherein we try to identify and invest in the 20 percent of nonprofits that will drive 80 percent of San Antonio's transformation into the next hub of entrepreneurship. The tools we use to drive toward our goal are mentoring, support services, networking, and financial and human capital.

My purpose here is not to boast of my accomplishments but to pave the way for other successful entrepreneurs to build structures that will allow us, as a nation, to grow the next generation of leaders that can help us solve problems and move technology forward. By giving back in such a direct and meaningful way, not only have I found self-fulfillment but I have also enjoyed immersing myself in an ultracreative environment day-in and day-out. Whether you are a budding entrepreneur, seasoned leader, or just a creative thinker, take stock of how you can contribute to today's sharing economy and join the party. +

## MEET GRAHAM WESTON

*Graham Weston is a prominent figure in San Antonio business and real estate circles. He is owner of Weston Properties, with its flagship Weston Centre the premier office space in San Antonio since 1992.*

*He also cofounded Weston Urban, which is focused on redevelopment of commercial properties in downtown San Antonio, and committed to forging a downtown district dedicated to residential living and entrepreneurial activity in the downtown area. Weston Urban has acquired the Rand Building on Houston Street, which now houses Geekdom, and several other historic downtown buildings, including the landmark Milam Building on Travis Street, which will be converted to an apartment tower with ground level office and retail tenants.*

*He is perhaps best known for his role providing seed capital and later management expertise to the startup tech company, Rackspace, where he was chief executive officer until 2006, when he became chairman. As a managed hosting company, it grew rapidly in the early 2000s, and under his guidance, went public in 2008, trading on the New York Stock Exchange before going private in 2016, when Apollo Global Management purchased the company.*

*Rackspace's success brought with it a number of initiatives designed to attract more technology investment and job opportunities in San Antonio. Graham Weston established Geekdom in 2011 to accelerate the tech startup community in San Antonio and provided much needed workspace and a collaborative environment for young entrepreneurs. Today it has 1,500 members.*

*Graham Weston has been broadly recognized for his contributions to the business community in San Antonio as well as for his role in city planning endeavors as a tri-chair on Mayor Castro's SA2020 committee. He was inducted into the San Antonio Business Hall of Fame in 2011 and has been recognized several times as a distinguished entrepreneur by various organizations.*

**GRAHAMWESTON.COM**







BY: MICHAEL BUNGAY STANIER,  
CEO & FOUNDER, BOX OF CRAYONS

# *Great Business Leaders Coach for Development, Not Just Performance*

*“Asking your employees questions will lead to learning opportunities for them, and that’s what great leadership is really all about.”*



What does great leadership really look like? It's easy to say something vague like "To be a great leader, you must be a good coach." After all, a good coach has the ability to help team members unleash their potential, and isn't that the perfect example of great leadership?

While it's easy to make that claim, it's harder to really understand what being a good coach actually means. Coaching for performance essentially involves addressing a particular issue with your employee, with the end goal of solving it. Issues at work come up constantly, so there's no way to get around this kind of coaching — it will always be necessary and an important aspect of your job.

But to really help people learn and grow in their careers, good coaches need to look for ways to coach for development, rather than just performance. Coaching for development involves turning the focus from the problem to be solved and onto the person who is fixing it.

By turning the conversation from a situation to a person, you're really asking that person to learn, improve, and grow from the situation, and not just to simply deal with the issue at hand.

### THE 3PS: PROJECT, PERSON, PATTERN

Work issues almost always revolve around a project, person, and pattern — the 3Ps. Keeping the 3Ps in mind when you're coaching will help you narrow in on development opportunities.

Start off by exploring the project your employee has approached you about. This is where you can easily coach for performance — by establishing the pressing, everyday issues revolving around a project and getting them out of the way. Clearing up those issues will help make you both feel less anxious.

Now it's time to shift gears and examine the people and patterns involved (the two other Ps). First, take a look at any interpersonal challenges. We've all had a

job where we've struggled to work with a particular team member.

"IF YOU LEAVE ROOM FOR DISCUSSION, YOUR EMPLOYEE WILL HOPEFULLY FEEL COMFORTABLE DISCUSSING DIFFICULTIES THEY ARE HAVING BECAUSE OF A LESS-THAN-PERFECT WORK RELATIONSHIP."

There are different ways of approaching relationships, depending on the circumstances, and the sooner you figure out what the best way is in each instance, the better. If you leave room for discussion, your employee will hopefully feel comfortable discussing difficulties they are having because of a less-than-perfect work relationship.

Examine the patterns of behavior that could benefit from change. Often we fall into a vicious cycle where the manager leaves a meeting feeling overwhelmed and the employee feels disenfranchised, all because of a behavior pattern we don't even notice we're stuck in. For example, as managers, we're quick to jump in with advice and solutions, but doing that can often address the wrong issue, and your employee doesn't get the solution they

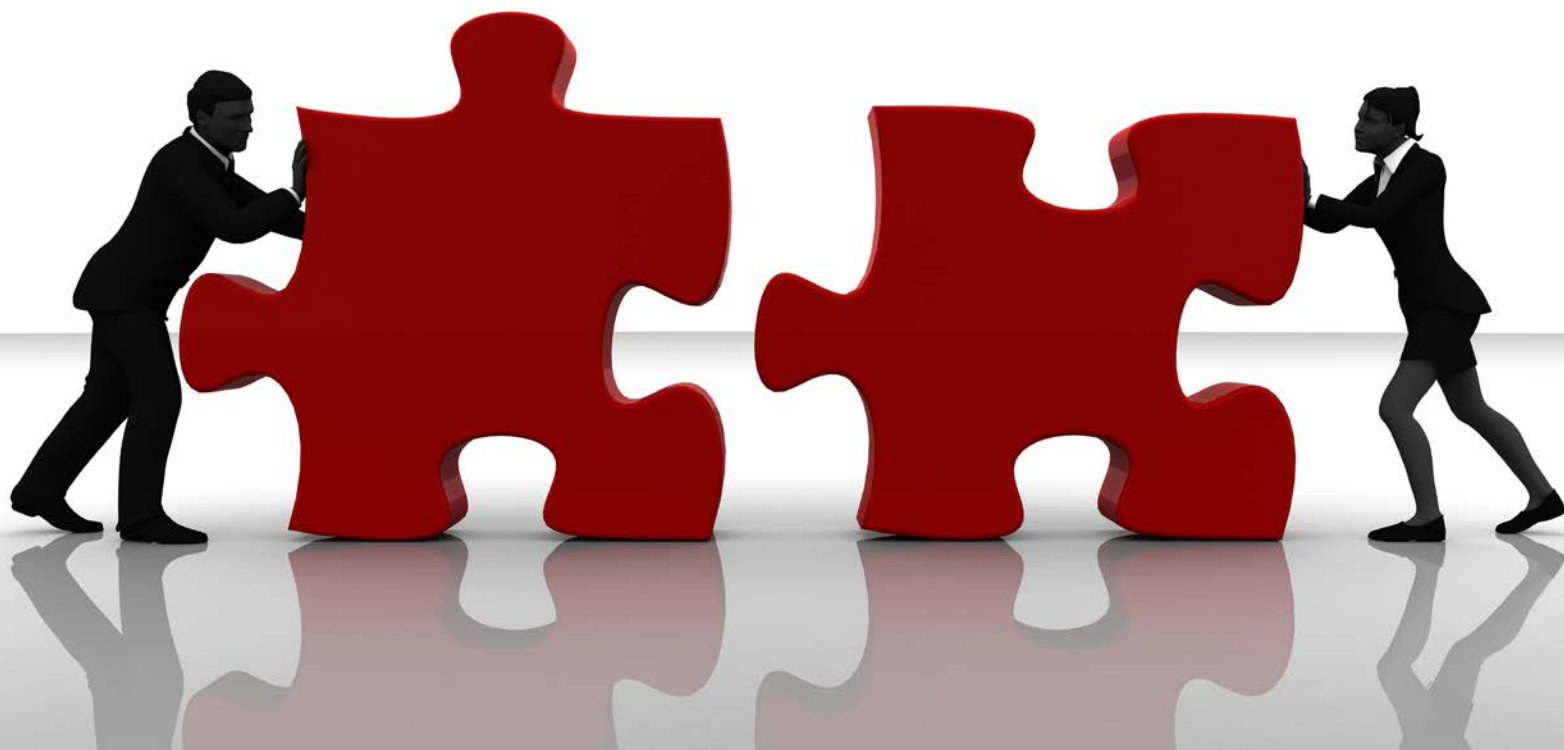
need. Indeed, they might have resolved the issue themselves, had you noticed and acted on the opportunity to coach for development. Instead of offering advice (the usual pattern), you could have asked questions that encouraged them to come up with their own solutions.

You'll find that if you ask the right questions, the real issues your employee is grappling with when it comes to any of the 3Ps will come to the surface. The more often you ask questions of your team members, the easier it becomes for them to answer them, and the less difficult it becomes for you to ask them — and this is actually a good habit to develop.

Start off with the pressing request (project), find out what the interpersonal challenges are (people) and then look at how you can change a particular behavior for the better (pattern). Asking your employees questions will lead to learning opportunities for them, and that's what great leadership is really all about. +



*Author of The Coaching Habit: Say Less, Ask More & Change the Way You Lead Forever, Michael Bungay Stanier is the Senior Partner and Founder of Box of Crayons, a company that helps organizations do less Good Work and more Great Work. It is best known for its coaching programs, which give busy managers practical tools to coach in 10 minutes or less. [BoxofCrayons.com](http://BoxofCrayons.com)*



# The Surprising Skills Needed In The Future

**I**t's a chaotic, fast-changing time we live in. Automation, artificial intelligence, augmented reality, cyber-threats, business bots, and the Internet of things. It would seem that in this age of hyper-accelerating technology, we would need the techie skills to match. Maybe, maybe not.

Recently Deloitte conducted a survey to understand the millennial generation and get their view on the future of business, productivity, and what millennials think of the emerging younger GenZ generation. It's mostly good news.

Eight thousand millennials were surveyed from all over the world and

it turns out millennials are pretty optimistic, particularly when it comes to job readiness for the emerging younger population. The advice of thirty-somethings to the younger generation emerging now doesn't appear too different from advice from the past.

From the study:

- Learn as much as possible: Begin your career open-minded and be ready to learn from others.
- Work hard: Do your best and do not be lazy.
- Be patient: Take your time when entering the workforce and go step-by-step.

- Be dedicated: Be committed to succeeding and persevering.
- Be flexible: Be open and adaptable to change and try new things.

Sound familiar? Thomas Jefferson, Michelangelo, John F. Kennedy, and Martin Luther King, Jr. all gave similar advice at different times in history.

But the surprising discovery in the study regards the specific skills needed to perform at a high level in the future. According to millennials working today in the world, it's not technical skills that are needed. Analytic skills, IT skills, programming, social media skills, even language skills, and a global mindset, all ranked below the importance



**SHAWN HUNTER**  
FOUNDER & PRESIDENT  
OF MINDSCALING

of leadership, flexibility, creativity, communication, and professionalism in the workplace.

That's right. The strongest traits needed in the future to build innovation, and growing economies, are not technical skills, but human to human skills. Relationships drive progress in the world, not tech skills.

This is also good news for those of us who aspire to happiness and lifelong fulfillment. Harvard recently completed a study of over 75 years following the lives of 268 individuals from 1938 until now.

Through wars, marriages, career triumphs, personal tragedies, parenting, habits, and daily behaviors, the Grant Foundation followed these people as they lived (and sometimes died) for 80 years. What they discovered is pretty simple.

They learned that the characteristics of a long, healthy, and joyful life are strong relationships with other people, and resiliency through hardship. Religion, political opinions or sexual orientation made no difference. A happy childhood is helpful but not necessary.

They learned that learning is a lifelong pursuit and not restricted to childhood and adolescence. They learned that the habits you establish before 50 become predictive of mental and physical stability decades later, and the inevitability of a mid-life crisis is a myth popularized in the 70s.

According to the study, the strongest behavioral contributors of a joyful and successful life are the ability to create quality relationships with those around us, being altruistic with others, not taking oneself too seriously, finding joy in alternatives, and persevering through adversity.

Work on the strength of your relationships. It could be the most important thing you do, both for yourself and your community. +

*Shawn Hunter Founder & President of MindScaling Entrepreneur, author, idea developer. Shawn has collaborated with hundreds of business authors, executives, and researchers to create learning solutions. Shawn's first company, Targeted Learning, was acquired by Skillsoft in February 2007. He is the author of Out•Think and Small Acts of Leadership. Mindscaling.com*

Rational Pilot

# Real. Growth.

✓ Predictive Analytics

✓ Dashboards

✓ Team Collaboration

*Rational Pilot is a business analytics system designed to bring managers and their teams together to solve any business challenge.*

- Get to the truth faster
- Have more meaningful conversations
- Connect expectations with results

800-557-5160

[www.rationalpilot.com/try](http://www.rationalpilot.com/try)





BY: DR. PETER H. DIAMANDIS  
ENTREPRENEUR & AUTHOR

# A Bridge To Abundance

When looking at the most pressing issue humanity will face in the next 100 years, I do not believe it will stem from those typically highlighted by the media: a scarcity of water, energy, or other resources.

As described in my book *Abundance*, I believe in the next 30 years we truly are heading to a world of abundance where we will be able to meet the basic needs of every man, woman, and child.

Through advances in exponentially growing technologies such as artificial intelligence, 3D printing, synthetic biology, and nanotechnology, we are dematerializing and demonetizing the cost of energy, food, healthcare, and education to the point where it will be accessible to anyone on (or off) the planet at near-zero cost.

Over the next 20 to 30 years, I believe that our most pressing challenges will be driven by AI and robotics. Not in the style of the Terminator, though. Instead, my concern comes from the potential for significant technological unemployment.

McKinsey & Co. predicts that 45 percent

of jobs today will be automated out of existence in only 20 years. While we've seen this magnitude of change in the past – America went from a land of 84 percent farmers in 1810 to under 2 percent today – what worries me is actually the speed of the coming change.

My goal through my work at XPRIZE and Singularity University is to help build a “bridge to abundance.” To help bridge the challenges we'll face over the next 10 to 30 years. In the longer term, society will adapt, and humans will partner and merge with technology to reskill, evolve, and become even better workers.

I'd love your ideas on how we deal with the coming challenges of technological unemployment. Please tweet them at me @PeterDiamandis.

IMHO, the challenge is not that people will lose their buying power (for food and healthcare). I'm confident that much of the world will eventually adopt Universal Basic Income (UBI) programs while, at the same time, exponential technology will continue to rapidly demonetize our cost of living.

The challenge is a psychological and sociological variant. Humans don't

like having nothing to do. We love challenges, and have a deep need for significance and contribution. For many, a person's job title provides them with a standing in society and is part of their identity. Lose that identity and people may revolt (some violently) against the technology that took it away from them.

How will we tame such (potential) societal unrest? Who will be to blame? Please send me your thoughts.

This year at Abundance 360 I was joined by Tony Robbins and experts across a wide range of fields to investigate solutions and ideas.

I truly believe that advanced technologies and entrepreneurial innovation will allow us to address this issue. As I teach at Singularity University, the world's biggest problems are the world's biggest business opportunities. +

*Dr. Peter H. Diamandis is an international pioneer in the fields of innovation, incentive competitions, and commercial space. In 2014 he was named one of "The World's 50 Greatest Leaders" – by Fortune Magazine.*



BY: ERIC GIBSON,  
GROUP BENEFITS EXECUTIVE,  
GENERAL INSURANCE SERVICES

# Small Companies Can Self-Fund Too

**T**hink your company is too small to self-fund your health insurance plan? Well think again. I actually have a client that self-funds

with only six employees. Granted, the process is somewhat different than it would be for the big guns, like General Electric or American Airlines. But for most companies, it's a path to better controlling your health care costs and keeping your employees healthier.

A true self-insurance plan does typically require the resources of a very large company for whom a sudden, large healthcare expense—say for cancer treatment—is a drop in the proverbial bucket. A company must pay for all of these expenses out of its own pocket when fully self-insuring, so if a small company were hit with this type of hefty bill, the cost would be prohibitive. That's why small companies set up self-funded plans together with stop-gap insurance, which fills in the difference between what the company must pay and the actual expenses. There is also a separate component of aggregate stop-loss coverage that kicks in when the company reaches a total given payout amount for all employees. Back-office responsibilities, including enrollments, terminations, and

claims processing, would still be covered by a third party. However, the company would be able to retain more control over expenses without having to fork over a set amount to an insurance company in the form of monthly premiums.

The good news for employees is that a self-funded plan—albeit with gap insurance—can help the company structure a customized program that provides effective wellness, preventative health, and educational programs to keep employees fit and productive. I call it “turning the dials,” which means developing a plan that has the emphasis where your company needs it most. For example, if you have a company with a high number of diabetic employees, you can “turn up the dial” for diabetes education and prevention programs in order to help folks avoid medical claims by becoming healthier, which also makes them more productive at work.

These self-insurance programs offer additional financial incentives for businesses, including a reduction in state taxes and greater cash flow and opportunities for investment in your own company. There are also tremendous benefits from being able to obtain comprehensive cost and performance

data, which allows you to pinpoint areas of high expense and try to develop and implement cost control programs.

The great thing about working with General Insurance Services on developing a self-funded plan is that we take a proactive approach with every client, working together to ensure that the plan we design is right for you. That means everything from holding monthly or quarterly strategy meetings to establishing effective milestones and timelines to helping you develop healthy-living programs for your employees. Through these programs, you have the opportunity to develop a healthy-minded workforce that benefits you, your employees, and even your employees' families.

Please visit our website at [www.genins.com](http://www.genins.com) or contact me personally to learn more about these programs and how they might benefit your own company. +

*Eric Gibson has been with GIS for nearly five years where he specializes in group benefits for organizations of all sizes. Outside of the office, Eric enjoys spending time with his wife and daughter.*



# Top 10 OSHA Violations In 2017

**A**lthough every business has unique workplace hazards, many businesses also share common pain points that threaten employee safety and can lead to costly OSHA violations. OSHA recently released its 10 most frequently cited violations during its fiscal year 2017, which started in October 2016 and ended the following September.

OSHA's list of frequently cited violations may help you identify common pain points in your workplace. Here's the list of the top 10 violations in 2017:

## **1. FALL PROTECTION 6,072 CITATIONS**

Falls from ladders and roofs still account for the majority of injuries at work, and the first step in eliminating or reducing falls is to identify all hazards and decide how to best protect employees.

## **2. HAZARD COMMUNICATION: 4,176 CITATIONS**

This standard governs hazard

communication to employees about chemicals that are both produced or imported into the workplace. Most violations concern the failure to develop a written hazard training program or failure to provide a Safety Data Sheet for all workplace chemicals.

## **3. SCAFFOLDING: 3,288 CITATIONS**

The vast majority of scaffold accidents can be attributed to planking or support giving way. Employers should ensure that all scaffolding is set up and inspected by a qualified employee before it's used.

## **4. RESPIRATORY PROTECTION: 3,097 CITATIONS**

Employers must establish and maintain a respiratory inspection program to protect employees from oxygen-deficient atmospheres and hazardous materials.

## **5. LOCKOUT/TAGOUT: 2,877 CITATIONS**

Employees who service mechanical and electrical equipment face the greatest risk

of injury if logout/tagout standards aren't properly followed.

## **6. LADDERS: 2,241 CITATIONS**

Most ladder violations occur when ladders are used for purposes other than those designated by the manufacturer, when they aren't used on stable surfaces or when defective ladders aren't taken out of service.

## **7. POWERED INDUSTRIAL TRUCKS: 2,162 CITATIONS**

Many employees are injured when lift trucks or forklifts are driven off of loading docks or when they fall between docks and unsecured trailers.

## **8. MACHINE GUARDING: 1,933 CITATIONS**

Machine parts can cause serious injuries, but the risk is substantially reduced by installing and maintaining proper machine guards.



## 9. FALL PROTECTION TRAINING REQUIREMENTS: 1,523 CITATIONS

Employees should be trained to use fall protection methods such as guardrails, safety nets and personal fall arrest systems, and employers should verify that employees have been trained by preparing written certification records.

## 10. ELECTRICAL WIRING METHODS: 1,405 CITATIONS

The most common electrical wiring violations include failure to install equipment according to the manufacturer's instructions and failure to guard electrical equipment.

## ELECTRONIC REPORTING IN 2018 AND BEYOND

OSHA's final rule on electronic reporting requires certain employers to submit

data from their injury and illness records electronically. Affected establishments must use the agency's Injury Tracking Application to submit information from their OSHA 300A Forms. Originally, the first reporting deadline was set for July 1, 2017, but after a series of delays, OSHA extended the first reporting deadline to Dec. 15, 2017. However, OSHA will accept electronic reports until Dec. 31, 2017, without imposing any penalties.

The following is a summary of important reporting deadlines:

- Dec. 31, 2017—Deadline for employers to submit injury and illness data from 2016.
- July 1, 2018—Deadline for employers to submit injury and illness data from 2017.
- March 2 (2019 and beyond)—

Deadline for employers to submit injury and illness data from the previous calendar year.

Not all employers and establishments are required to submit records electronically. Here are the requirements for the final rule:

- Establishments with 520 or more employees that are required to keep injury and illness records must electronically submit information from their OSHA 300A, 300 and 301 Forms (only 300A for the first reporting year).
- Establishments with between 20 to 249 employees that are part of a high-risk industry group must electronically submit information from OSHA Form 300A. +



Free Seminar

# Save the Date

## How to Control Your Workers' Comp Costs

Join us to learn how your organization can control Workers' Compensation costs by managing current claims, and understanding how to avoid claims in the first place.

📅 May 22, 2018    ⌚ 9:00-11:30am    📍 Purdue Northwest, Westville

Registration begins at 8:30am • Breakfast will be provided

To register, please go online or call:  
[www.genins.com/events](http://www.genins.com/events) • 219.809.2102



BY: ALISON WILLIAMS,  
COMMERCIAL ACCOUNT EXECUTIVE,  
GENERAL INSURANCE SERVICES



BY: DON LONG,  
COMMERCIAL ACCOUNT EXECUTIVE,  
GENERAL INSURANCE SERVICES

# *New Trucking Technology May Help Lower Insurance Bills*

*“We believe that detailed electronic data will someday make it easier for companies to control their insurance costs—not harder.”*

**T**he trucking industry has not been particularly technology focused, but it looks like that's all about to change.

As of December 18, 2017, truckers that travel beyond a 100-mile radius are required to keep and maintain electronic logging devices (ELDs).

These plug-in devices are programmed to track drivers' hours, including time spent waiting to get their hauls loaded and unloaded. Now, according to the new federal mandate, which was issued by the Federal Motor Carrier Safety Administration (FMCSA), their maximum 11-hour daily driving limits will be closely monitored. The industry has been up-in-arms over the mandate because of the extra cost associated with the ELDs, the to-the-minute logging, as well as the additional information many feel should be kept privately within the individual company.

The old system used pen and paper, so it was less intrusive and more flexible. Trucking industry executives now fear that requiring ELDs is just the first step in forcing companies to surrender data that they believe is private information, such as individual driving habits. Many are already being asked to deliver such information to their insurance companies voluntarily in exchange for small financial incentives or discounts.

Those in the insurance industry have a different view. We believe that detailed electronic data will someday make it easier for companies to control their insurance costs—not harder. Currently, rates are calculated as averages of drivers in a particular industry or geographic area based on their past history. Someday in the not-too-distant future, however, insurance companies will be able to rely on detailed ELD information to underwrite policies based on a business's actual track record. They will be able to look at historical rates to evaluate, say, where the trucks have been driven, what type of loads they have carried, and how good a driver's driving habits have been.

Under the best-case scenario, trucking companies will be able to implement

safety, training, and hiring programs to improve their driving profile and lower their insurance rates. Companies that choose to monitor not only hours and speed but also driving styles such as braking and cornering can identify those things and provide feedback and training. Easier driving on the trucks saves on the maintenance of the vehicles, and training on how to make the driving safer will always look favorable to the insurance carriers. That type of control wasn't possible before the implementation of electronic tracking.

The main focus is the reliability of the ELDs. They are expected to be tamper-proof, ensuring insurance companies that drivers are not running unlawfully. A common belief, both in the insurance industry as well as in the general public, is that a percentage of drivers are driving illegally. Illegal driving usually means when drivers are driving without enough time off, or more importantly, without enough sleep, between work hours. In these cases, they are putting the public and themselves at risk as well as risking the financial security of the insurance carrier.

"Logbook violations occur for reasons other than long driving hours, but having driven more than 12 hours since the last main sleep, as reported by drivers, was associated with an 86% increase in crash risk, relative to less than 8 hours," according to an Insurance Institute for Highway Safety (IIHS) report.

It's an easy-to-follow roadmap. Drivers driving within the Hours of Service (HOS) rules are less fatigued. Less fatigued drivers are less likely to crash. Fewer crashes lead to better safety scores for the trucking company, which ultimately leads to lower insurance premiums.

The new electronic reporting also eliminates another hassle and cause for higher Safety Measurement System (SMS) scores—the actual accuracy of the logbooks. We have had clients with violations issued solely because the duplicate paper was folded underneath

the original and therefore did not copy correctly. Again, fewer violations equal lower SMS scores and a better insurance profile.

Already, just weeks after the new federal mandate to install and use ELDs, trucking companies are seeing some benefits. Nearly 30 percent report a reduction in compliance violations. Compliance violations show on the Compliance, Safety, Accountability (CSA) carrier scoring reports, which heavily influence insurance underwriters in both their willingness to write an account as well as the premium pricing they assign. In addition, nearly 20 percent of trucking companies have reported seeing improved driver and public safety. For the industry as a whole, this can only lead to fewer claims, lower dollar amounts being paid on those claims, and therefore, lower insurance rates.

We recommend starting a conversation with your insurance agent, who may be able to use your ELD data to help advocate for better rates. With the ability to track more information electronically, your broker will be ideally positioned to promote your company's safe driving record and differentiate your capabilities from others around you. For more information about the use of ELDs to help lower your premium costs, please visit our website at [www.genins.com](http://www.genins.com) or call us at (219) 510-6200. +

*Alison Williams joined the Commercial Lines department at GIS in 2016, having found her niche in the trucking industry. In her spare time, she volunteers for the Porter County Court Appointed Special Advocates and the Chesterton High School Band Boosters.*

*Don Long has been in the insurance industry for close to thirty years, with a special emphasis on contracting, environmental, and technology businesses. Outside of work, you'll find him spending time with family or crafting homemade wine and meads.*





BY: SANDY MENNE,  
VICE PRESIDENT, GENERAL  
INSURANCE SERVICES

# Confronting The Distracted Driving Crisis

**A**s an insurance professional, one of my primary—and most enjoyable—responsibilities is to educate my clients. Not only do I want them to stay safe, healthy, and financially secure, but I also want them to get a good value when it comes to their insurance investments.

One area where premiums seem to be skyrocketing is personal automobile coverage. According to a 2017 article on Forbes.com, “since 2012, the consumer price index (CPI) for auto insurance has gone up by 21.5 percent, compared with a rise in the overall consumer price index of 4.5 percent.” Forbes characterizes the increase as “the largest five-year growth of auto insurance costs since the early 1990s.”

What is driving this huge increase in rates? A number of factors are responsible. First, decreases in gas prices compared to prior years have encouraged more drivers to take to the road, which, in turn, leads to more accidents. Second, the insurance industry has borne huge costs due to the recent spate of natural disasters sweeping the country, which have destroyed hundreds of thousands of automobiles. Third, the price of repairs has risen as technology has evolved and cars are

being updated with sophisticated—and expensive—electronics. Perhaps the biggest factor, however, has been the unrelenting increase in accidents caused by distracted drivers.

The National Safety Council (NSC) estimates that 40,200 people died in auto accidents in 2016. This number is up 14 percent from 2014, the largest two-year increase in more than five decades. Distracted driving has increased as smartphones have become commonplace. The NSC now lists distracted driving as the third major cause of fatalities after alcohol and speeding. Death rates vary by vehicle type, driver age, and gender, along with other factors.

Research by Travelers Insurance has shown that people may be doing a whole host of other things while driving, including texting, checking social media, reading directions, applying make-up, making calls, talking to backseat passengers, and eating. All of these activities require drivers to either remove their eyes from the road, take their hands off the steering wheel, or divert their attention from the task at hand. It stands to reason that these dangerous behaviors while driving lead to many more accidents, injuries, and fatalities. The imminent arrival of driverless cars will undoubtedly

further cloud the auto insurance market, adding more rate volatility and uncertainty to the mix.

While it is impossible for any one individual to tackle these problems, it is possible to learn to maintain proper focus when driving and encourage others to do the same. Don't be afraid to speak up if the driver of your car is more interested in talking on the phone than paying strict attention to the road. At the risk of being called a nag, repeatedly remind your kids, spouse, and friends not to engage in these dangerous behaviors and be sure not to text them yourself when you think they may be behind the wheel.

General Insurance Services works to educate teenagers and their parents about the dangers of distracted driving. To learn more about our personal solutions, please visit our website at [www.genins.com](http://www.genins.com) and submit an inquiry. +

*Sandy Menne, Vice President with General Insurance Services (GIS), began her insurance career in 1971 and has been with GIS for over thirty years. Sandy's expertise is in our personal insurance department which includes auto, home, boats, motorcycles, recreational vehicles, and personal umbrella policies.*

**Safeco Insurance**™

A Liberty Mutual Company



**Sometimes you need  
to talk things over**

**Your insurance is no different.**

Safeco Insurance® agents make sure your bases are covered without breaking the bank. They take the time to understand your personal insurance needs and provide unbiased local advice you can trust.

**Proud to Support**

Proud to support our friends at  
General Insurance Services

General Insurance Services

(219) 879-4581

[www.genins.com](http://www.genins.com)



Safeco Insurance, with a principal place of business in Boston, Massachusetts. ©2014 Liberty Mutual Group. The use of Olympic Marks, Terminology, and Imagery is authorized by the U.S. Olympic Committee pursuant to Title 36 U.S. Code Section 220508.

AP-3471 AE 11/13

*We know what it took to build this business.*



*And we know what it takes to protect it.*

To find out how West Bend can help protect your valuable business,  
contact this Official Supplier of the Silver Lining®.

**General  
Insurance  
Services** | **GIS**

(219) 879-4581

[www.genins.com](http://www.genins.com)

**WEST BEND®**  
THE SILVER LINING®



**HM** **Hastings Mutual  
Insurance Company**  
[www.hastingsmutual.com](http://www.hastingsmutual.com)

***Proud to Partner with GIS***

For well over 100 years, Hastings Mutual Insurance Company has built an outstanding reputation based on quality customer service and needed insurance products, backed by sound company finances.

We are indeed proud of our past and look forward to a progressive future of serving you!

**Contact GIS Today To Learn More About  
Hastings Mutual Insurance Company!**

**800.766.4478**



Workforce Health can help you prevent workplace injuries, avoid lost-time accidents, and lower your healthcare-related expenditures. To achieve these goals, we utilize specialists in occupational medicine, provide comprehensive case management strategies, implement targeted ergonomics initiatives, promote healthy behaviors, work to reduce risk factors and more. **To find out why employers throughout Northwest Indiana are choosing Workforce Health, or to schedule a consult, call 219-364-6026 or visit [MyWorkforceHealth.com](http://MyWorkforceHealth.com).**

# OCCUPATIONAL MEDICINE

THAT WORKS AS HARD AS YOU DO.

## Services include:

- Work-related injury care and case management
- Physical therapy specializing in treating work-related injuries
- Ergonomics consulting and assessments
- Pre-employment physicals
- DOT/CDL physicals
- Drug/alcohol testing
- Annual firefighter surveillance exams
- Audiometry, EKGs and other screenings
- Health and wellness screenings/programs
- On-site/near-site employee clinics and population health management services

## WORKFORCE Health

Your Solution for a Healthy Business

Combining the unique strengths of Porter Regional's Health At Work and La Porte Hospital's Occupational Health programs.

**3 CONVENIENTLY LOCATED OCCUPATIONAL HEALTH CLINICS**  
**LA PORTE • VALPARAISO • PORTAGE**