

# Managerial Due Diligence — Communicating to Affect Process Improvement

by John T. Gilleland Jr., CPCU, API, AIS, AU



**John T. Gilleland Jr., CPCU, API, AIS, AU**, is a trainer of property-casualty sales professionals. He has experience as a general manager, underwriting manager, personal lines production underwriter and commercial insurance salesperson.

**Editor's note:** This article is printed with permission. © John T. Gilleland Jr. All rights reserved. Readers of the CPCU Society's Leadership & Managerial Excellence Interest Group newsletter may use copies for training purposes only.

As a leader, would you like to communicate in ways that affect process improvements more efficiently? If yes, consider how diligent you are about development, communication and implementation. A search for “due diligence” on Google produced results associated most frequently with making decisions relating to acquisitions and lending most often. The typical article concerns managers' and other types of leaders' due diligence in general and communication to large groups of diverse audiences in specific. It answers the question: As a leader, would you like to communicate in ways that effect process improvements across several teams with diverse interests and responsibilities?

Many organizations are compared, unfavorably, to battleships when change is being discussed. Such discussions often include statements such as, “This is a battleship, not a jet ski.” This statement may be colorful, but it does not resonate well with leaders wanting responsive and receptive reactions from teams. Unfortunately, leadership efforts are often met with resistance and resentment.

When it comes to organizational change and process improvement, all too often people are told and not sold; therefore, they do not buy it. Pronouncements are made, but they lack context and clarity, so implementation is resisted — or at least neglected. Too many leaders naively assume what they dictate will be understood, appreciated and implemented accurately and consistently.

Many leadership initiatives should be underwritten<sup>1</sup> and then communicated in well managed ways. As **Donald J. Hurzeler, CPCU, CLU**, wrote recently in a Leadership & Managerial Excellence Interest Group newsletter: “When things go wrong, suspect yourself ... When I did learn to suspect myself, I got good at examining the communications preceding a failure and often found that my communications had not been clear.”

Please think of the last formal policy change statements you've received, and then reflect on how well those statements were interpreted and implemented. Did the memo or policy produce the intended effects? If yes, find out why so it can be replicated. What virtues were present to assure the value of the documentation? If no, please consider the following process for communication<sup>2</sup> with less frustration and greater improvement.

(1) Develop a story. Publish, formally and informally, the who, what, why, how, when and if concerning the subject. Make it persuasive, so those who care about reasons and details will be able to echo and/or embellish your reasoning for the change(s).

- (2) Choose a champion. Determine who will be the cheerleader to enthusiastically tell the story to groups and begin to build popular support.
- (3) Show what you mean. Use decision trees, matrices and if/then tables to illustrate and communicate any procedures with any options or uncertainties. Help your team(s) sing from the same sheet of music.
- (4) Enroll those willing to change. People are most likely to sustain what they help create, so first find those who are most willing to implement improvement(s). See that they are enabled to learn and commit and then do what it takes to succeed.
- (5) Publish successful implementations. Recognize, reward and respect those who appropriately adopt the improvement(s) first. ■

## Endnotes

- (1) Management policies, like insurance policies, should be the result of a disciplined decision-making process. This reduces the likelihood of unsubstantiated decisions (e.g., WAGs) and their harmful results.
- (2) Communication should follow validation of the proposed change(s). According to **Frank Dallahan** in his article “In Search of Perfection” in *JCK Magazine* (February 2001), yes, Sam Walton “is credited with the business philosophy expressed in the phrase, ‘Ready, Fire, Aim.’ But that is because Walton, a pragmatist, believed any idea, project or product has limitations. His philosophy was to get the project to market or to completion as quickly and as reasonably well done as possible, given the time constraints of the marketplace. Once it was up and running, a project could be adjusted and improved and the kinks ironed out. This worked at a price he was willing to pay.”