



Strategic Risk

Throw Off the Shackles of Legacy

Strategic Risk

Panelists

- Todd Martin, Attorney, Stinson Leonard
- Theron Holladay, President & CEO, Parkway Advisors L.P.
- Gary Strohm, CPA, Partner, Strohm Ballweg, LLP
- Carolyn Covington, Miller & Newberg, Inc.

Strategic Risk

Section Overview

- The Rapidly Changing Life Insurance Marketplace
- Your Board's Ability to Adapt to Disruption
- Hiring an Outside Consultant Leads to Strategic Thinking
- Rating Agencies - Not Just AM Best Anymore

Strategic Risk

The Rapidly Changing Life Insurance Marketplace

- Methods of Distribution and Technology
- Product Trends
 - 2017 CSO Products
 - Indexed UL and Annuities
 - Accelerated death benefit riders
- Simplified Issue/New Underwriting Tools
- Common Bonds
- Meeting the Needs of Younger Consumers
- Building Strategic Partnerships

Strategic Risk

Your Board's Ability to Adapt to Disruption

- Board member qualifications and competency
- Having the right information to make decisions
- Courage is required!
- Is your society nimble?
- Key policies and procedures
- Have business continuity and disaster recovery plans been tested?
- Staff qualifications and board's oversight
- What is profitable growth?
- Investing in technology
- Membership growth
- Dashboards help communicate financial picture

Strategic Risk

Hire an Outside Consultant to Lead Strategic Thinking

- A good board has self awareness about the knowledge it has and lacks
- Is your society making decisions without knowing the full impact?
- Who is pushing your society to look into the future? Is your society sustainable?
- Do you have a clear mission and vision?
- Are proper human resources being employed? If not, let the consultant be the hammer and fill in any necessary gaps.

Strategic Issues

Strategic Planning Process

- Setting Aside Time Annually
- Mission, Vision, and Values
- Strategic Objectives
- Operational Plans and the Annual Budget

Strategic Risk

Rating Agencies – Not Just AM Best Anymore

- Process of being rated
 - Governance: Todd
 - Investment: Theron
 - Actuarial: reserve adequacy, RBC trends, ERM processes and metrics, board training performed, product development and sales success
 - Audit: Gary
- Benefits of being rated
- Options for being rated (AM Best, Kroll, others)

Strategic Issues

Questions?