



VALUE *of* LOMA Committees

Insurance professionals learn, network and enhance their expertise through participation in LOMA's committees. Many also save money for their companies.

Insurance industry professionals today need a source of information, learning and networking that can help them do their jobs better. One place that many management professionals find that source is through membership in one of the LOMA Committees.

LOMA has sponsored committees since its founding. New committees were created by LOMA through the years to meet changing needs of the industry. Today, LOMA sponsors 45 committees covering most aspects of insurance company operations and management. More than 930 industry managers are active in these committees, which meet regularly to discuss current issues. Committees are based on such subjects as technology, financial management, customer service, human resources, retirement plans and more. Committees are one of the top benefits of a company's membership in LOMA, since only employees of member companies can be on a committee.

Committee members enjoy many benefits through their participation. They increase their professional expertise through learning and exposure to new ideas; they gain understanding of hot topics and issues; make important contacts throughout the industry; and have an opportunity to participate in LOMA projects, surveys and studies, thus helping the industry as a whole. And in many cases, the knowledge they gain helps them save money for their company.

This summer, LOMA conducted a survey to determine the level of satisfaction with the committees. The survey found that LOMA committees are highly valued by committee members.

Respondents were asked to indicate the value of different benefits of committee membership. The top three most valuable benefits, followed by the percent saying it was a very valuable benefit, are:

“Through relationships formed via the committee, we have saved time/money on admin system upgrades...”

1. Having a forum to discuss common issues or problems (92%)
2. Exchange of information and ideas (88%)
3. Networking with peers in the industry (88%)

Other top-rated benefits are learning about industry best practices and learning about practices of other companies, which shows that the LOMA committees provide close to a benchmarking-type function for members.

Learning about industry trends, learning that other companies have similar problems, and learning about LOMA products and services were also considered very valuable.

Dollar Value

The committee members indicate they place a dollar value on their membership. Over three fourths of the respondents (87%) reported an estimated monetary value of committee membership of up to \$10,000. About 8% said the value was between \$10,000 and \$20,000, while 4% said over \$20,000.

Many members say they have saved hard dollars for their company through committee membership. The majority of respondents were confident they have experienced some savings, but did not specify an amount. Of those who did specify a savings amount, just over a third indicated a hard dollar savings of up to \$5,000. Almost one-quarter realized a \$15,000 to \$50,000 savings, while two member companies saved over \$1,000,000.

Tenure on committees is varied. The largest proportion of respondents, 54%, indicated they had been on a committee from one to three years. Close to one third, 29%, have been on a committee for less than two years. Additionally, 46% have participated on a committee for between four and fifteen years. Of these, 25% have participated between five to ten years.

Member Comments

Committee members had a lot of interesting comments about how they value their committee membership. Here are some examples:

“We take the input shared by attendees very seriously in determining the areas in which we should invest. Given the focus on Insurance, the combination of the committees attended would be roughly equal to what we obtain from our other Research memberships.”

“Learning of other companies experience with a given process or product saves me from duplicating their efforts. Following best practices learned in the group is likely helping us to avoid costly issues and breaches.”

“Generally speaking, understanding what my peers are doing improves decision-making thus providing value.”

“The connections made through the committee have allowed me to save time by contacting those companies and asking for best practice information or policies/programs. As a result I have saved time by not having to develop those myself or research those topics.”

“Learning from other companies lessons learned, helps us to avoid common challenges. Implementation of regulatory changes, conservation practices, and system installs, are a few examples.”

“We have adopted the use of many vendors that some of the other companies use for various business processes. We also have been able to adopt some of our staffing modeling based upon feedback from other companies. This has saved us time in trying to define staffing model for our business. We also have used the feedback from our committee within my company to either validate funding a project or to provide focus on prioritizing where we will spend our development dollars.”

“Several years ago, I learned of a vendor handling return mail that was better and priced lower. We changed and the annual saving was—\$10k.”

“Through relationships formed via the committee, we have saved time/money on admin system upgrades and writing of several cost/benefit documents. Through ‘Quick Queries’ have gained information to support business decisions on numerous topics.” (Note—Quick Queries are informal surveys by committees in which industry peers use a Q&A format to obtain insight on various industry practices and procedures.)

“Through networking at a committee meeting, identified a service offered by a third party that we ended up contracting with and saving the company a significant amount of money had we done the work internally.”

For a list of all LOMA committees, visit the LOMA website and click on Professional Communities, then Committees.

If you are employed by a LOMA member company and are interested in participating on a LOMA committee, send an e-mail to the links listed below, or call Susan Vlass, membership, 770-984-3708, vlass@loma.org

- Education: education@loma.org
- Financial and Strategic Management: financial@loma.org
- Human Resources: compensationsurveys@loma.org
- Life Insurers Council: lic@loma.org
- Operations: insops@loma.org
- Technology: infoman@loma.org
- Training/Learning and Development: orsina@loma.org