



Value of **LOMA Committees**

Many members have been able to improve operations, save time or find money-saving ideas as a result of participation in a LOMA committee.

One of the benefits of LOMA membership is the ability to participate in LOMA committees. LOMA committees consist of member company representatives who meet periodically to discuss common problems, share information on various aspects of the insurance and financial services business, and explore ways of developing and improving their methods of operation and management.

Participating in a LOMA committee has real value to member companies. Many members report they have found ideas to improve their operations, saved time or gained insight into important issues. Many have found money-saving ideas from a LOMA committee. Typical savings are \$5,000 to \$15,000 but several companies have reported savings of \$250,000; and one company saved between \$500,000 and \$1 million.

Recently LOMA surveyed members on the value of the committees. Respondents were asked to indicate the perceived value of eight different benefits to committee membership:

- About 85% of respondents indicated that networking with peers in the industry, exchange of information and ideas, and a forum to discuss common issues or problems were very valuable.
- In the next tier, 80% reported that exposure to other company practices was very valuable.
- Learning that other companies have similar issues and learning about industry best practices was very valuable to about 68% of respondents.
- Almost 60% indicated that learning about industry trends was very valuable.

Based on this data, the most valuable aspects of committee membership relate to the exchange of information and ideas and possible solutions to common issues among company representatives facing similar concerns.

Committee members were also asked whether the committee membership had enabled the member to save hard dollars at their company. Most respondents (64%) were confident that they had experienced some savings, but were unable to attach an actual dollar value. Of those that did specify a savings amount, 6% indicated that the savings was \$5,000 or less. An additional 5% of all respondents indicated that they had experienced savings of between \$5,000 and \$50,000. Three percent of all respondents indicated that they had realized savings between \$50,000 to \$250,000 as a result of their committee membership. One respondent indicated they had realized \$500,000 to \$1,000,000 in savings.

Here are committee member comments on the value of membership:

- Quick query surveys are great. I had a couple topics that I needed industry information on and was able to get that through the survey, saving me time having to make calls or send emails.
- I view each committee meeting in the same vein as a two day seminar at a good MBA program. The committee members are at least as knowledgeable as any professors I have ever experienced.
- Sharing ideas means not spending time to reinvent the wheel. Sharing experience gives insight on mistakes to avoid, lessons learned.
- Being able to submit questions to the group to identify industry best practices or to gain other industry insight is a very efficient way of getting information and saves significant time.
- I can not quantify a financial impact for our company through my membership. However I can assert the benefit of learning and networking with other companies has provided value beyond dollars and cents as that information has proven to be useful with planning and prioritizing processes and organizational procedures.
- The Quick Queries have saved us time by having a reliable source for information, and money in that we did not have to purchase survey data that is most likely not even available.
- Narrowing list of vendors for various RFI's; surveying members for specific questions and practices - don't need to pay for studies, reports - or take the time to find out specifications.
- When evaluating new software packages, LOMA contacts are often able to provide reference details through our relationship, rather than a (perhaps biased) vendor-selected reference.
- Learning about new state regulations, and how other companies plan to address them.
- One recent idea I got in 2008 was to look into running workstations on a virtual platform. A member company presented a project that they were pursuing in regards to this subject. I brought the idea back to my company and although we took a different approach than what was presented, it ended up saving significant dollars when we launched our workstation virtualization project.
- Earlier in 2009 we wanted to validate our Document Composition Technology and surveyed members from three committees to learn what they used. This allowed us to quickly zero in on the one or two technologies we wanted to learn more about. My committee has had several presentations and information exchanges regarding Project and Portfolio Management that I shared with our PMO office when they were establishing our IT Governance

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- The LOMA Quickie Questions have save us valuable research numerous times. Being able to poll other committee members about how they currently do something has been extremely rewarding. I can not even begin to put a 'time save' amount on if we would have to manually find this kind of data.
- LOMA quickie surveys are great and very respected by our senior management group; additional dollars to purchase specific surveys and or dollars for consulting fees have been avoided as a result of the quickie surveys and forms.
- Having access to peers in organization on a routine basis is very valuable.
- We were debating various APS providers for our underwriting area. After visiting with a fellow committee member our decision was confirmed as their company had experienced excellent service from the provider we eventually selected (which we are still with 10 years later)

process. It allowed us to find out what worked at other companies, and what didn't.

- We are re-engineering a group insurance administrative process. We were able to perform a competitive check with the other carriers on what their standard turnaround times are for certain processes. This enabled us to more easily define our Service Standards.
- I receive the 'intangibles' from the committee membership. A community of people who are equally passionate and interested in the same topics and have similar challenges. It's re-energizes me personally when I connect with this committee. It helps to know that you're not alone handling the day-to-day issues. It's also extremely educational. I value this committee enough to invest my time and my travel dollars to participate and that's saying a lot! I have saved a lot of time (which is money) that would otherwise have been spent researching best practices in training and development for my department.

In general, committee members appear to value their participation in LOMA's committees.

Most participants do recognize that their company has benefited from the ability to interact with their peers in other companies and to gain insight as to the approaches other companies are taking to address concerns which face many companies. ♦

Note:

LOMA's antitrust policy and the rules of conduct and compliance procedures govern all LOMA activities. These formal guidelines are intended to 1) make the occurrence of an actual antitrust violation in the course of LOMA activities impossible and 2) prevent inadvertent conduct which might give the appearance of an antitrust violation to someone unfamiliar with LOMA's nature and purposes.



About LOMA Committees

LOMA has over 50 committees covering operations, technology, financial management, human resources, training and more.

Through LOMA's Committees, industry professionals have the opportunity to explore issues, exchange ideas, develop a network of peers, and serve the industry as a whole by contributing to surveys, conference programs, research, and articles in LOMA's Resource magazine. Working with LOMA staff, committees initiate and develop many programs and projects. The documentation generated by their activities constitutes a wealth of valuable information.

Only member company employees are eligible to participate on LOMA committees. (Affiliate member company employees are eligible under certain circumstances.) If you are employed by a LOMA member company and are interested in participating on a LOMA committee, you may indicate your area of interest by sending an e-mail to the links listed below:

Education or learning and development: 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

Or call Susan Vlass, membership, 770-984-3708, vlass@loma.org