

**What Diversity Means to Me and What a  
Diverse Insurance Industry Looks Like  
Or ...  
Diversity: It's All About Me ... And You ...  
And Him ... And Her**

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The term "diversity" has become one of the latest buzzwords in the English language. Phrases such as "diversity awareness," "diversity management" and "diversity training" appear in a variety of contexts. "Diversity" generally refers to the many different qualities of people, including but not limited to their ethnicity, race, religion, gender, political affiliation, age, sexual orientation, education level and socio-economic status.

Although multi-cultural differences have always existed, the concept of diversity took shape in the mid-1800s, thanks to the tireless efforts of two extraordinary men. Perhaps it is no coincidence that the CPCU Society announced its Diversity Essay Contest in February 2009 when we celebrated the 200th anniversary of the births of these two revolutionaries – Charles Darwin and Abraham Lincoln. Even though they lived four thousand miles apart, they shared a recognition and understanding of the importance of diversity.

Darwin, the English naturalist, is known for his exploration of countless life forms. His theory of evolution affirms that diversity is characterized by more positive than negative traits. Without the preservation of differences, there would be little progress. Lincoln, our 16th U.S. president, believed in respect and tolerance for others and equitable treatment and opportunities in spite of dissimilarities. Who is not familiar with his words: "all men are created equal" and "with malice toward none; with charity for all..."? Building on these two men's principles, diversity has come to mean an acceptance of people's cultural differences and an understanding that their collective strength of varying experiences, perspectives, ideas and contributions adds value.

Why is there so much focus on the topic of diversity now? To me, it is not only desirable but it is imperative that greater efforts be made towards achieving diversity, especially in today's rapidly changing environment. Although the world has made tremendous progress in terms of science and technology, it has regrettably deteriorated with so many violent incidents at home, work and school, and on our roads.

I therefore view diversity as an opportunity and an approach to develop camaraderie, respect and good will towards all. Diversity practices are more likely to result in constructive outcomes; they create more stable relationships and safer and more positive surroundings. Those who are viewed in the best light by others and who are afforded equal opportunities are apt to be more productive and grow to their fullest potential. Diversity inevitably leads to innovative and forward-thinking programs and various methods to new challenges and solutions. Shared objectives are more likely to be achieved. By exploring other people's differences, we also gain a better appreciation of our own singularities. Our interactions with others become more stimulating, more fulfilling and more harmonious.

It is most fitting that insurance professionals have this occasion to contemplate diversity through an essay contest. Insurance touches the lives of everyone in many ways, e.g., those with coverage can be reimbursed for certain losses or secure loans to finance houses, cars and various projects. There is no other business where class distinctions have such a necessary and relevant role as in the business of insurance. By its very nature, the concept of insurance deals with evaluating certain differences among people and properties in order to set appropriate rates. Statutes permit discrimination among risks, as long as it is done fairly.

A diverse insurance industry is one with a culture that advocates fair treatment towards all. Companies believe in fair hiring practices and are committed to building an employee base that is similar to the demographic markets in which they do business. The acceptance of varying backgrounds and the spirit of inclusion are the norm rather than the exception. Employees have a sense of belonging and being valued and respected. They feel a high level of caring and loyalty from their organizations and are proud to be a part of this business. Their interests are considered when decisions are made and their thoughts on new ideas and approaches are sought by corporate leaders. Good communications are emphasized, and all are encouraged to provide and receive constructive feedback and cultivate healthy working relationships based on trust and understanding.

Management rewards positive diversity behavior and is flexible in reacting to the changing needs of a diverse workforce. Teams function effectively, sharing their knowledge, thoughts and capabilities to meet organizational goals. All employees have equal opportunities to strengthen their respective skills so they can grow personally and professionally. They have a better understanding about the performance of the business and how they contribute to their companies' achievements. They do not tolerate any form of harassment or unfair discrimination.

Insurance companies that practice diversity embrace the philosophy that

satisfied workers breed satisfied customers. These companies treat the public with the same level of respect and honesty as they treat their own personnel. They strive to fulfill obligations and help to resolve problems fairly and quickly. Employees can more effectively identify the insurance needs of their varying customer segments and devise strategies to better serve a broader array of clients. Since many different demographic markets support and rely on insurers, those firms that consistently promote diversity management and awareness are more likely to enjoy a competitive advantage over others.

Companies with diversity programs also benefit from higher employee morale and productivity and lower employee turnover and absenteeism. They have higher policyholder retention ratios, lower expense levels, more positive earnings and potentially many new customers. The frequency of lawsuits alleging age, gender or racial discrimination or bad faith or unfair claims settlement practices is reduced as well.

Furthermore, members of a diverse insurance industry volunteer their time to support the activities of local communities. These individuals play a valuable role in engaging the interests of the people whom they serve through corporate charity and citizenship. By interacting with others to meet the social needs of various communities, they also develop a better understanding of others and improve camaraderie among themselves. They strengthen business relationships and help their employers build solid reputations and a socially responsible image.

Some professional affinity groups within the insurance industry are making greater strides to enhance diversity within their memberships. Along with a formal diversity definition, these groups should have a vision, principles and an action plan with sound objectives and a means to track progress and measure success. Periodic diversity essay contests and cross-cultural training workshops or webinars are excellent ways to foster critical thinking about this subject. Recognizing certain individuals for their achievements and contributions in advancing the value of diversity and bolstering the spirit of participation not only reinforces this type of behavior, but it encourages others to become more involved as well.

Professional organizations can also compare and contrast their own diversity strategies and tactics with other groups that have similar principles. For example, the CPCU Society's Diversity Committee could meet with members of the National Association of Insurance Women or Casualty Actuarial Society to discuss items of mutual interest and concern and form alliances to reach out to an even larger group of individuals. Mentoring programs can be developed to educate students and others in the insurance industry,

particularly minorities, about the rewards of attaining a professional credential such as the CPCU designation. Community volunteerism using a diverse group of supporters can be targeted towards underserved neighborhoods, so residents in these areas gain a better appreciation of the people within our industry.

Care must be taken, however, to avoid setting diversity goals that are impractical or immeasurable or lowering eligibility criteria simply to have greater representation. Changing an organization's professional standards and values is counterproductive if they alienate current members. Whatever the solutions, it must be understood that they do not happen overnight; it takes time, energy, flexibility and a lot of heart to build a successful culture of diversity and inclusiveness.

In summary, a diversified insurance industry is one that mirrors the public it serves and is sensitive to all people's needs. There is a greater appreciation and respect for cultural differences. A diverse insurance workforce honors integrity, continuing professional development and a commitment to accountability and ethical practices. Employees perform at their fullest, feel valued and have a sense of inclusion and caring. Teams function well together to reach common goals.

Not only do insurance companies in a diverse environment understand and celebrate differences, but they thrive on these differences with happier and more productive employees, more satisfied customers and greater returns. By continuously advocating the value of diversity, these companies are proactively breaking barriers and nurturing sound relationships. Quite simply, they are helping to make the world a safer and more compatible place in which to live, work and play.

Indeed, if Darwin and Lincoln were alive today, they too would be celebrating the efforts of the CPCU Society to support our diverse insurance community and its dedication to excellence in professional business practice, education, public service and volunteerism. Why, they might even try to obtain the esteemed CPCU designation themselves.