



Carrier Management

Critical Information for P/C Carrier Executives

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**BRACE
FOR
IMPACT:**

LEADING
THROUGH
CRISIS

Leading Through

a Storm With No Clear End

By Mitch Livingston

I have heard business leaders across the country discuss the early days of the COVID-19 response and experiences of continuing operations while protecting their staffs' health and safety. Each described workplaces that had modest adjustments initially but soon transformed the very foundation on which work is done.

Our story is no different.

At NJM, our focus has consistently been on the health and safety of our staff while we continue in our 107-year commitment to serving policyholders. We began March by educating staff on the need to socially distance. A week later, we closed two of our three offices, sent most of our 2,500 employees home, and arranged for 92 percent of staff to connect to our systems from their new home offices. As I write this in mid-May, we are almost exclusively telecommuting, with just 50 essential employees going to our West Trenton office.

Prior to COVID-19, NJM's last experience in the exercise was Superstorm Sandy in 2012. Then, we engaged both our business continuity and our catastrophe plans to help policyholders rebuild the damage the storm had dealt over the course of two days. This is different. Missing is the calm after the storm. From a leadership perspective, the immediate need at the onset of COVID-19 was flexibility and speed in the decision-making process. The closure of physical offices required enhanced engagement and communication through all levels of leadership. Our officer and management teams

enthusiastically stepped up to the challenge, exercising clarity of decisions, transparency, flexibility and empathy. As a result, we continue to serve policyholders from home with the same levels of care and concern as we have for over a century.

The next step is less clear. Optimistic projections assume COVID-19 will remain with us through the fall and into the winter. We must now adjust to a new normal: a storm with no clear ending. State governments across the country have shuttered businesses and limited social interactions on a scale never before seen. Those actions were needed to flatten the curve for the health and safety of all. Their effect, however, is also clear: Many businesses are experiencing severe financial difficulties, and unemployment has skyrocketed leaving many families without a source of income.

Given the economic hardships, it is

“Because of the critical role insurance plays in the overall health of the economy, insurance leaders must play a part in discussions of how to reignite the financial engines.”



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necessary to restart the economy. That said, the economic landscape has changed so dramatically over the last few months that business leaders must consider changing both their company's annual business plans and their strategic visions as well. Moreover, the ability of many businesses to transform from brick and mortar to a telecommuting environment has caused some to believe that the future of work will look very different.

Because of the critical role insurance plays in the overall health of the economy, insurance leaders must be part of discussions to reignite financial engines. Government officials across the nation have reached out to business leaders. New Jersey Governor Phillip Murphy created the Restart and Recovery Advisory Council for this purpose, and I will be representing NJM and our policyholders in its deliberations. I am optimistic that councils like this can help government leaders navigate this new reality.

Flexing into the "new normal" will require the same transparent, decisive and flexible leadership that governed the first step in the industry's pandemic response. [CM](#)

Situational, Authentic Leadership Needed for Crisis and Beyond

By Tony Kuczinski

We've all faced challenging times, whether an individual crisis at our own company or a broader one impacting the industry or nation. The global magnitude and sheer uncertainty around the pandemic have required another level of leadership. In addition to drawing on past experiences, the most successful leaders have been adapting to a constantly evolving situation. The same approach will be required as the world moves toward the "new normal."

I've always been a proponent of authentic leadership, and there's no better time to demonstrate authenticity. During a crisis you don't change who you are or how you relate to people, but you do take a hard look at your regular activities and assess

what works and what doesn't in the new situation. You may need to do a lot more of some and slightly less of others. Practices that were once "nice to do" can quickly transform and become "absolutely need to do." The next day, priorities can change again. In this regard, leadership is also situational. It is critical to be aware of potential shifts and to be prepared for quick pivots.

Frequent contact with employees has also become imperative during this pandemic crisis. People are frightened, or at least unsure—for their children, their elderly parents, their communities. We must acknowledge our own fears, too, as we are also concerned with loved ones at risk. I had a very personal connection to the pandemic crisis, as someone in my own family was severely impacted, and that helped to inform my approach to decision-making and communications.

Honesty in communications is key. The ramifications of the virus are as new to us as they are to anybody else. The best we can do is share the facts as we know them through a calm and deliberate message.

At Munich Re US P/C Companies, the leadership team decided very early on that we would always put our people and clients before company goals, and ensured that commitment was woven through all communications. This type of transparency has built trust and confidence for the future. [CM](#)



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~~PLAN A~~
PLAN B