IIAT Mentor's Guide
Part Seven

Your input will be especially critical to your new employee in this part's overview of E&O basics. Anyone who has attended an E&O seminar can attest to the potential for getting lost in the confusion of legal details and court cases.

Yes, E&O can be a complex subject, yet there are basic principals every employee needs to learn and begin to practice early in their agency lives. Our intent in this Part is to provide those basic concepts that will prove valuable immediately, as well as form a solid foundation for greater E&O comprehension in the future. Your willingness to help the employee absorb these concepts without allowing them (or others in your agency) to slip into the temptation of trying to be sure the employee "gets it" by explaining all this in much more "precise" detail. You want them to believe they can do this, not end up like far too many agency folks who evidently have decided "nothing we will ever do will be good enough!" so why bother.

The overall emphasis of this Part is on taking the information learned in previous parts and now viewing those practices and processes as not only agency methods, but as deliberate and valuable E&O prevention techniques.

In the section titled "What Causes E&O," we suggest a good model for the employee to follow is the relationship between a doctor and patient. The purpose is to illustrate the agent's role to act professional in every capacity while addressing a customer's needs, but always leave the final decision up to the customer – much like a doctor treating a patient.

This comparison also forms the basis of this part's first exercise. The new employee will be asked to review past sections of the Orientation Guide. They are to draw comparisons between doctors and insurance agencies using the information provided in these previous sections. Be prepared to discuss their findings and how they relate to their everyday agency role.

It is in the following sections where you will get into the nitty-gritty of E&O; specifically, how to avoid it. We summarize a multitude of E&O prevention techniques into three key rules for the new employee to follow.

RULE #1

The first rule is "Never make decisions for your customers." Your new employee will be introduced to one of an insurance agent's most difficult responsibilities: providing professional counsel but avoiding making the decision.

- To make sure your employee understands the magnitude of this principle, it may require additional discussion on how making a decision for a customer could spell serious trouble for the agent.

Assignments for Rule #1

- The new employee should have a list prepared of the times a customer has asked them to make a decision for them. This list should include entries from coworkers on the subject as well.

- The employee will need you to help them understand ways to help the customer determine their needs in any way possible, yet stop short of making any actual decisions for them. Ask to see their list ahead of time as you may need to formulate answers for relatively complicated questions.

- The new employee is told to practice with you some possible responses to customers seeking a decision from them. The goal of this exercise is to build the employee's confidence in answering a customer's questions without making a decision for them.

- You may need to role play a bit here. Remember, the new hire has been through prior sections that have probably made them feel it is their job to make the best decision for the customer rather than leave the customer to fend for themselves. Using the items on their list, help them develop answers and make them practice giving them until they sound confident.

RULE #2

Rule #2 is "Never let customers make decisions without knowing the consequences." This rule is a reminder of the level of professional service customers expect from their agent. Your new employee should understand that their lack of making the customer's decision does not relieve them of their professional obligation to provide counsel as to the potential negative side-effects of their decision.

- The exercise under this part presents the new employee with 5 realistic decisions that a customer may make and their justification for each. Your employee should have a benefit and pitfall to each decision prepared. Discuss each with them. Keep it conversational, and use your experience to determine additional decisions customers of your agency frequently make and how your employee should advise them in each.

- This rule also reminds the new employee of the importance of communication in clear language, along with an exercise reminding them reinforcing the importance of a topic discussed in Part Three - "jargon."

RULE #3

Rule #3 is the "document everything" rule. Under this tried and true E&O rule, the employee is informed of the importance of making documentation a habit and how it may be the key to avoiding an E&O claim.

Actual court cases are offered to help illustrate the main point: the agency may have done nothing wrong, but its failure to document its actions is what led to the verdict. Courts tend to side with the customer in cases where the agent fails to properly document every encounter with that customer. Help the employee understand that, essentially, documentation is creating evidence, either good or bad, that will later have the capacity to make them look better or worse to the courts.

A final assignment for this section asks the employee to review material from Part Four of the Orientation Guide, with an eye towards the E&O implications of utilizing proper workflows and processes. This is an excellent opportunity for you to reinforce the importance of those agency practices, and also review how the employee is doing with them. Now would be a great time to resolve any difficulties or barriers they have encountered in personally implementing such processes in their daily role.

Finally the employee is introduced to the wealth of material available on InfoCentral under the heading of "E&O Loss Control." Review and prepare to discuss with your employee how that information, suggestions, sample forms and letters and other tools or techniques can best be put to effective use at the employee's current level of responsibility and experience. Remind them that as they grow in experience and responsibility, it will be important to regularly return to this valuable resource for more ideas.

Since this Part was only focused on providing the basics, we suggest you enroll the employee as soon as practicable in an online or classroom E&O class. Check the IIAT Education calendar for the next one near you