

The Professionally Obsolete Claim Adjuster

By Donna J. Popow

Do you know if spam e-mail can cause property damage under the terms of a GL policy, or whether spamming constitutes an advertising injury? Do you know if spoliation of evidence is an actionable tort in your jurisdiction?

If you cannot answer these questions, you probably are professionally obsolete. The good news is that the condition is not fatal. The cure is continuing professional education.

Obsolescence is the degree to which professionals lack up-to-date knowledge or skills necessary to maintain effective performance in either their current or future work roles, according to H.G. Kaufman, in his book on obsolescence and professional career development. Professional obsolescence will hit each and every one of us at some point. Age, gender, and performance ratings have no effect on professional obsolescence. We all are susceptible to it, but we all can use continuing professional education to cure it. Age, gender, and performance ratings do not affect our abilities to learn.

In addition, we have an ethical obligation to avoid professional obsolescence. The RPA Code of Ethics and the CPCU Code of Ethics dictate that we continually maintain and improve our professional knowledge, skills, and competence. Continuing education is the primary way to meet this obligation.

Continuing education is a building block of professionalism. It can have a positive effect on employee retention. Studies show that companies that support career development by including it in performance reviews experience a 1 to 3.5 percent lower turnover rate than companies that do not.

Professionalism also contributes to personal growth. By expanding your knowledge base, you not only perform your current job assignment more accurately and efficiently, but you also begin to position yourself for your next career move.

If you actively engage in continuing professional education, you will produce a higher quality work product. You will have greater confidence in your decisions. If you support continuing professional development as a manager or owner, your organization will have lower turnover rates and higher employee morale. You will be able to hire and retain higher caliber recruits. It will be easier to delegate tasks to younger associates because you will know that they are well trained. You will be better able to accept the inevitable change that will occur in your business.

There is a price for continuing education, however. It costs money to provide courses, travel to seminars, and lose productive work days. Rather than focus on these costs, focus instead on the cost of professional obsolescence. You lose productivity if you are not aware of the latest technology and case law developments. You can be subject to bad faith judgments, which also can mean loss of reputation and future assignments.

Setting Goals

If you do not plan your continuing education carefully, you may lose time and money. Undoubtedly you have suffered through presentations by instructors who have been coerced into giving lectures on topics with which they were not entirely familiar because the timing and location of the class were convenient. While such lectures allow you to put in enough classroom hours to meet a CE requirement, they are not productive continuing education experiences, and certainly do not contribute to your level of professionalism.

Here are some suggestions on how to get the most value from the time and money you spend on continuing education. Begin by viewing CE as your own personal research and development project. Focus on what will benefit your career, not just on meeting externally imposed CE requirements. Link your learning objectives to your business objectives.

Do the following exercise: think back on all of the work you have done this year. Divide it into three categories and assign a percentage to each category, arriving at a 100 percent total. Keep track of your numbers on a piece of scrap paper.

- Category 1 — I love to do this. This is why I am an adjuster.
- Category 2 — It's OK that I have to do this. I can tolerate it because it is what I do for a living.
- Category 3 — I hate doing this. I wish it were not part of my job.

The typical results of this assessment show that 20 to 25 percent of the time, adjusters love their jobs, 60 to 70 percent of their days are spent simply tolerating them, and 5 to 20 percent of activities fall into the category of, "I hate this part." This means that the typical claim professional is enjoying his work about one day a week.

Now for the second part of the exercise: think about all the clients you have served in the past year and divide them into three categories.

- Category 1 — I like these people or this company, and enjoy working for or with them.
- Category 2 — I can tolerate these people or businesses.
- Category 3 — I'm a professional, and I will do my best for them, but I really don't like working for them.

Typically, 30 to 35 percent of top professionals around the world responded that they enjoyed the people with whom they worked. Another 50 to 60 percent tolerated those whose business concerns intersected with their own, and 5 to 20 percent said, "I don't like working for or with these people."

Ask yourself why you would want to spend the majority of your time working on tolerable stuff for acceptable clients when, with some effort on improving your skills or acquiring new skills, you could be working on something you love for clients you like? Do not fall into the trap of believing that these percentages are inevitable. Invest in your own research and development, and you can change those numbers dramatically.

Do an assessment of your professional goals by asking yourself: What do you want to do next? Where would you like to be three years from now? What kind of clients would you like to have in three years? What career challenges would you find exciting?

Assess the skills that your clients or employer will need you to have in the next three years. Put these assessments in writing. Keep them with your business plan or your personal file. Every time you take a CE course, put a copy of the curriculum in the file. At the end of the year, review this file. Did you meet your CE objectives? Do you need to reassess your objectives based on changes in your life or changes in the marketplace?

Everyone Learns Differently

Before you sign up for another CE course, there is one other assessment that you need to do. You need to determine what your learning style is. A learning style indicates the preferences that you have for perceiving, conceptualizing, organizing, and recalling information. Approximately 65 percent of the population is made up of people who prefer visual learning. Roughly 30 percent of the population prefers auditory learning, and only about 5 percent of the population prefers to learn by doing.

To find out what type of learning style you prefer, go to www.engr.ncsu.edu/learningstyles/ilsweb.html. The test will take you about five minutes. You will get results immediately. Scroll down to the bottom of the page, and click on the link for the description of learning styles. This test categorizes learners as active or reflective, sensing or intuitive, visual or verbal, and sequential or global.

The definitions of these styles are pretty straightforward. Active learners learn better by doing something with the information. Reflective learners like time to think about the new information. Sensing learners like to learn facts, while intuitive learners prefer a learning situation that allows them to explore all the

possibilities. Visual learners remember what they see. Verbal learners get more out of written or spoken explanations. Sequential learners like information to follow a logical sequence. Global learners think in terms of the big picture and do not need to see the connection between each fact. Once you have some insight into your learning style, use this information to make better choices when it comes to spending your CE dollars and time.

Finding the time for CE is always a challenge, but not as big a challenge as you might think. Calculate the number of hours you spend at work. Then calculate how many of those hours are billable and how many are administrative. By billable, I mean how many hours in a day do you spend actually adjusting claims, as opposed to doing administrative work. Cut the non-billable hour figure in half. One half of the non-billable hours will be used for administrative work. The other half is the time you will invest in CE.

Notice that I said invest. If you invest this non-billable time carefully, it will redefine your client relationships, give you new skills, and help shape your future.

Here is an example: A typical accountant spends 2,640 hours per year at work. Normally, he will bill for 1,200 of those hours. That leaves 1,400 non-billable hours. Surveys show that most of that time is not used productively. By carefully mapping out your CE objectives, you can put that potential 700 hours of CE time into producing concrete results.

Even with 700 hours to invest in continuing education, there are other reasons for not doing it. What about the feeling that your company does not support your CE efforts? This roadblock has three parts. The first is corporate support for CE. Despite what many of you may think, many companies provide financial support and incentives for continuing education. Each year, the Institutes survey insurers to determine their levels of financial and incentive support for Institute programs. For the most part, the industry strongly supports those who are enrolled in continuing education programs.

The second part of this roadblock involves support on a local company level. It does not matter what the corporate CE mandate is if the message is not put into practice by local managers. Enrolling employees in training programs only to interrupt them or remove them from classes because of claim emergencies is not support. Local managers need to allow staff the time necessary to participate in continuing education. One way to do this is to have the company and the adjuster contribute some time. If you propose an in-house class or review session that takes an hour of your work day and an hour of your personal time, that might be more palatable to a supervisor or manager than a class all on company time. If you incorporate a CE objective into your performance goals, you are more likely to gain management support.

There also is the issue of integrating education into the work environment. New skills must be put into practice. Nothing will discourage people more quickly than coming back to work, eager to try out what they have learned, only to be told, "We don't do it that way." Managers and supervisors must allow for on-site reinforcement of newly learned behaviors.

The final part of this roadblock is the expense of education. Training budgets have been slashed to the bone over the last several years. The good news is that this trend appears to be reversing itself. In a recent survey, two-thirds of the respondents reported that their training budgets have stayed the same or have increased during the past two years.

None of us wants to be professionally obsolete. If you wish to avoid your own professional obsolescence, take stock of your skills. Assess the needs of your clients. Create a plan for growth that links your learning objectives to your business plan. Determine your learning style. Then get the most value for your CE dollar and time by taking CE courses that support your objectives and match your style. Continuing education is not a luxury. It is a necessity.

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