

Claims Education

INTERNATIONAL INSURANCE INSTITUTE *e*magazine

TRAINING || TALK

In this issue we feature a story about the importance of listening to customers. It is a story first published by Claims magazine and includes excerpts from the newest book offered by ClaimsProfessionalBooks.com entitled, Negotiation Skills for the Claims Professional which I had the pleasure of co-authoring with Teresa Headrick, Sr. Course Designer at International Insurance Institute, Inc. See our New Briefs section as well for more information.

Also see our News Briefs section for announcements on the newest postings at covered in our claims blog, and the most recent free training at the Carl Van You Tube Channel.

Our New Course Feature section provides information on our latest addition to our negotiation courses, "Negotiating with Property Contractors."

As always, we here at International Insurance Institute welcome your contributions to CEM and encourage you to contact Karla Alcerro at karla@insuranceinstitute.com for any input. Please feel free to direct any questions, feedback, articles, claims success stories, and/ or even topics that you would like to see discussed in the magazine. ■



Carl Van
President and CEO
International
Insurance Institute

FEATURE || STORY

CUSTOMERS WILL LISTEN TO YOU, WHEN YOU START LISTENING TO THEM

BY CARL VAN AND TERESA HEADRICK

This article first appeared in Claims magazine, August 2013 issue, page 20. It can also be viewed at <http://www.propertycasualty360.com/2013/07/16/customers-listen-when-you-extend-the-courtesy>. Reprinted with permission.

Finish this sentence. "My job as a claims professional would be so much easier, if the customer would just _____."

We like to start many of our workshops with that question, and invariably, the answer we get most often is "Listen!"

One of the Claims Maxims we have developed over the years is "People will listen to you to the exact degree you show them you understand their point of view."

We were monitoring phone calls and heard this exact call. As you read the interaction, consider if you were faced with this situation, how you would respond to the customer. Here's the actual interaction (with the names changed) that we heard:

Mr. Swope: "Hello."

Meg: "Hello, this is Meg from Typical Insurance Company and I'm calling about your auto accident. I know you had damage to your car. I am sorry that we don't have any independent adjusters available right now. Can you get an estimate on the repairs and send that to me?"

Mr. Swope: "No way, I'm not going to do that."

Meg: "Why is that?"

Mr. Swope: "I'll tell you why. Because I'm the victim here. Why should I run around doing your job?"

Meg: "Well, it's not my job to prove your claim, it's your job. You have to do this in order to get paid."

How would you have dealt with Mr. Swope? You know you don't want to argue, and you need to demonstrate you understand his point of view, so he will be open to listening to you. But, what is Mr. Swope really telling Meg?

When Mr. Swope responded, "Because I'm the victim here,"

FEATURE || STORY

Meg missed the highly emotional word – victim – and started arguing about whose job it was. Here is our suggestion: pay special attention when customers use emotional words. These words are vivid, and if you are listening, are easy to pick out during the conversation.

When customers use emotional words with their reasons, it is probably a hint that this issue is important to them. In this case, Mr. Swope used the word “victim”. What do we normally associate the word victim with? We associate victim with a crime. Mr. Swope is actually using the word as if he was the victim of a crime. And you know what? He’s not too far off. Mr. Swope



wasn't doing anything wrong when his car was slammed into. Now he has to miss a day of work running around getting estimates for the repairs. No wonder Mr. Swope feels like a victim. It's perfectly reasonable.

So what can help? We suggest learning how to make an empathic connection.

THE EMPATHIC CONNECTION

Think of the empathic connection as the difference between what someone said and what they meant. Consider what Mr. Swope said – “I’m the victim here.” What Mr. Swope wanted was empathy for being involved in a car accident. What Meg should have done was focus on the emotional word and what it meant. This is the ability to make an empathic connection. That’s not always easy.

Here’s another example that we heard while monitoring phone calls. The claims professional was talking to a customer and the customer said, “Oh man, my brand new Porsche is creamed.” The adjuster said, “Don’t worry, we’ll compensate you for the repairs.” It’s subtle, but the customer is asking for empathy that his brand new Porsche has been “creamed.” The claims professional missed what was meant – vs. - what was said.

Try this one. Let’s say a wife walks up to her husband and says, “Wow, Shirley sure is lucky her husband brings her flowers.” The husband responds, “She sure is.” Obviously, what the wife

said and what she meant are two different things. What did she mean when she said, “Shirley sure is lucky her husband brings her flowers”? She meant, “I would like flowers, please.” But notice... that’s not what she said. The poor husband didn’t make the empathic connection between what the wife said and what she really meant.

Let’s go back to the customer with the Porsche. The claims professional didn’t make the empathic connection either. When the customer said, “My brand new Porsche is creamed,” the customer wasn’t saying, “I hope I will be compensated for the damages to my automobile.” That’s not at all what the customer was saying.

What the customer was saying was, “My life is upside down right now. I am so upset, I’m beside myself.”

If Meg had considered what was meant vs. what was said and made the empathic connection, she could have said something like, “You know what, if your brand new Porsche is creamed, I am sorry. I know this is going to be difficult for you. I know you probably loved that car and if there was a way I could take that accident back, I’d love to do it. I just can’t. What I can do is to make sure you get everything you’re entitled to.”

As a claims professional, you should listen for emotional words and consider what the customer means. A genuine, empathic connection with the customer is a skill that great claims people

use to gain cooperation in what they are asking.

Great claims people take their empathic connection a step further; they connect getting the customer to change the way they feel with what they want the customer to do. If you can tie in customers changing the way they feel with what you want them to do, the more likely they will do it.

Here’s an example of what we mean:

Mr. Swope: “Hello.”

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Mr. Swope: “No way, I’m not going to do that.”

Meg: “Why is that?”

Mr. Swope: “I’ll tell you why. Because I’m the victim here. Why should I run around doing your job?”

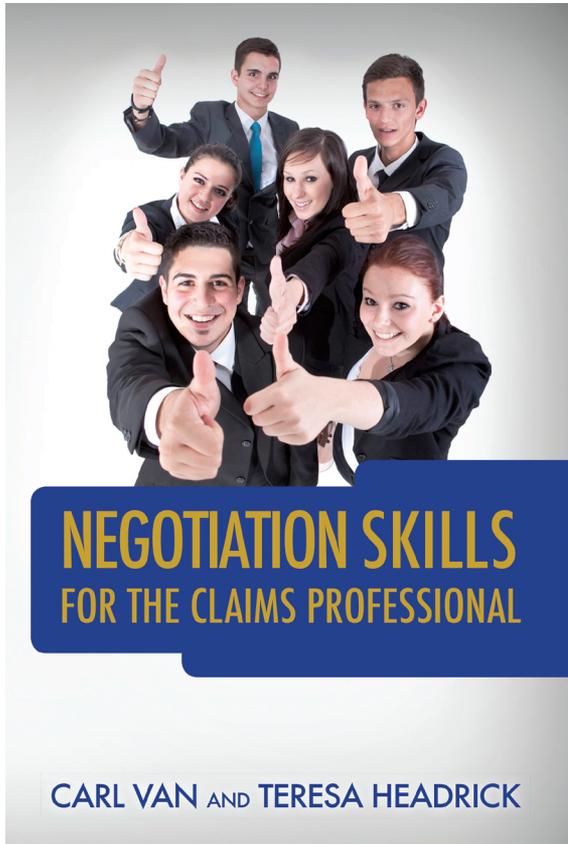
Meg: “You know, Mr. Swope, if you don’t want to get an estimate because you’re feeling like a victim, I can understand that. You weren’t doing anything wrong and our insured slammed into you. I appreciate how this makes you feel. I’ll tell you what, if you can go get an estimate, some good things will happen.”

First of all, you will get to choose the shop and you can pick someone you trust. Second, you’ll be there when they write the esti-

Claims Professional Books

NEW THIS ISSUE:

Negotiation Skills for the Claims Professional



This is a straightforward, real-life approach to negotiations from the perspective of the claims professional. Short on complicated theory, and heavy on real-life situations, this book highlights many simple yet powerful approaches to negotiating with customers and even with attorneys. Written by Carl Van and Teresa Headrick. (Paperback \$24.95 available at www.ClaimsProfessionalBooks.com, www.Amazon.com, and other on-line book sellers; Kindle \$9.99)

Visit www.ClaimsProfessionalBooks.com to view all of the books available:

- *The 8 Characteristics of the Awesome Adjuster.*
- *Gaining Cooperation: Some Simple Steps to Getting Customers to do What They to do.*
- *Gaining Cooperation for the Workers' Comp. Professional: How to get the injured worker to do what you want them to do.*
- *Attitude, Ability and the 80/20 Rule: The Makings of Exceptional Performers.*
- *The Eight Characteristics of the Awesome Employee*
- *The Claims Cookbook: A Culinary Guide to Job Satisfaction*

Carl Van You Tube Channel

NEWEST UPDATES:

- What makes a great customer service company #3
- What makes a great customer service company #4

This channel will be updated periodically with new clips from the on-line claims training videos at www.ClaimsEducationOn-Line.com. This is FREE training!

To be notified of the new clips as they become available, all you have to do is:

1. Go to <http://www.youtube.com/user/CarlvanTV> and subscribe. or
2. Go to Facebook and "Like" either (or both) of the pages at www.facebook.com/CarlVanSpeaker or www.facebook.com/InternationalInsuranceInstituteInc.

Claims Blog

Subscribe at www.CarlVanClaimsExpert.wordpress.com, and get the latest delivered right to your email! Including recipes from The Claims Cookbook.

New Customers

We are delighted to welcome our newest members who have joined International Insurance Institute's member list, either through on-site training, on-line video training or training materials.

United States

- Brent Hanson, Claims Director, Liberty Mutual
- Mike Turner, Claims AVP, Alfa Corporation
- Jamie Terry, Claims Training, Mountain West Mutual

International

Qatar

- Reema Bakhsh, Admin. Assist. –
Qatar Philharmonic Orchestra
(Doha, Qatar)

Ethiopia

- Yared Legesse, Branch Manager - NIB Insurance Co.
(Addis Ababa, Ethiopia)

Zimbabwe

- A. Drake, Pensions Administrator - Old Mutual
(Zimbabwe)

Bangladesh

- MD Jahed Ahmed, Officer - Insurance Development & Regulatory Authority Bangladesh
(Dhaka, Bangladesh)

India

- Prashant Madhukar, Iffco Tokio General Insurance -
(Haryana, India)

The Netherlands

- Klaas Coolen, Coolen Expertise -
(Den Bosch, The Netherlands)

Canada

- Jennifer Boyle, Training Coordinator,
Wawanesa Insurance
- Ken McCrea, President, Wawanesa Insurance
- Steve Rourke, Claims Director, Wawanesa Insurance
- Kenneth Lindhardsen, Claims VP, Desjardins Group
- Michele Gauthier, Clams VP, RBC Insurance
- Mike Bowlin, Attorney, Cox and Palmer
- Sandra Arab-Clarke, Attorney, Cox and Palmer ■

FEATURE || STORY

mate to make sure they don't miss anything, and that's good for you. And third, if you can get them to fax it to me, I'll get a check out to you as soon as possible. When you're back on the road and can put all of this behind you, maybe you won't have to feel like a victim anymore. Because that's a lousy way to feel and I'd like to help."

Did you see how Meg acknowledged Mr. Swope's reason, made the empathic connection of what was meant with the emotional word, and tied it to getting what she wanted from him?



Maybe Mr. Swope will do what Meg asks, and maybe he won't. Either way, Meg's job is hard enough without arguing with Mr. Swope about whether or not he's a victim or whose job it is to prove his claim. ■

Carl Van is President and CEO of International Insurance Institute. Teresa Headrick is Sr. Course Designer at International Insurance Institute. Together they have written the book, Negotiation Skills for the Claims Professional. They can be reached at 504-393-4570, or CarlVan@InsuranceInstitute.com or Teresa@InsuranceInstitute.com.

AUTO EXAMPLE:

Angelina: "Mr. Pitt, we've determined the value of your vehicle to be \$8,000, and we would like to pay you that to conclude this claim."

Mr. Pitt: "No way, I want \$9,000."

Angelina: "And why doesn't \$8,000 seem correct to you?"

Mr. Pitt: "Because my neighbor sold his car, and he got \$9,000 for it, and his car wasn't nearly as nice as mine."

WRONG: Angelia: What kind of car was it?

The reason this is the wrong approach is because now these two people are both talking about a car neither one of them knows anything about (and by the way the neighbor probably lied in the first place).

CORRECT: Angelia: Mr. Pitt, if your neighbor sold a car for more than \$8,000, and your car was nicer than his, I can certainly understand why you would feel your car was worth more than \$8,000. That's reasonable. I know you want everything you are entitled to, and so do I. In order to make sure you get what you are entitled to, I ran this report on the value of your car. Could we go over it?"

Notice how Angelia does not argue with Mr. Pitt's point of view, but acknowledges it. This will allow Mr. Pitt to start listening to what Angelia has to say. Angelia can get back to discussing the facts.

HOMEOWNER EXAMPLE:

Kanye: "Ms. Kardashian, we can pay you \$1,500 as full replacement for your computer."

Ms. Kardashian: "No way, I want \$5,000."

Kanye: "Can I ask you why \$1,500 doesn't seem right?"

Ms. Kardashian: "Yes, because I was working on my MBA, and I've got three years of research on the computer. I've got three years of homework assignments on that computer. Three years of my life is down the drain! \$1,500 is a joke!"

WRONG: Kanye: That stuff isn't covered.

The reason this is wrong is because right now, Ms. Kardashian isn't listening. She just told the adjuster part of her life is down the drain, and his only comment was that it wasn't covered. He's not showing much empathy for someone who is in the customer service business.

CORRECT: Kanye: Ms. Kardashian, it certainly sounds like a devastating situation to have such valuable information lost all at one time. I'm sure it was tremulously valuable to you. I understand how difficult this must be, and believe me, if there was a way I could pay this, I would really love to do that. The policy does restrict what we can and can't pay for. In your case, the computer itself is covered but the data on it is not.

POINTS ABOUT LISTENING

- People will listen to you to the exact degree you show them you understand their point of view.
- Demonstrate you understand their point of view by acknowledging it.
- The best way to acknowledge someone's point of view is to repeat it back to them.
- Don't argue with reasons. Acknowledge reasons and get back to discussing the facts.
- Pay attention when customers use emotional words.

Negotiating with PROPERTY CONTRACTORS

Although the basics of the Claims Negotiation Process* can be applied to all lines of business and claim value levels, there are certain difficult situations that claims professionals face where added training can help. One of these is in the area of negotiating property settlements with (sometimes aggressive) property contractors.

Claims professionals can benefit by learning how to deal with the minority of contractors who may be assertive, condescending, uncooperative, secretive, forceful, insistent and sometimes rude. Contractors can also sometimes act as public adjusters.

In this course students learn how to maintain control of the negotiation process while responding to a wide variety of behaviors with a focus on an acceptable outcome for the company and the customer.

In this course, students will learn:

- How to work together with contractors acting as public adjusters
- How to remain calm and professional at all times
- How to interact with contractors reporting the claim on behalf of the customer
- Three safeguard techniques to use when negotiating with public adjusters.
- Specific approaches to use with roof and siding replacement salesmen
- To avoid certain terms and phrases that hamper claim resolution
- How to gain the trust and confidence of the customer who may be convinced the contractor is “fighting for them”
- The right time to concede a point
- How to deal with unrealistic demands
- Methods of settling or denying claims presented by a contractor when there is no coverage
- How to avoid negotiation games others may try to play ■

For more information, please contact us at 504-393-4570.

**The Claims Negotiation Process is a five-step process of negotiation developed specifically for claims professionals and copyrighted © by International Insurance Institute, Inc. and outlined in: Negotiation Skills for the Claims Professional on-line video program offered at www.ClaimsEducationOnLine.com; Negotiation Skills for Claims in-person workshop offered through International Insurance Institute; and Negotiation Skills for the Claims Professional book available at www.Amazon.com and www.ClaimsProfessionalBooks.com.*

CLAIMS EDUCATION CONFERENCE COMBINES WITH THE SOCIETY OF CLAIM LAW ASSOCIATES CONFERENCE

For 2013 and beyond, the Claims Education Conference presented by International Insurance Institute, Inc. has joined forces with the Society of Claim Law Associates Conference presented by American Educational Institute, Inc.

For many years, the Claims Education Conference operated as a stand-alone conference offering soft skill training exclusively by the trainers at International Insurance Institute.

Since 1995, American Educational Institute has provided insightful technical and claims legal information to attendees of the annual SCLA Conference, which honors its new designees with a conferment ceremony.

In 2013, the SCLA Society and the Claims Education Conference decided to join forces at the very first combined, SLCA Claims Education Conference, Nov 7 – Nov 9, in Scottsdale, AZ.

Soft skill subjects presented by III trainers Carl Van, Dave Vanderpan and Teresa Headrick included:

- The Five-Step Negotiation Process for Claims
- One Size Fits One: Motivating Your Claims Team
- The Best Claims People: Analytical or Intuitive
- Negotiating with Attorneys: Preparing Your Strengths, Minimizing Your Weaknesses and Making Your Point
- Eight Tips to Improve Claims Correspondence
- Teaching and Coaching Skills for Sr. Adjusters, Supervisors and Managers

Technical and claims legal subjects presented by AEI guest speakers Erwin E. Adler, Esq., Michael A. Patterson, Esq., Michael M. Pollak, Esq., Matthew J. Sekits, Esq. included:

- The 10 Commandments for Avoiding Bad Faith Claims
- Handling Policy Limit Demands in Third Party Cases
- Do I Need a Lawyer? How Best to Use Coverage Counsel During an Open Claim Investigation
- The Top Ten Hotbeds of Litigation and How to Handle Them Without Getting Scorched ■

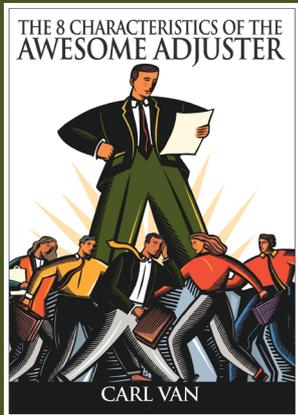
The 2014 SCLA Claims Education Conference will take place on the River Walk in San Antonio, Texas. The conference will occur November 6 - 8, 2014. www.sclasociety.org

CLAIMS PROFESSIONAL BOOKS

www.ClaimsProfessionalBooks.com

(A division of International Insurance Institute, Inc.)

International Insurance Institute offers a variety of publications that are sure to be an invaluable addition to any claims professional's tool box.



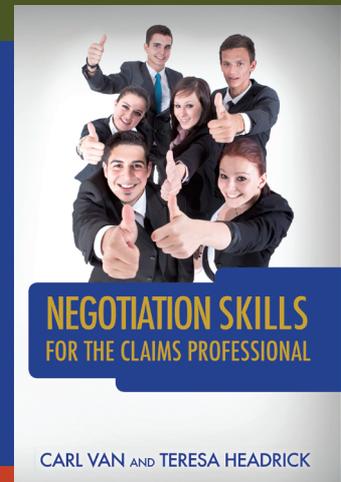
THE 8 CHARACTERISTICS OF THE AWESOME ADJUSTER

The #1 Selling Claims Book for the past 6 years, selling internationally throughout the United States, Canada, Guam, Singapore, France, Australia, England, Chile, Ireland, and 15 other countries.

Outlines the 8 Characteristics that make truly great claims people, and offers some practical advice on how to improve oneself. Written by Carl Van. (Hardcover \$39.95; Paperback \$29.95; Kindle \$9.99)

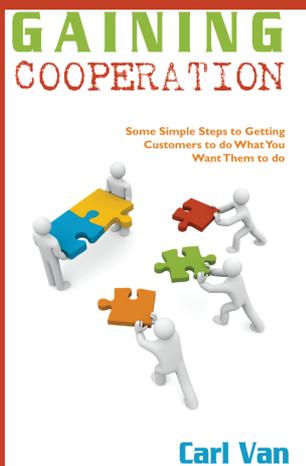
NEGOTIATION SKILLS FOR THE CLAIMS PROFESSIONAL

This is a straight forward, real-life approach to negotiations from the perspective of the claims professional. Short on complicated theory, and heavy on real-life situations, this book highlights many simple yet powerful approaches to negotiating with customers and even attorneys. Written by Carl Van and Teresa Headrick. (Paperback \$24.95; Kindle \$9.99)



GAINING COOPERATION:

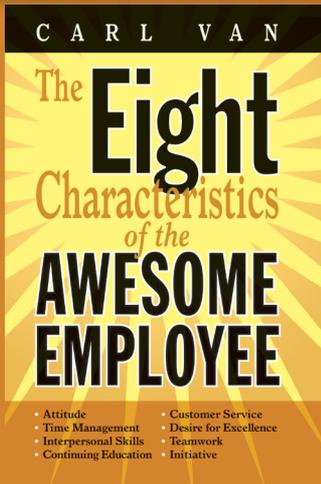
Some Simple Steps to Getting Customers to do What You Want Them to.



Sometimes customers don't cooperate because they are misinformed. Sometimes customers don't cooperate because they don't trust us. Sometimes customers don't cooperate because they received bad advice. Often the person who is trying to help the customer ends up either using the Cooperation Hammer ("If you don't do this, we can't help you") or just getting into an argument with the customer over the validity of their reasons for not cooperating.

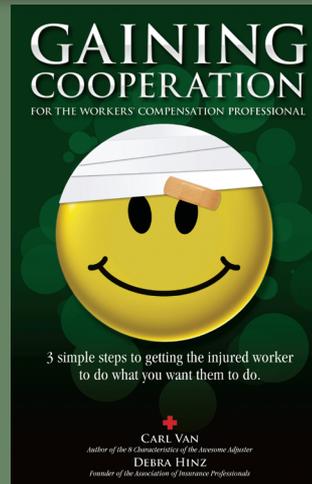
Gaining Cooperation provides some very simple yet powerful ways to gain cooperation from customers without threats or arguments. Three easy steps are outlined to getting customers to not only cooperate, but to agree it is the right thing to do. Written by Carl Van. (Paperback \$19.95; Kindle \$8.99)

BOOKS AVAILABLE FOR PURCHASE AT
www.InsuranceInstitute.com or www.ClaimsProfessionalBooks.com



THE EIGHT CHARACTERISTICS OF THE AWESOME EMPLOYEE

This book is an expanded version of The 8 Characteristics of the Awesome Adjuster. It is twice as long, includes more examples, and is written for the general public. It applies to employees at all levels. Released by Pelican Publishing Company, 2012. Available at www.ClaimsProfessionalBooks.com and www.pelicanpub.com (Hardcover \$24.95. Kindle version \$9.99)

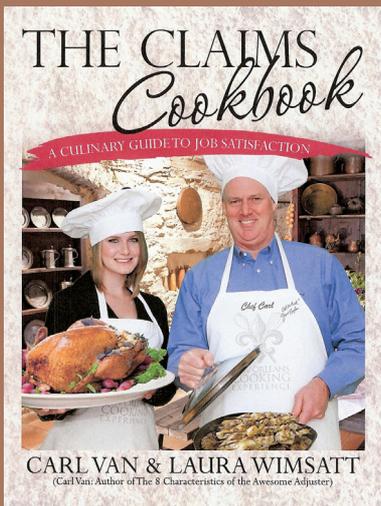


GAINING COOPERATION FOR WORKERS' COMP PROFESSIONALS:

3 Easy Steps to Getting Injured Workers to do What You Want Them to do

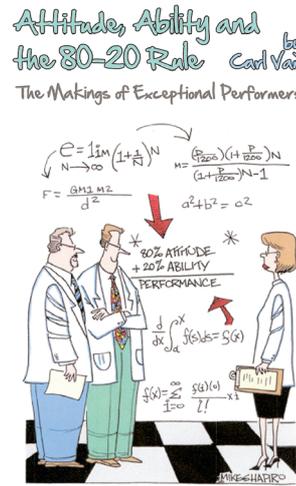
When asked to finish this sentence, "My job would be so much easier if the injured worker would just...." most Workers' Comp people say "Cooperate". Even simple things like filling out a form, answering some questions, or sending in information can be examples where injured workers don't want to cooperate.

Based on the principles developed in the original Gaining Cooperation, this book is specific to the Workers' Comp industry. All examples are real-life situations faced in the Workers' Comp business. Written by Debra Hinz and Carl Van. (Paperback \$19.95; Kindle \$8.99)



THE CLAIMS COOKBOOK: A Culinary Guide to Job Satisfaction

Yes, this is a real cookbook, but one with some dishes only claims professionals can appreciate. The SUB-Rogation sandwich, Chicken TORTellini, The DUI Daiquiri, Boston "Claim" Chowder, Claimant Crab Cakes, Attorney Red Beans and Lies, Delay Soufflé, So Sue Me Sushi and plenty of others. Written by Laura Wimsatt and Carl Van. (Hardcover \$39.95)



ATTITUDE, ABILITY AND THE 80/20 RULE: The Making of Exceptional Performers

Makes the case that the people's performance is 80% their attitude, and only 20% their actual job ability. Numerous examples illustrate that with the right attitude, anyone can be an exceptional performer. Written by Carl Van. (Paperback \$19.95; Kindle \$8.99)

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CLAIMS IS CUSTOMER SERVICE.

8 POWERFUL SKILLS TO
IMPROVE CLAIMS
CUSTOMER SERVICE
AND MAKE THE
CLAIMS JOB EASIER.



EXCEPTIONAL CLAIMS CUSTOMER SERVICE

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