

# The Certified Risk Architect®... The New Breed of Insurance Agent & Broker

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The Certified Risk Architect®, or CRA, is the new breed of insurance agent & broker – consultative, diagnostic, results-oriented and focused on managing and mitigating risks rather than selling insurance. The Certified Risk Architect® is viewed as a trusted business advisor not a vendor of product. The CRA's disciplined approach, planning process and service standards differ significantly from the traditional insurance agent or broker.

The Certified Risk Architect® is trained to begin each engagement with a blueprint focused on the identification, evaluation, and measurement of risk – a complete enterprise, diagnostic risk management checkup. The CRA uses an audit process to develop a clear understanding of his or her client's operations, exposures and risk profile. While the short-term objective is to evaluate risk, the long-term goal is to design and build programs to positively impact an organization's bottom line through the strategic elimination, reduction and/or shifting of risk.

To fully appreciate the Certified Risk Architect®, we must begin with an analysis of the traditional insurance agent and the pitfalls of his or her approach to business development and client service.

## The Problem: Commoditization

Through the eyes of the consumer, insurance agents and brokers are in a real hurry to sell a policy. Anything that comes between the initial meeting and closing the deal is viewed as an annoyance. Evaluating risk and educating the consumer is not their top priority. Their job is to

sell insurance. This short sighted strategy is contributing to a major problem for them, their agency and the industry – commoditization.

Commoditization occurs when the consumer perceives little or no distinguishable difference between products, services and resources. When this happens, price becomes the primary point of differentiation. The well intended insurance agent and broker is caught in the Commodity and Perception Traps.

Picture commoditization as a disease. It eats away at one's knowledge, wisdom and professionalism – his or her professional purpose for existence – to a number.

### **What Makes the CRA So Different?**

The evolution of the Certified Risk Architect® began with a research project conducted by Beyond Insurance. Our research determined that insurance agents and brokers have an “image problem” and need a makeover -- a fresh, clean look that is appealing to the consumer. The research of Beyond Insurance documented that the perception of the agent or broker has deteriorated in recent years. As an industry, we are seen as transactional not consultative or diagnostic.



The CRA professional designation is exclusive. It consists of a 10 month program to train and certify select industry professionals in the Beyond Insurance® process.

The three pillars of the CRA designation are innovation, leadership and education. The learning objectives include:

- Understanding one's natural approach to creative problem solving.
- Expanding one's understanding of HR, Safety and Risk Management Issues.
- Learning the Art of Exposure Identification & Risk Mitigation.
- Demonstrating a proficiency in researching a business and its industry.
- Understanding the importance of strategic planning.
- Learning how to avoid the commodity, perception and anxiety traps.
- Appreciating the importance of a consultative and diagnostic client acquisition process.
- Demonstrating methods to improve an organization's risk profile.
- Utilizing the CRA enterprise risk management process to gain “carrier leverage.”
- Understanding the importance of giving back to one's community and industry.

A top notch Faculty supports a curriculum which combines web based training, virtual classroom instruction and application in real world conditions. Each phase of the CRA Learning Plan is practical and hands on, not theoretical. The candidates are taught how to navigate the CRA Knowledge Center (consisting of a risk management and human resources library containing the latest news, white papers and resource tools).

The CRA Certification Board (consisting of “industry legends”) tracks each candidate’s progress with special focus on his or her ability to master the Art of Exposure Identification and Risk Mitigation – essential ingredients to gain Trusted Advisor status. Continuing education consists of an annual retreat through which participants share experiences related to innovation, leadership and education. Continuing education is taken quite seriously. Each year, the CRA is required to submit a work product giving evidence of strategies, systems, tools and/or scripts used to consult, diagnose and treat risks. The Certified Risk Architect® is also encouraged to give back to the industry and community.

### The Four-Step CRA Assessment Process is Outlined Below

#### **Step 1 – Identification of Risk Issues**

The Certified Risk Architect® evaluates and understands the critical facets of an organization - its industry, operations, culture, HR, safety and risk management programs, and training and orientation initiatives. The Certified Risk Architect® has been trained to understand his or her client’s business from the inside out.

#### **Step 2 - Methods to Handle Risk**

Because the Certified Risk Architect® has an in-depth knowledge about the consumer’s business and its industry, he or she is uniquely positioned to explore a spectrum of strategies pinpointed at minimizing the total cost of risk.



#### **Step 4 – Monitor the Results of the Risk Management Program**

The Certified Risk Architect knows that organizations are dynamic - what works today might not work as well tomorrow. Because of this, the CRA monitors the design of HR and risk management initiatives and the ongoing effectiveness of the insurance program design. This ensures that the organization’s assets receive the necessary protection as the business evolves and changes.

#### **Step 3 – Implement Programs**

During the implementation phase, the CRA builds tailored programs and strategies designed to protect an organization’s assets while minimizing premium outlay. After non-insurance methods have been implemented, it is time to reap rewards in the marketplace. Underwriters have great confidence in the Certified Risk Architect®’s approach.

### Through the Eyes of the Underwriter and Consumer

The Certified Risk Architect®’s diagnostic assessment process is taken seriously by the underwriting community. Because the CRA is improving its clients’ Risk Profiles (thereby reducing claim frequency and severity), he or she is able to negotiate exceptional insurance programs for its clientele. The Certified Risk Architect®’s comprehensive risk strategy

embodies the concepts of intimacy, intensity and integrity. The process greatly clarifies risk acceptance and pricing decisions and allows more flexibility in program design.

Consumers are ecstatic about the innovative strategies of the Certified Risk Architect®. For years, the consumer has wanted its agent or broker to “think outside the box” to earn Trusted Advisor Status. The Certified Risk Architect®’s passion to learn the business and its industry through a structured, consultative and diagnostic process allows the consumer to clearly differentiate the CRA from the traditional insurance agent or broker. The process benefits them in terms of lower premiums, better safety records, enhanced HR practices, improvement in employee morale, absenteeism and productivity. The Certified Risk Architect® is the new breed of insurance agent...designing and building foundations to positively impact organizations’ bottom lines.

#### About the Author

Scott Addis, CPCU, CRA, CBWA is the CEO of Beyond Insurance and is recognized as an industry leader having been named a Philadelphia finalist for *Inc. Magazine’s* “Entrepreneur of the Year” award as well as one of the “25 Most Innovative Agents in America.” Beyond Insurance is a consulting firm that offers leadership training, cultural transformation, and talent and tactical development for enlightened professionals who are looking to take their practice to the next level. Since 2007, the proven and repeatable processes of Beyond Insurance have transformed individuals and organizations as measured by enhanced organic growth, productivity, profitability, and value in the marketplace.