



Changing the Game... to Create Home Field Advantage

By: F. Scott Addis, CPCU, CRA, CBWA

Home Field Advantage (HFA). What is it? Have you experienced it? Do you have it?

The purpose of this article is to analyze the impact of home field advantage and suggest a formula to help you achieve HFA in your agency.

Before we get to the formula, let's review the results for the National Basketball Association (NBA), National Hockey League (NHL), Major League Baseball (MLB) and the National Football League (NFL). Based upon 5,134 games played for the last full completed seasons, the cumulative home record for these four sports was 2,865 wins (56%), 2,129 losses (41%) and 140 ties (3%). The winning percentage by sport was as follows: NBA = 59%, NHL = 55%, MLB = 55%, NFL = 53%.

Why? You may wish to consider the comments made by the Houston Astros' Morgan Ensberg in response to Major League Baseball's decision to open the roof of Minute Maid Park for game

three of the 2005 World Series between the Astros and the Chicago White Sox. The Astros management, which controlled the roof until the World Series, closed it for 66% of the team's home regular season and post season games. The closed environment produced crowd noise amongst the loudest in sports. Ensberg commented that MLB has "completely overstepped their bounds. They are taking away our home field advantage." The Astros were 40-11 (78% winning percentage) with the roof closed but only 15-11 (58% winning percentage) with the roof open. "It is our field and it works to our advantage with the loudness of the crowd."

In the award winning book Raving Fans, authors Ken Blanchard and Sheldon Bowles state that "Your customers are only satisfied because their expectations are so low and because no one else is doing better. Just having satisfied customers isn't good enough anymore." In sports, a succession of winning plays creates momentum. Momentum creates excitement. Excitement creates raving fans. Raving fans impact your bottom line.

In the insurance and risk management profession, home field advantage represents your ability to transact business under favorable conditions. Do you and your agency have HFA? To answer the question, please take the Home Field Advantage Agency Survey™.

		Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree
1.	My firm's reputation and brand differs significantly from other agents and brokers in our marketplace.					
2.	We have an active network of clients and centers of influence who create a steady flow of qualified referrals.					
3.	We have a cumulative new business "hit ratio" in excess of 80%.					
4.	My firm has a disciplined, results-oriented cross selling system.					
5.	My firm has a process in place to measure and benchmark customer appreciation and loyalty.					
6.	Our staff is enthusiastic and energized by our business model, systems and growth strategies.					
7.	Insurance carriers consistently give my firm preferred treatment as a result of their confidence in our business model, systems and growth strategies.					
8.	My firm has a disciplined, strategic, energized prospect research and qualification system.					
9.	We have outside competition on less than 5% of our key client renewals.					
10.	Our clients view us as Trusted Business Advisors rather than commodity driven salespersons.					
	Total checks for this column					
	X Total number of points	X5	X4	X3	X2	X1
	=Total points scored		+	+	+	+

	If you scored:	Then:
Do You Have HFA?	39 or below	Time Out. Huddle. Let's study your game plan and play selection
	40 to 44	You have a number of good plays. The customers like your game, but you can improve your winning percentage.
	45 and above	You have Home Field Advantage – a distinct competitive edge over others in your marketplace. Congratulations!

If your score is 39 or below, you are not alone. The winning percentage of most insurance agencies needs improvement. Many agents play without huddles or game plans, fumble the ball and are often penalized. Their producers are playing on an "away field" -- a field controlled by the incumbent agent and consumer. Those who block and tackle for the away field producer (i.e., sales manager, marketing staff and insurance carriers) are tired, battered and bruised. The away field producer:

1. Lacks a unique process to identify his or her clients' risk issues.
2. Lacks differentiation and creativity.
3. Cannot change the consumer's perception of his or her role.
4. Focuses on selling product.
5. Does not have criteria to pre-qualify new business opportunities.

The insurance and risk management game is tactical. It consists of offensive (business development) and defensive (customer intimacy) plays. It is essential that your play selection differs from your competition. Otherwise, you fall into the "Commodity Trap." The Commodity Trap is the result of the consumers' perception that there is no distinguishable difference between products, services and resources. When the marketplace sees little or no difference, price becomes the primary differentiator.

In *Raving Fans*, Blanchard and Bowles state "To be consistent you have to have systems. At the core element of every great customer service organization is a package of systems and a training program to inculcate those systems into the soul of the company."

The Winning Formula

After years of research, development and first-hand experience, I have developed a formula which will allow you to achieve home field advantage.

$$\begin{array}{c}
 \mathbf{P^5} \times \mathbf{I^3} + \mathbf{F^2} = \mathbf{Home\ Field\ Advantage} \\
 \begin{array}{l} \text{Process} \\ \text{Packaging} \\ \text{Positioning} \\ \text{Purpose} \\ \text{Passion} \end{array} \quad \begin{array}{l} \text{Issues} \\ \text{Implications} \\ \text{Interventions} \end{array} \quad \begin{array}{l} \text{Fanatical} \\ \text{Fans} \end{array}
 \end{array}$$


P¹ – Process

You must have a clearly defined value creation process that stands out from your competitors who are merely provide products or services. Products and services can easily be commoditized. Unique experiences cannot.

P² – Packaging

How appealing is your packaging? Is it different from those with whom you compete in your marketplace? Your package must leave a positive, appealing and permanent impression.

P³ – Positioning

Far too often, your well designed plays get lost in the shuffle. If this happens, your package is not properly positioned. The 90-day renewal cycle may not the optimum time to introduce differentiated, valued added services.

P⁴ – Purpose

Because most producers are focused on selling insurance, they tend to forget the true meaning of their work. Successful risk management advisors see their work as worthwhile with a purpose far beyond the sale of product and services.

P⁵ – Passion

Management consultants spend considerable time trying to figure out what makes people successful. Research indicates that passion makes the difference. John Maxwell, author of *The 21 Indispensable Qualities of a Leader*, uncovered the following four truths about passion:

1. Passion is the first step to achievement.
2. Passion increases your will power.
3. Passion changes you.
4. Passion makes the impossible possible.

I¹ – Issues

The fundamental flaw of the 90-day insurance blitz is that it is focused on the sale of a commodity. It is not a thoughtful, meticulous, diagnostic system aimed at uncovering the “issues” facing a business. It is essential that your Unique Process (P¹) and Package (P²) reveal unrecognized risk issues to deliver unanticipated solutions.

I² – Implications

After uncovering issues, it is now time to communicate the implications of these issues from a human, cultural, operational and/or financial perspective. In other words, how will mitigating risk improve bottom line performance?

I³ – Interventions

After your customers understand I¹ (Issues) and I² (Implications), they will enthusiastically partner with you to explore risk management interventions.

RF – Raving Fans

Through the utilization of P⁵ x I³, clients, carriers and centers of influence will be on their feet cheering for you. The noise will be deafening. They love your game!

HFA

In achieving Home Field Advantage, you will gain a sense of clarity, simplicity, purpose and passion. You will also fuel your firm’s organic growth and accelerate agency value.

Change the Game... Create Home Field Advantage!

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.