



BUILDING MEMBERSHIP FROM UNTAPPED MARKETS

A Toolkit for Diversity in IIABA State Associations

One Vision



"Remember, remember always, that all of us...are descended from immigrants and revolutionists."

—Franklin Delano Roosevelt, 1938

"This is America:...a brilliant diversity spread like stars, like a thousand points of light in a broad and peaceful sky."

—George H.W. Bush, 1988



Two presidents, two parties, two ends of a century, one vision: That the greatness of America—indeed, the very soul of America—is derived from the myriad colors, languages and cultures of its people. That the wealth of our nation is built upon the contributions of *all* our citizens, each unique and original.

So, too, is our vision of the Independent Insurance Agents & Brokers of America, as an organization of insurance professionals of all races, creeds, colors and ethnicities. An entity advanced by leaders of different experiences and dreams. An association elevated and strengthened by the rich diversity of its members.

With this booklet, we hope to accelerate the realization of that vision, for the benefit of all our members.

Bob Rusbuldt
CEO, IIABA

Joe Hernandez
Chair, IIABA Diversity Task Force

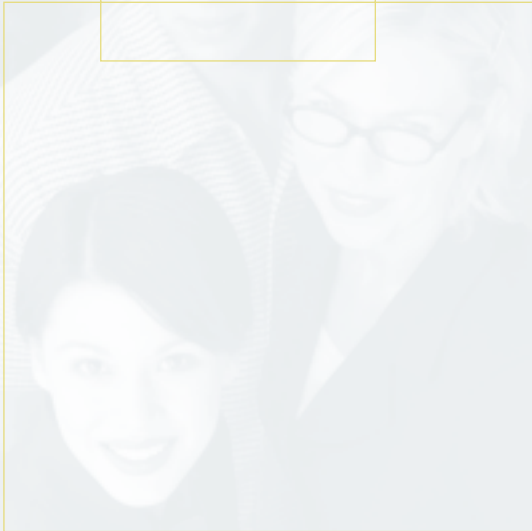
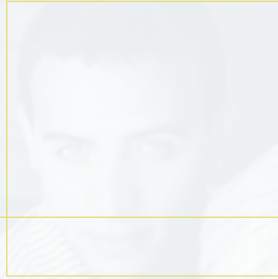
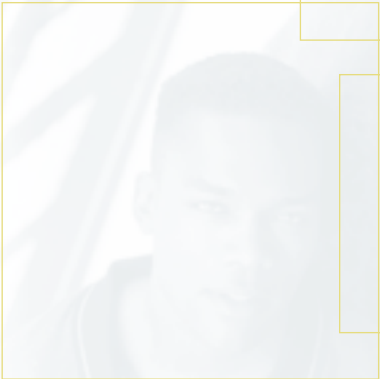
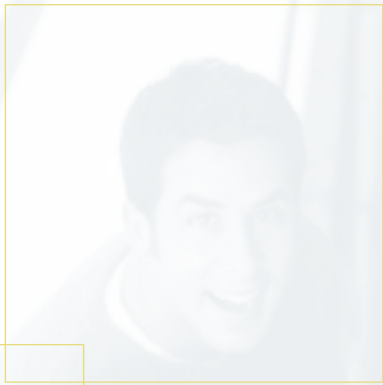




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Introduction

At the heart of any successful association is a thriving membership. With a large, growing and active base of members, organizations can reach extraordinary heights and achieve remarkable goals. But membership is not measured in numbers alone. It is evaluated in terms of the quality, the activity and, increasingly, the diversity of those members. A robust association is one that reflects an array of experiences, perspectives and expertise. It is one that draws individuals from various walks of life, united by the association's focus.



The Independent Insurance Agents & Brokers of America (IIABA) values the enhancement of our member base and the development of a more culturally diverse environment throughout our organization. By establishing an ethos of inclusion, we believe that all that we do will be made better and that all our members will be better served.

What do we mean, exactly, by *diversity*? The scope of that term—and such phrases as *emerging markets* or *inclusion*—varies from one organization to another. For many, any discussion of diversity must focus on all segments of the population that are outside the traditional membership profile. They may focus not just on race and ethnicity, but also on gender, age, religion, physical disabilities, education, socio-economic background, even political affiliations. For the purposes of this project, we are discussing emerging markets as those consisting of individuals of varying races, ethnicities and cultures. It is not our intention to imply that the other areas of interest are not valid or important; quite simply, this demographic segment offers the largest and most accessible area of growth for the Big “I” family at this time.



“ You have to integrate the business of *diversity* into the business of the *business*. ”

—Gayle Brock, American Society of Association Executives

So, this booklet is about marketing to minorities then, right? Well, attracting underrepresented agents to the fold certainly is one aspect of this discussion. But the ideal is much richer. For an association to be truly diverse, for it to benefit fully from the inclusion of many perspectives, its efforts must pervade every aspect of the organization and its activities must serve to reflect the breadth of its membership.

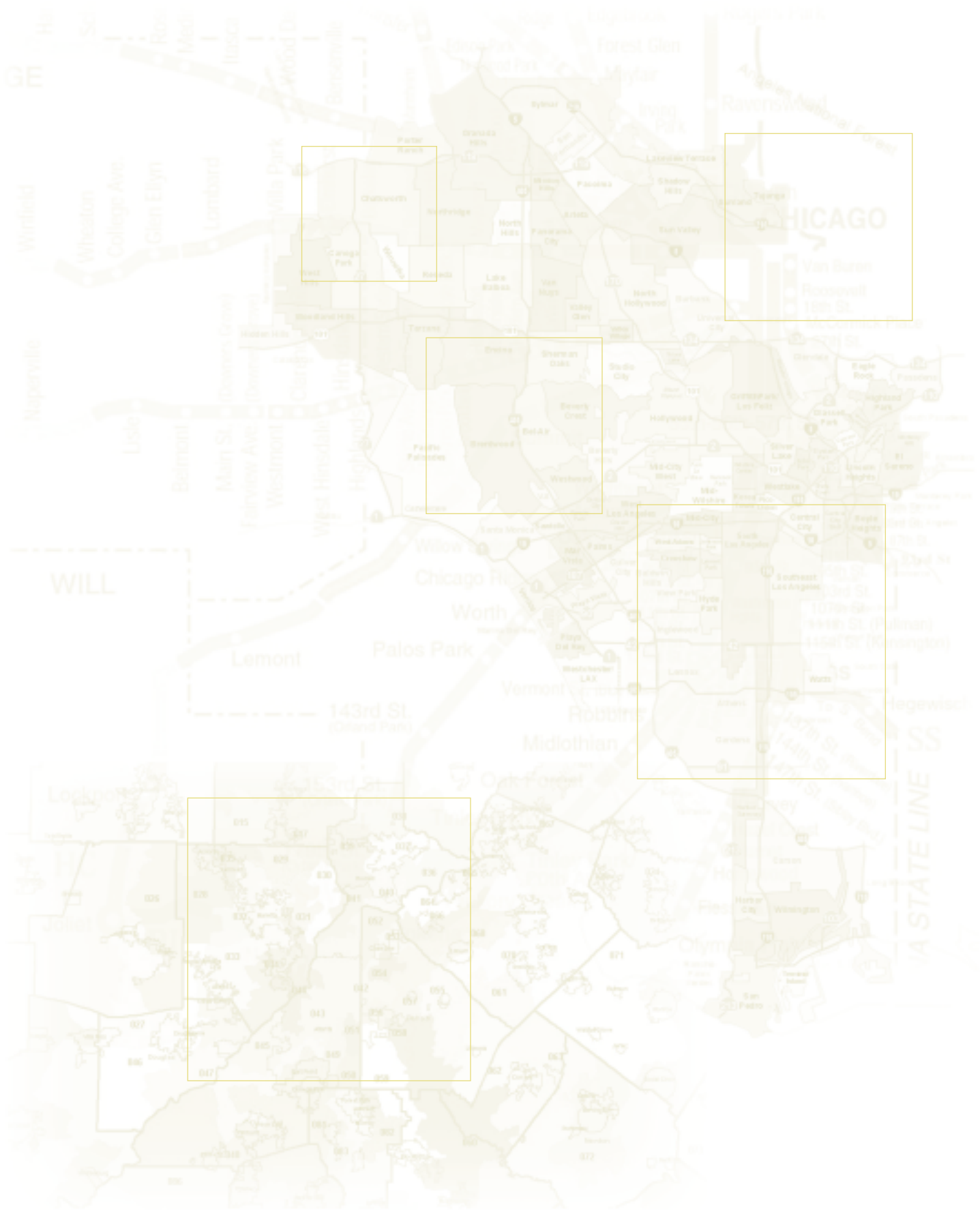


“You have to integrate the business of *diversity* into the business of the *business*,” says Gayle Brock, chair of the Diversity Committee at the American Society of Association Executives (ASAE) and a 30-year veteran of organizational diversity efforts, citing an oft-quoted adage of the field. “It must be implicit in the organization’s mission.”

To that end, this toolkit will attempt to explore a variety of areas within your association and identify some ways for you to insert a broader perspective to those activities. This is not, by any means, an exhaustive guide to diversity, but simply a primer that will enable Big “I” state associations to begin an important and worthwhile journey.

Indeed, this is but the first tool in what we hope will be an ongoing effort for the Big “I.” We encourage your feedback on this guide, so that we may improve the resources we offer you. Contact Barbara Miller-Richards at (800) 221-7917 or Barbara.Miller-Richards@iiaba.net with your thoughts, questions and concerns.







CHAPTER 1



THE BUSINESS CASE FOR INCLUSION



The Business Case for Inclusion

We know you've got quite a lot on your plate already. You're busy lobbying your state legislature, promoting Trusted Choice®, raising money for the PAC, selling E&O, running a convention.... You don't need another thing on your to-do list. But you also are savvy enough to realize that a more diversified membership and leadership in your organization will facilitate your efforts in all those areas and more.

The reality is that the demographic make-up of our nation is changing dramatically, and our association would be wise to take advantage of those changes.



Let's start with some facts: According to the 2000 Census, one quarter of the U.S. population define their race as something other than White: Blacks/African-Americans make up 12.3% of the nation's population; Asians, 3.6%; American Indians/Alaska Natives, 0.9%; Native Hawaiians/Other Pacific Islanders, 0.1%; and those of two or more races, 2.4%. And by 2050, it is expected that only 50% of the population of the U.S. will be White.

Furthermore, among all races there are significant trends in the growth of non-Western European ethnic groups. When the U.S. Census asked respondents to name their ethnic ancestry, fully one-third checked "Other"—meaning their ethnicity was not one of the 27 most common heritages, such as German, Irish, English, Italian and Polish. Inherent in many of these "other" ethnicities are languages and religions, traditions and taboos wholly unfamiliar to many of us.

The most significant of these growing ethnic populations are Hispanics or Latinos, a cultural designation that crosses all races. This group currently makes up 12.5% of the U.S. population—35.3 million people—and is expected to increase by 1.7 million a year. Indeed, Hispanics accounted for 40% of the population growth in the U.S. between the 1990 and 2000 censuses. And by 2025, the U.S. is expected to have a larger Spanish-speaking population than Spain, and second only to Mexico.

One quarter of the U.S. population define their race as something other than white.

Even more interesting is how these emerging groups are affecting the economy: According to the Selig Center for Economic Growth at the University of Georgia, people of color make up 18% of U.S. buying power, and their affluence is growing. During the 1990s, says Selig, the growth of spending among African-Americans was 81%, far outpacing White consumers, and it is expected to grow another 33% over the next five years. Latino purchasing power is already estimated at nearly \$630 billion. And with a median household income \$10,000 higher than Whites, Asian buying power increased 124% over the past decade.

Of course, you might assume that such changes are not pervasive in your state. But the reality is that the influx and growth of non-White American populations is having an impact everywhere, not just in traditional immigrant hubs such as New York City, Chicago, Miami or Los Angeles. To wit: The state that had the greatest percentage growth in Hispanics between the 1990 and 2000 censuses was *Arkansas*.

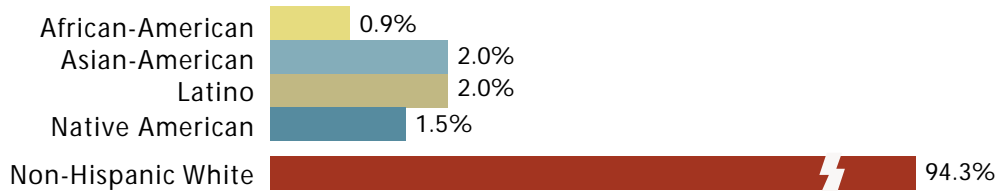
So, what does this have to do with you? A lot, actually. Most of those non-White communities have non-White independent insurance agents—and most of those agents do not belong to your association.

Unfortunately, there is no accurate count of minority licensed agents in the U.S. The most recent IIABA Agency Universe Study indicates that 5.7% of the nation's 39,000 agencies have at least one minority principal. Another 2.5% have non-principal managers who are minorities, 9.6% with non-principal producers of color and 20.3% with CSRs of color. (For charts, see page 8.) Yet, despite the increased presence of people of color in the Independent Agency System, a quick glance around any Big "I" state or national meeting indicates that those minority professionals are not participating in our organization.

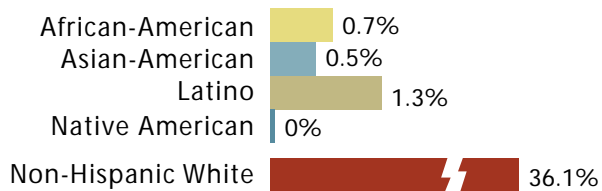


Percentage of Agencies with at Least One Staff Member in Each Position by Ethnic Group

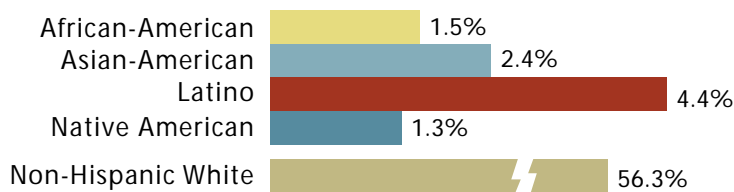
Principals



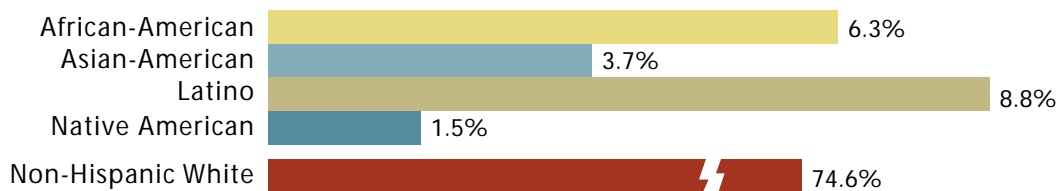
Non-Principal Agency Managers



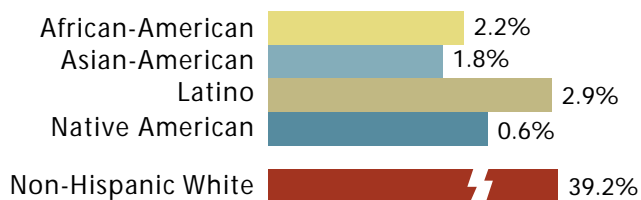
Non-Principal Producers



CSRs



Other Staff



Note: Not all agencies have these positions, thus some totals don't add up to 100%.

— Future One Agency Universe Study, 2004

Why should you care? Because attracting these potential members makes smart business sense and will help you achieve more in every facet of your association:

Dues-paying members. With many state association rolls dwindling due to mergers and acquisitions, it is imperative that associations recruit and retain new members.

Non-dues revenue. Directly and indirectly, new members generate additional non-dues revenues for your association: more E&O premiums, CE students and attendance for your meetings and conventions, and more purchasers for your other products and services.

Communications. An increase in members translates into more readers for your publication, as well as visitors for your Web site. If you have advertisers for either or both of these communications vehicles, media buyers will be willing to pay more for the larger and more culturally representative membership base.

Children to be more diverse

Today's children have far greater diversity in their peer group than do all adult age groups, according to an April 2004 report on www.focusondiversity.com, which uses data from the 2000 Census. According to the article:

- For Americans 70 and older, there are seven White people to every person of color.
- For Americans 60 to 69, the ratio of White people to a person of color is five to one.
- For Americans 40 to 49, the ratio is four to one.
- For Americans 30 to 39, the ratio is three to one.
- For Americans 20 to 29, the ratio is two and a half to one.
- For Americans 10 to 19, the ratio is two to one.
- For Americans in infancy to nine years old, there are three White children for every two of color.



2000 Census

Geographic Area	Total	White alone	Black/African-American Alone (All types)	Hispanic or Latino	American Indian/Alaska Native alone	Asian alone	Native Hawaiian/Pacific Islander	Two or more Races
United States	250,910,888	197,326,272	35,593,148	39,898,889	2,180,318	11,673,494	390,630	3,747,026
Alabama	4,411,557	3,132,341	1,182,380	89,195	21,246	37,358	1,249	36,983
Alaska	618,898	435,819	23,411	29,920	100,728	26,763	3,334	28,843
Arizona	4,030,922	3,423,954	163,619	1,549,889	261,047	109,163	6,764	66,375
Arkansas	2,625,336	2,115,300	437,507	100,378	17,182	24,007	1,794	29,546
California	23,308,366	16,042,869	2,249,669	12,176,087	183,946	4,041,883	114,628	675,371
Colorado	3,703,216	3,314,357	174,526	847,472	30,218	113,031	4,556	66,528
Connecticut	3,131,491	2,667,318	317,655	351,881	7,718	100,229	1,223	37,348
Delaware	774,348	586,817	155,146	43,143	2,402	20,279	291	9,413
Dist. of Columbia	511,037	159,922	325,340	53,289	1,235	17,362	268	6,910
Florida	13,858,781	10,739,480	2,581,047	3,160,287	46,347	317,281	8,489	166,137
Georgia	8,143,592	5,367,934	2,465,914	541,123	19,471	208,052	3,933	78,288
Hawaii	1,162,576	288,729	27,700	95,032	2,659	517,301	109,857	216,330
Idaho	1,247,266	1,192,240	6,124	119,066	17,038	14,078	1,379	16,407
Illinois	10,926,722	8,415,341	1,878,885	1,726,822	19,689	492,996	3,612	116,199
Indiana	5,953,125	5,282,870	521,157	242,518	14,312	72,418	1,859	60,509
Iowa	2,851,591	2,706,947	64,450	92,471	8,617	46,154	1,105	24,318
Kansas	2,511,007	2,232,983	157,502	212,500	22,350	56,038	1,379	40,755
Kentucky	4,045,922	3,652,787	308,685	71,905	8,394	36,871	1,557	37,628
Louisiana	4,379,074	2,787,691	1,469,866	117,260	24,240	62,968	1,250	33,059
Maine	1,295,179	1,258,219	7,681	10,549	7,037	10,833	416	10,993
Maryland	5,246,558	3,390,323	1,523,756	262,351	14,155	245,103	2,269	70,952
Massachusetts	5,955,072	5,225,452	366,849	478,350	12,495	282,221	2,517	65,538
Michigan	9,722,646	7,890,248	1,428,633	357,339	53,238	214,711	2,592	133,224
Minnesota	4,894,434	4,413,391	194,105	164,941	54,127	166,514	2,056	64,241
Mississippi	2,837,840	1,727,602	1,059,162	43,441	11,964	22,039	674	16,399
Missouri	5,573,556	4,749,862	653,970	130,928	23,578	74,743	3,436	67,967
Montana	897,913	817,609	3,230	19,708	58,069	5,386	510	13,109
Nebraska	1,632,377	1,502,084	70,889	106,914	14,250	27,446	811	16,897
Nevada	1,749,778	1,423,866	144,460	491,376	24,926	102,162	8,715	45,649
New Hampshire	1,264,286	1,219,606	10,312	23,401	2,904	20,199	399	10,866
New Jersey	7,383,930	5,575,983	1,152,701	1,254,466	12,602	557,695	2,781	82,168
New Mexico	1,064,554	818,386	32,886	810,060	170,980	21,361	1,132	19,809
New York	16,057,929	11,612,533	2,956,065	3,132,186	58,189	1,221,964	7,265	201,913
North Carolina	7,940,544	5,809,699	1,812,331	466,704	100,894	139,879	3,811	73,930
North Dakota	625,402	578,889	5,120	8,435	30,701	4,502	265	5,925
Ohio	11,203,351	9,567,713	1,316,801	232,447	22,619	163,667	2,824	129,727
Oklahoma	3,311,784	2,575,163	270,210	199,748	271,497	56,631	2,534	135,749
Oregon	3,233,235	2,930,219	58,388	326,361	41,290	119,651	8,590	75,097
Pennsylvania	11,941,956	10,329,739	1,232,976	423,499	16,445	260,002	3,155	99,639
Rhode Island	973,504	876,545	50,607	102,660	4,534	28,538	583	12,697
South Carolina	4,032,935	2,706,345	1,236,548	114,217	13,503	43,296	1,558	31,685
South Dakota	752,636	668,913	6,193	11,673	63,048	5,569	258	8,655
Tennessee	5,695,748	4,588,011	970,478	146,000	14,643	69,130	2,183	51,303
Texas	14,561,640	11,169,231	2,462,746	7,556,869	73,006	655,713	12,555	188,389
Utah	2,118,042	1,981,992	18,973	233,425	29,107	43,414	16,798	27,758
Vermont	613,237	594,654	3,474	5,870	2,306	6,374	144	6,285
Virginia	6,991,474	5,110,864	1,448,682	394,856	19,750	306,402	3,885	101,891
Washington	5,623,246	4,779,227	204,006	508,199	89,303	363,857	25,058	161,795
West Virginia	1,797,839	1,709,069	58,662	12,515	3,452	11,581	415	14,660
Wisconsin	5,257,045	4,735,887	317,549	215,254	46,140	105,569	1,613	50,287
Wyoming	467,190	443,345	4,223	34,052	10,734	3,133	300	5,455

— U.S. Census, 2000

Hispanics accounted for 40% of the population growth in the U.S. between 1990 and 2000.

Legislative influence. Having an association that better reflects the diverse reality of your state will impress state and national legislators, who are keenly aware of the importance of reaching all segments of the population. Also, with PAC's increasing influence in Washington and in your state house, having new prospects to solicit is key. And when it is time to unleash your grassroots on a particular issue, you'll want as many agents as possible sending letters, faxes and e-mails to lawmakers.

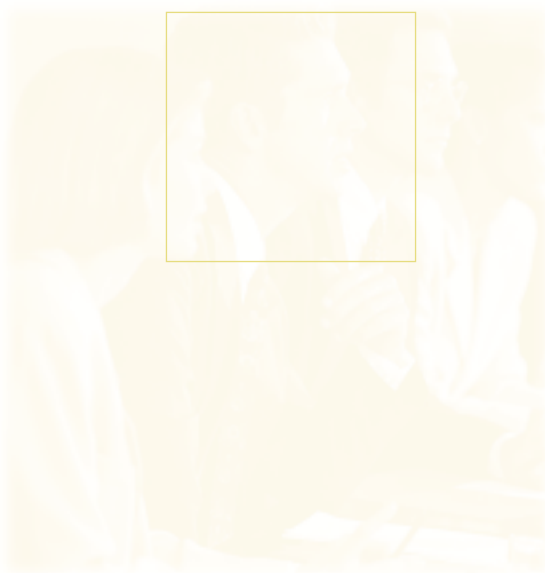
Company support. Insurance carriers are a critical part of every state's funding, whether it is for specific programs, conference/convention sponsorships or advertising. In that many of these companies have made diversity a core corporate value, their support will be more forthcoming if you too are taking a multicultural approach.

Media influence. News media outlets—newspapers, TV stations, radio programs, magazines, even Web sites—are conscious of the need to produce news reports that appeal to multiple demographics. And that means including men and women of every race, creed and color in their broadcasts and articles. By creating an association that is multicultural, you are increasing the likelihood that the media will use your association or one of your members in their reporting.

Superior performance. Diversity is just smart management. According to a 1999 survey by the American Management Association and the Business & Professional Women's Foundation, senior management teams that have a blend of genders, ethnic backgrounds and ages consistently perform better than their non-diverse peers.

In short, creating a diverse environment in your organization will reap direct rewards on multiple levels and enhance your association's standing with many of your stakeholders. But an important point remains: That this effort in no way detracts from the value of your existing, traditional membership. These agents are your cornerstone, your foundation, and their value is enormous.





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West Virginia1,797,8391,709,06958,66212,5153,45211,58141514,660
 Wisconsin5,257,0454,735,867317,548215,25446,140105,5691,61350,287

BOARDROOM

CHAPTER 2



GETTING STARTED



Getting Started

Once you have decided to take this journey towards inclusiveness, it is important to start off on the right foot. Many such efforts fail because of a lack of proper planning and preparation at the outset. To best accomplish your goals, your diversity initiative should take the following actions:

Establish leadership on the issue.

It is not enough for the state executive and state president to think it's important to pursue untapped populations; the majority of your executive committee, board, staff and committee structure must be convinced of the value of this endeavor. Why? Because such a program touches every aspect of your organization and will influence all that you do.



“The number-one factor in success [for a diversity effort] is leadership from the top,” insists Gayle Brock, chair of the Diversity Committee at ASAE.

Start by making an informal presentation to volunteer leaders during your next meeting. (A PowerPoint® presentation is enclosed that can facilitate that session.) Explain the business case for the effort. Emphasize the practical and real-world implications of recruiting a more diverse membership, rather than it being “the right thing to do.” Brock recommends drafting a written statement of support from an organization’s top executive—in this case, the state executive, state president or state national director—as a way of immediately giving weight to the initiative.

“ The number-one factor in success [for a diversity effort] is leadership from the top.”

—Gayle Brock, *American Society of Association Executives*

Establish a standing Emerging Markets Committee. Much like your Young Agents Committee, your Emerging Markets Committee will have the ongoing responsibility of bringing new talent into the organization, integrating those individuals into the mainstream and honing their skills for leadership positions. (It may even make sense to merge the two committees, making the goal of diversity broader than merely race and ethnicity.) Consider appointing some company representatives as well as agents to the committee, especially from carriers that already have diversity focuses themselves; their experience may be very helpful in your own endeavors.

The committee should be provided a reasonable budget; a good benchmark is to make that amount similar to your state's Young Agents Committee budget. Assign a staff liaison to do the legwork and a chairperson who can motivate volunteers and get the initiative off the ground. You don't want to hamstring the initiative with insufficient resources, human or financial.

Consider diversity training. Most organizations undertaking a diversity effort can benefit from the guidance of a professional trainer, who can help you facilitate change. "Any company undergoing this journey needs the training," says Brock. For more information about diversity training, see the sidebar on page 16.

Draft diversity language. Review your association's mission statement, vision, strategic plan and/or business plan, and you may consider adding language that reflects your commitment to diversity, such as:

Our association welcomes all industry professionals, regardless of race, ethnicity, gender, religion or nationality for membership and leadership in our organization. In an effort to actively promote this multicultural environment, we charge the Emerging Markets Committee with creating concrete and practical ways of translating this ideal into activities in all areas of our association.



What You Need to Know About Diversity Training

Do you need diversity training?

Organizations sometimes are reluctant to undergo an exercise they deem to be unnecessary or merely “politically correct.” But most diversity professionals insist that proper training is vital to the success of any diversity endeavor, especially for those in leadership positions.

What does training offer?

Ideally, training provides far more than just an understanding of demographic shifts and tips on sensitivity; it delivers the tools for making real change in your organization. A professional training program, for example, might offer instruction on creating inclusive teams, fostering better communications, understanding cultural difference or effectively dealing with change-resistant individuals.



Mauricio Velasquez, president of Diversity Training Group, discusses the “next generation” of training in a recent online article, “Why Diversity Training Must Change” (www.diversitydtg.com). According to Velasquez, old-school training was “in your face” and focused on “blame and shame.” The newer model of training, he says, is non-confrontational, customized (rather than off-the-shelf) and practical, giving participants valuable skills to use when they return to the workplace.

How do I choose the right trainer?

Experts recommend selecting a trainer carefully, as diversity consulting is an unregulated industry, with no certifications or licensing exams. And, they agree, a “bad” trainer can do more damage than no training at all.

“You should do your due diligence, check references,” says Gayle Brock, chair of the Diversity Committee for the American Society of Association Executives (ASAE). “Ask [former clients], ‘What was it like in your organization before training? Do you feel the training was effective?’”

In an article titled “Screening Diversity Trainers,” Velasquez goes a few steps further: He recommends that organizations look also at sample training materials and request a mini-workshop from each prospective training firm. “Make the trainer dance and ask many questions,” he says. “For example, how do you deal with hecklers, resisters, or blockers? How do you secure ‘buy-in’ and organization-wide support and commitment?... What have you learned from past experiences? What mistakes will we avoid as an organization in hiring you?”

A list of consultants/trainers is in the Appendix of this book.

“ The most successful global companies have reframed the conversation about diversity from it being an obstacle to overcome to it being a business tool for a business gain.”

—Patricia Digh, RealWork

Benchmark. Before you can determine your organization’s future, you must understand fully where you are now. To that end, your Emerging Markets Committee should begin by analyzing the current racial/ethnic make-up of your organization’s current membership as well as that of your state. This will give you a sense of how representative your association is and how it could be made more so.

But don’t stop there. Ask your staff and committee chairs to evaluate their areas of responsibility in terms of inclusiveness and identify opportunities for improvement. Later in this booklet we will explore various aspects of your organization’s activities, which should give you ideas for creating a more inclusive environment.

Set specific and reasonable goals. Sift through the various opportunities identified by your team and determine some reasonable short- and long-term goals. For example, do you want to grow your Hispanic membership 10% in the next three years? Or maybe you want to better groom your African-American members for leadership positions? Make your convention more appealing to existing minority members? You will have several goals; list them all.

Draw up a plan. In the chapters that follow, we will provide guidelines and suggestions for creating a diverse environment in the key areas of your Big “I” state association. Based on your goals and resources, draft a plan that defines specific tactics, timelines, budgets and responsible parties—and then hold those parties to it. Remember the saying: “What gets measured gets done.”

Keep in mind that your plan for diversity should not be a standalone effort. For inclusion to be truly realized in your organization, it must become a part of your daily thinking, a constant element of all that you do. Says Patricia Digh, principal of RealWork, a Washington, D.C.-based diversity firm: “The most successful global companies have reframed the conversation about diversity from it being an obstacle to overcome to it being a business tool for a business gain.”

ASAE'S Diversity Program

The American Society of Association Executives' (ASAE) diversity effort pervades every aspect of the organization. The Diversity Committee started by drafting new wording for the association's bylaws:

"ASAE will promote involvement and expand access to leadership opportunity regardless of race, ethnicity, gender, religion, age, sexual orientation, nationality, disability, appearance, geographic location, or professional level...."

"In an effort to make diversity an integral part of the fabric of the society, ASAE has charged the Diversity Committee with investigating ways for diversity awareness and diversity activities to be integrated throughout all ASAE activities."

Then the committee implemented diversity efforts in 12 broad areas:

1. *Governance and volunteer structure.* Selling the business case for diversity and institutionalizing diversity through the organizational planning process.
2. *Executive management.* Setting the stage for a diversity orientation among volunteer leaders, members, and staff and providing role models for diversity in professional and personal settings.
3. *Human resources.* Hiring, promoting, training, mentoring and managing a diverse staff.
4. *Government relations.* Setting advocacy policy to reflect the interests of diverse members and constituents.
5. *Communication/publications.* Reinforcing the core value of diversity through media outlets.
6. *Marketing.* Integrating diversity into the marketing planning process.
7. *Membership.* Conducting campaigns and broadening membership benefits and services to address the needs of diverse audiences.
8. *Meetings and education.* Selecting venues that are accessible, attractive, and hospitable to diverse groups.
9. *Chapter relations.* Preparing diversity role models for chapters seeking to develop diversity programs.
10. *Legal.* Complying with, providing training on, and publicizing open standards on discrimination, harassment, and sexual-orientation issues and incorporating a formal grievance procedure.
11. *Planning.* Incorporating diversity strategies into the organization's mission, goals, objectives, and action plans.
12. *Finance and administration.* Providing funding for diversity initiatives.



CHAPTER 3



RECRUITING AND RETENTION

Recruiting and Retention

For most state associations, the first set of goals for their Emerging Markets Committee will be to attract underrepresented agents as new members, retain them for the long-term and groom them as volunteer leaders. Depending on your state's racial makeup, you may be targeting more than one community, and depending on the resources available to you, you may have to take them one at a time.

Establish a list of prospects.

Determine if there already exists any list of agents by ethnicity or race within your state. In all likelihood, there is not, or it is incomplete, so be prepared to construct one yourselves. IIABA is in the process of creating a national database, and that will be made available to state associations as soon as it is complete. In the meantime, here are some places to start:



- *Other business organizations that cater to a specific ethnic or racial group.* Many of these are city-, county- or state-specific, such as the Oregon Native American Chamber of Commerce or the African-American Chamber of Commerce of Montgomery County, Maryland. Others are national in scope and membership, such as the U.S. Pan-Asian American Chamber of Commerce and the U.S. Hispanic Chamber of Commerce. In some cases you may be able to pull member lists directly from the organization's Web site, while others may require that you join the group or sponsor something to gain access to its member rolls. Some of these organizations offer meet-and-greet events that may be worth attending. A list of such organizations can be found on page 32.
- *Your state's Department of Insurance.* No state department of insurance that we know of documents race or ethnicity in its database of agents, but their list of licensed agents still may be helpful. (Note: There typically is a charge for these lists, which can run from a few hundred to a few thousand dollars.) You can cross-check the names of agents with other lists, such as the ZIP codes of those areas with high concentrations of minorities or a member list from one of the ethnic chambers mentioned above. (Go to www.census.gov for data.) While this sifting does not guarantee the race or ethnicity of a particular agent, it certainly narrows the field to a more manageable size.

Ask prospects what has prevented them from joining thus far—and then *listen*.

- **Insurance companies.** Another possible source for the names of minority agents are the insurance carriers that are committed to diversity. Many insurers already have dedicated diversity programs and may be willing to share information with your state association.

Understand why they are not already members. There are any number of reasons why agents outside of the traditional profile have not been drawn to the Big “I” organization.

- **Welcome mat.** Entering an existing organization can be intimidating, as existing members can appear “chummy” and cool to outsiders. It may take some effort to change that perception.
- **Return on investment.** Many minority agencies are small in size, so the cost of membership can be an issue if the value of that membership is not promoted. Miami agent Paul Barrios was in that camp. Though he had worked with members of IIABA’s Diversity Task Force on some initiatives, he had not seen the value of membership in the Big “I.” Upon finally joining, he found that the savings on his E&O premiums more than covered his dues.
- **What’s that?** Frankly, the Big “I” is not on everyone’s radar, including many minority agents. So, if the state association is not directly marketing to minority agents, and they have no friends or colleagues already in the association, they simply may not be familiar with your organization and its offerings.

But rather than guess, ask your target audience. Hold an informal luncheon with non-member agents, or conduct a focus group or survey. Find out what minority agents think about your association, both before they join and after. Ask prospects what has prevented them from joining thus far, what they know about your organization and what business needs are most pressing for them. “And then *listen*,” says Brock.



Sample Membership Letter

The recruiting letter you send to minority agents can be the same one you traditionally use or something more tailored to that specific audience. Here's a sample "tailored" letter:

Dear Mr. Bentley:

It is my pleasure to invite you to join the Independent Insurance Agents & Brokers of _____, the oldest and most respected agent association in the state. As a member of IIAB_, you will join 2,000 other insurance professionals in enjoying a host of benefits that will enable you and your business to flourish:

Errors & omissions insurance. Offered through GE Insurance Solutions, our professional liability program offers exceptional coverage and excellent pricing.

Networking. Our state and national events provide many opportunities for you to meet fellow agents, important company contacts and vendors that will help grow your agency.

Markets. Big "I" Markets is an online specialty markets program available to all IIAB_ members.

Continuing education. You will have access to state and national education programs that will keep you and your staff informed and professional, including Virtual University, our online educational forum.

Legislative support. The Big "I" is known for its outstanding lobbying efforts, both on the state and national level, all of which protect and support your business interests.

Trusted Choice®. As a member of the Big "I," you are eligible to join Trusted Choice®, the national branding program that promotes our member agents on national television.

And so much more! Visit www.yourwebsitehere.com to learn even more about our association and how it could benefit your agency.

IIAB_ is actively recruiting new agents so that we can enjoy a more robust membership and leadership, and we hope that you will consider joining us. Simply complete the enclosed application and submit it with copies of your agent/broker licenses.

I will call you next week to follow up. In the meantime, please feel free to contact me at (800) 555-5555 or joe.smith@yourwebsitehere.com if you have any questions.

Sincerely,

Joe Smith
Executive Vice President

Establish strategies. Once you have created your list of prospective agents and understand some of the obstacles that have kept them away, establish the recruiting and retention strategies and tactics that will be most time- and cost-effective. Realize upfront that pursuit of these agents may require more hands-on tactics than you generally use for member recruitment for the reasons listed above. Some tactics to consider:

- *Personal direct mail.* A mass mailing can be very effective in giving prospects an overview of your association's member benefits. You probably can use the standard materials you typically send to prospects, but also include a personal letter from you or your president that highlights your focus on diversity. (A sample letter is on page 22.)
- *Hit the road.* Don't wait for minority agents to show up at your regularly scheduled meetings; go to them. Based on the geographic locations in your state that you have designated as rich in minority-agent prospects, host a breakfast, lunch or cocktail reception in those areas, specifically for those agents. Use the event to expose these agents to all the Big "I" has to offer. Have current members (minority or White) on-site to help create enthusiasm, answer questions and make these agents feel welcome.
- *Agent outreach.* Sometimes people need more than an invitation in the mail to persuade them to attend an event. Have current members within the targeted area call individual agents and invite them personally to a meeting. Have those agents offer to pick them up and drive over together. Why such hand-holding? Because it can make it a lot easier to walk into a new environment if you walk in with an existing member of the club.

Offer a "guide." Don't assume that minority agents need professional mentoring, but it can be helpful to offer institutional guidance to *any* new member. Consider offering each new member (minority or not) an agent to shepherd them through the association's structure and encourage their involvement in activities, committees and events through the first few months of membership. "This really helps them assimilate into the association," says Joe Hernandez, chair of IIABA's Diversity Task Force.

Groom future leaders. For your organization to realize the full benefit of a multicultural membership, you'll want to encourage qualified minority agents to pursue leadership positions in your state association, including your executive committee and the national board. Consider adapting the leadership-development tools cur-



rently used by your Young Agents Committee, or ask your Young Agents and Diversity committees to coordinate their efforts. By grooming future leaders of diverse backgrounds, you will achieve a number of positive goals:

- Being in a leadership spot will further marry any agent to your association, and minority agents are no exception.
- Having minority agents in your leadership structure will give you a fresh perspective on a host of issues.
- Minority leaders will attract even more non-traditional members, enhancing your diversity efforts.
- Minority leaders offer a multicultural representation of your association for the media and lawmakers, both of whom value diversity.

Of course, the question will arise: Won't encouraging leadership among your minority members penalize equally qualified White candidates? It is, of course, a fine line, and no one is looking to discriminate. But if your association has decided that all members ultimately will benefit from participation by agents of varying experiences, then it makes perfect sense to provide a leadership track for those agents from varying backgrounds. To do this, consider the following activities:

- *Committee involvement.* Ask the minority agent(s) to serve on a committee or task force, so that they become more experienced with the organizational structure and leadership culture of your state association. As it does with all agent volunteers, this also gives you a chance to more thoroughly evaluate the agent's qualifications for higher office.
- *Speaker training.* This should probably be a standard program for all prospective leaders in your organization, regardless of race or ethnicity, as it enables agents to better articulate the organization's positions on a host of issues.
- *Mentoring.* Use your organization's past presidents to mentor all your up-and-comers, including minority agents, so as to give them a smoother entrée to leadership.

Finally, understand that the entire process of attracting and retaining these minority agents—and making them a valued part of your association—is not going to happen quickly. “This doesn't happen overnight,” says Brock. “People want instant success, but relationships take time.”



CHAPTER 4



ENHANCING DIVERSITY THROUGHOUT

Enhancing Diversity Throughout

Let's assume you are successful in your efforts to attract nontraditional members to your association. If these agents are going to see real value in their membership—and renew it next year and the years to follow—your organization will have to ensure that a commitment to multiculturalism pervades all that you do. While that may sound daunting, there actually are many simple and straightforward ways to create a more diverse environment without incurring great expense or creating significant work for your employees or volunteer leadership.



Start with staff. If your intent is to broaden the range of individuals within your organization, it would be wise to have those perspectives reflected at the staff level. You don't have to replace or add to the staff you have, just make sure they understand the goals and philosophy behind this diversity effort. They should use the spheres of influence and resources available to them to better understand the cultures you are trying to reach. It all comes down to empathy and ease of doing business.

When you *do* have to hire a new employee, consider nontraditional recruitment sources to make sure you are reaching the widest pool of qualified candidates.

Communications, media and marketing. Your organization's communications, both with members and the outside world, tell a lot about your commitment to a multicultural environment. So, conduct an audit of all these vehicles—your state's magazine or newsletter, Web site, convention program guide, broadcast e-mails and public relations efforts—with diversity in mind. Look at the “face” of your organization, internally and externally, and decide if it sufficiently reflects the many ethnic heritages in your state. Consider, for example:

- *Spokespeople.* When your organization has the opportunity to speak with a group or the media, do you select spokespersons of varying ethnic backgrounds, or is it consistently White? By offering up individuals who more accurately reflect your state's ethnic mix, you enhance your reputation with reporters, who are very aware of their audience. If you currently do not have people of color speaking for your organiza-

tion, consider conducting a media training of a group of minority agents who you know to be articulate and interested in media relations. Given the enormous power of the foreign-language press, at least some of those agents should speak fluently a language other than English. Your current staff and volunteer leadership, regardless of color, should be fluent in the issues facing minority consumers and business owners.

- **Media outlets.** If your public relations efforts are limited to mainstream press, consider expanding your outreach to include ethnic publications and the foreign-language print and broadcast media.
- **Images.** When using photographs to illustrate text in a publication, think about the racial mix you include. You do not have to match exactly your state's racial mix at every turn, but there should be consistent thought given to the faces that appear in your communications vehicles. To ensure your ability to include people of color, be sure to take photographs at any of the ethnic recruiting events discussed in Chapter 2. For more generic photos, in situations where you are not specifically showing agent members, consider using culturally representative stock shots, many of which are available for a nominal cost online.
- **Content.** It is not enough to simply appear committed to diversity; the content of your publications, marketing materials and Web site should communicate clearly your

Big "I" offers AIAO program

In response to feedback from small, minority agents who were struggling to get company appointments, IIABA's Diversity Task Force developed the Associate in Insurance

Agency Operations (AIAO) program. The AIAO course provides independent agencies the tools and strategies necessary to be more attractive business partners to top national and regional agency carriers and to position themselves for long-term growth and success. The AIAO program consists of eight days of instruction—two three-day sessions and one two-day session during a 12-month period—and follows a specially developed curriculum taught by subject experts in the areas of strategic planning, sales training and superior customer service.

For more information about AIAO, contact Barbara Miller-Richards at (800) 221-7917 or Barbara.Miller-Richards@iiaba.net.



organization's emphasis on multiculturalism. That means running articles that quote sources of various ethnic backgrounds and focusing on issues that are of interest to minority communities. It probably is worthwhile to have a representative or two from your Emerging Markets Committee advise your editorial advisory board or communications staff.

Suppliers and vendors. An important element of many companies' diversity efforts is the use of suppliers that have minority management or share their diversity philosophy. Such a commitment to inclusion can be important to members and potential members of your organization.

Products and services. It may be that the products and services you currently offer your members meet the needs of your minority agents—but they may not. So ask about their business needs, determine if they are different from other members and consider adding or changing your offerings accordingly. Then evaluate your marketing efforts to these groups and determine if those efforts need to be tailored for that market.

Government affairs. Evaluate your association's legislative agenda in terms of its relevance to the ethnic groups you are trying to reach. While most agents are concerned with the same legislative and regulatory matters, there may be additional issues of concern to an ethnic community about which your association should at least be informed. It may even be worth coordinating lobbying efforts with ethnic-based organizations.

50 top companies

Each year, the editors of *DiversityInc.* magazine compile a survey of the 50 best companies in terms of diversity efforts. In 2004, 10 of those firms were from the financial services world:

- Citigroup, #2
- Allstate Insurance Co., #19
- JPMorgan Chase, #21
- Wells Fargo & Co., #22
- Bank of America, #23
- HSBC Bank of USA, #24
- Prudential, #27
- Safeco, #36
- American Express Co., #44
- Wachovia Corp., # 48

Done right, a diversity program isn't a program at all, but simply the way you do business each day.

Meetings, conventions and education. Meetings and conventions are among your association's most visible member offerings, so you want to be sure that all your members (and potential members) are made welcome when planning these events. Some things to think about:

- *Education.* In your discussions with your target audiences, find out their educational and business needs so you can more specifically address those concerns in your educational offerings.
- *Speakers.* Try to provide diversity in your selection of speakers and infuse messages from the podium with your association's commitment to diversity.
- *Special events.* Host a diversity luncheon or other special session that specifically appeals to your multicultural audience.
- *Scheduling.* You probably wouldn't plan a meeting on Christmas Day, so you should consider other days of religious or cultural significance in your scheduling, as well, such as Kwanzaa, Dia de los Muertos, Eid, Hanukah or Soya Luna, to name a few. If you must schedule your meeting on a major ethnic or religious holiday, find a respectful or festive way of honoring that tradition at the event itself, whether through a mention in a presidential address, as a theme of the opening reception, etc. Visit www.diversityatwork.com for a complete calendar of ethnic and religious holidays.
- *Food and drink.* Virtually every culture and religion has dietary customs as well as taboos, such as Jews and Muslims not eating pork and Mormons abstaining from alcohol. When planning your conference meals, consider carefully the restrictions of all your guests, and be sure to offer appropriate selections. And also welcome your minority attendees by sometimes offering cuisine that is celebrated in their culture.
- *Invocation.* Although a great majority of Big "I" members currently are Christian, a growing number are not. If you choose to have an invocation, ask the speaker to be as ecumenical as possible in his or her address.
- *Entertainment.* While you would never hire entertainment that was obviously hurtful or disrespectful to any attendees, it is worth considering whether your line-up is something that really appeals to people of all heritages.

Final Thoughts

This clearly is not an exhaustive list. As you and your Emerging Markets Committee evaluate your own organization, and as you bring more and new members into your association, other opportunities will surface. Most important, remember that diversity

should be systemic and ongoing. Done right, a diversity program isn't a program at all, but simply the way you do business each day. In pursuing a culture of diversity, your organization will undergo changes great and small, and hopefully be made better by them. With an effective diversity effort in place, your state association should be rewarded with a larger, richer membership; more revenue opportunities; overall superior performance; and more influence with media, legislators and companies. Few activities offer such great returns for so modest an investment.

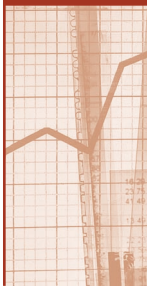




APPENDIX



RESOURCES



Resources

Please note that IIABA and its Diversity Task Force do not endorse, implicitly or explicitly, these organizations. They are referenced here to provide you with additional information, contacts or guidance in your diversity efforts.

African-American Organizations:

- Atlanta Association of Insurance Professionals, www.aaip1988.org
- National African-American Insurance Assoc., www.naaia.org
- National Black Chamber of Commerce, www.nationalbcc.org
- National Association of the Advancement of Colored People, www.naacp.org

American Indian Organizations:

- American Indian Chamber of Commerce of Oklahoma, www.aicco.org
- National Center for American Indian Enterprise Development, www.ncaied.org
- National Congress of American Indians, www.ncai.org
- Native American Finance Officers Assoc. (NAFOA), www.nafoa.org
- Native American Rights Fund, www.narf.org
- Oregon Native American Chamber of Commerce, www.onacc.org

Asian Organizations:

- Chinese American Insurance Association, 4160 Main Street, #303, Flushing, NY 11354
- Chinese American Insurance Professional Association, www.caipa.com
- Chinese Finance Association, www.aimhi.com/VC/tcfa/
- Japanese American Citizens League (JAACL), www.jacl.org
- Korea-America Finance Association, www.members.tripod.com/~kafa/
- Korean American Insurance Association, 3616 Union Street 2nd Floor, Flushing, NY 11354
- LA Japanese Casualty, 99 S Lake Ave., Pasadena, CA 91101
- National Association of Asian American Professionals, www.naaap.org
- Southern California Chinese Insurance Association, 2525 North Decatur Blvd, #10 Las Vegas, NV 89108
- U.S. Pan-Asian American Chamber of Commerce, www.uspaacc.com

Diversity Consulting/Training:

- Barnes, O'Neale & Associates, www.barnesoneale.net
- Berkshire Associates, www.berkshire-aap.com
- Cook Ross, www.cookross.com
- Dialogue on Diversity, www.dialogueondiversity.com
- Diversity Training Group, www.diversitydtg.com
- Global Lead Management Consulting, www.globallead.com
- Griggs Productions, www.griggs.com

- Holland & Knight, www.hklaw.com
- Jane Elliott, www.janeelliott.com
- Lambert & Associates, www.lambert-diversity.com
- Novations/J. Howard & Associates, www.jhoward.com
- Orlando-Ward & Associates, www.orlandoward.com
- RealWork, www.realwork.com
- The Winters Group, www.wintersgroup.com
- Tulin DiversiTeam Associates, www.diversiteam.com

General Diversity Organizations:

- Diversity at Work, www.diversityatwork.com
- Diversity Best Practices, www.diversitybestpractices.com
- Diversity Inc., www.diversityinc.com
- Executive Leadership Council & Foundation, www.elcinfo.com
- Minority Business Development Agency, www.mbda.gov
- Minority Business Enterprise Legal Defense and Education Fund, www.mbeldef.org
- Minority Professional Network, www.minorityprofessionalnetwork.com
- Multicultural Advantage Accounting & Finance Online Networking Group, www.multiculturaladvantage.com
- National Minority Business Council, www.nmbc.org
- New American Alliance, www.naaonline.org
- State of California Department of General Services Office of Small and Minority Business, www.osmb.dgs.ca.gov
- United States Chamber of Commerce, www.uschamber.org
- United States Small Business Administration, www.sba.gov/managing/special/minorities.html

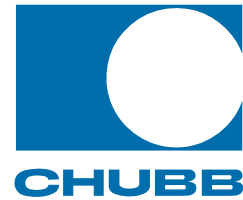
Hispanic Organizations:

- Association of Latino Professionals in Finance & Accounting, www.alpfa.org
- Hispanic Business News, www.hispanicbusiness.com
- Latin American Association of Insurance Agents, www.laaia.com
- Minority Experts Database, <http://mati.eas.asu.edu:8421/lynx/hed>
- National Council of La Raza, www.nclr.org
- U.S. Hispanic Chamber of Commerce, www.usfcc.com

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Thank you to the following companies who actively partner with the IIABA's Diversity Task Force:



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