

## **Strategic Future Issues/Changing Nature of Risk**

### **Breakout Session Notes**

***ACT Meeting March 23, 2017 – Nashville, TN***

**Overview & Background:** Chairs from ACT's Strategic Future Issues ('SFI') and Changing Nature of Risk ('CNoR') work groups – Rick Morgan, Steve Anderson, and Jerry Fox – led a group breakout with attendees of the March 23 ACT Meeting. The goal of the breakout was to get insights as to the key areas on which these two work groups need to provide resources. A Facebook Live recording of this session can be found [HERE](#).

On a biennial basis, the ACT SFI work group creates and updates a '[Hard Trends](#)' document, which is meant to detail the top technology trends that will impact our distribution channel – things like Mobile first, the Connected Society, Cyber, Business Intelligence, and others.

However, the SFI work group realized that creating a Hard Trends document every other year isn't nearly rapid enough. One of the directions from the SFI group was then to create the Changing Nature of Risk work group. This group very quickly began creating '[Risk Advisories](#)'. These Advisories took specific trends like the Internet of Things, 3D Printing, Drones, Telematics, Smart Homes, Blockchain, and many others. The Advisories are 2-3 pages in length, and:

- Define the topic (What *IS* it?)
  - Detail the global, insurance and economic implications
  - Resource to more information
  - Recommended Actions to be taken by carriers, vendors, and agents
- On behalf of the Changing Nature of Risk work group, Jerry, Steve & Rick looked for input from the attendees on ways to make sure their Risk Advisories are as **effective** as possible so that they are used and positively impact the direction of our distribution channel.
    - One response from the attendees is that the technology behind these trends is the easy part, but the coverages are more difficult to identify and address. The CNoR work group will focus on creating advice on this aspect to the greatest extent possible.
    - Another suggestion is that the information needs to get to different levels of decision-makers at companies, vendors and agencies – Underwriters, technology groups, sales, C-level leadership. So we need to use the greatest amount of channels possible to communicate – ACT, IIABA channels, social, carrier partner communications, TrustedChoice.com, and ensure they are getting to the right people at each company. Also use existing platform tools such as Reference Connect, as many groups, carriers, others use these tools internally with groups such as Underwriting. ACT will need to ensure we look across the potential vendor/platform offerings. Other suggestions are IRMI and Rough Notes.
    - Suggested that as much as possibly, explain WHY the subject is relevant. This will lead to more engagement.
    - Suggested that once per quarter have an ACT News eNewsletter edition focused only on Risk Advisories.
    - We also are working with the more broad topics – such as Internet of Things (IoT) – to keep a broad overview, as well as possibly split these topics into sub-sections as they make sense.
  - The SFI work group now wants to identify the top 3-5 topics that the CNoR work group have created Risk Advisories from, and determine the 'must do' actions needed to take by ACT and the industry. This could be creation of a new ACT work group, renewing/redirecting an existing group

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Attendees then used PollEverywhere mobile software to vote on the top areas that the SFI work group on which to focus. They are in descending order of amount of votes:

- 1) Cyber Liability
- 2) Smart Homes & Buildings
- 3) Drones
- 4) The Sharing Economy
- 5) 3D Printing
- 6) Artificial Intelligence / AI
- 7) Work from Home / Virtual Employee Base
- 8) Peer to Peer / P2P
- 9) Bitcoin / Cryptocurrency
- 10) Telematics

#### **NEXT STEPS for the ACT Strategic Future Issues & Changing Nature of Risk work groups:**

- The Chairs of the both work groups will meet to review the breakout takeaways.
- Both full Work Groups will then meet to review this information and agree upon specific tactics we move into addressing the top 'must dos' for SFI, and the suggested ways to improve effectiveness of the 'Risk Advisories' for the Changing Nature of Risk work group.

Interested in joining either one of these work groups? Simply send an email to [Ron.Berg@iiaba.net](mailto:Ron.Berg@iiaba.net)

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