Data and statistics show that agencies with gender diversity are performing better, growing more. Is it time to take a look at who — and how — we are inviting people into the insurance industry to **grow our talent pools**?
**Marsh, Berry & Company, Inc. is honored to be the investment banking firm that brokered the transactions that brought these 24 agencies and one networking organization together to form Alera Group, as funded by Genstar Capital.**

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<td>Alera Group</td>
<td>HAS ACQUIRED A&amp;B Insurance and Financial, Inc., AB Capital Group, LLC, Insurance Exchange, LLC, &amp; Smart Choice Health Plans, LLC dba Florida Health Team, LLC</td>
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1. Marsh, Berry & Company, Inc. was financial adviser to the participating selling organizations. These organizations were acquired by Alera Group effective December 30, 2016.
OCTOBER SPOTLIGHT

Women in the Insurance Industry

Gender and inclusion in the workplace continues to be a hot topic in mainstream media even after the 2016 presidential election. As a result, Marsh, Berry & Company, Inc. ("MarshBerry") has a heightened awareness for clients’ desire to better understand gender employment practices in the insurance industry.

Women have frequented customer service roles in insurance in the past, but more women are joining the insurance salesforce and leadership teams of the future. In our experience, many of the country's best insurance agencies continue to strategize how to attract, develop, and advance female talent in the hopes of increasing gender equality in their workforce.

MARSHBERRY’S TALENT ACQUISITION TEAM CONTINUES TO RECEIVE INCREASED REQUESTS FOR GENDER STATISTICS.

How many women are in producer roles as opposed to servicing? Are women selling Property & Casualty, Employee Benefits, or Personal Lines Products?

The rising interest in this information has not necessarily changed MarshBerry’s recruitment practices as we have always strived to find the best person to fill open producer roles regardless of gender. Yet, only 10.5% of MarshBerry Talent Acquisition 2017 producer hires to-date are female. While recruiters are noticing an increase of interested saleswomen who feel insurance can provide a fulfilling and lucrative career, the proportions in the producer role are still far from equal.

Beyond the data, insurance leaders continue to perfect their execution of not only hiring women, but also positioning them for long-term success to help ensure the focus on gender employment practices isn't simply a hot topic that may eventually fizzle out.

We are seeing that many of MarshBerry’s clients have learned that businesswomen thrive under team-oriented and collaborative work environments, and women insurance leaders have challenged themselves to push the status quo to remain innovative with upcoming insurance trends. Therefore, this MarshBerry Counterpoint issue highlights some of the many successes of women in the insurance industry.
Look around the board room. Who’s sitting at the table during the producer staff meeting? Who is applying for jobs in service? Sales? Now more than ever, we believe it’s important to evaluate the people who make-up our talent pool — because growth, success, and perpetuation are driven by the individuals in your firm.

by Sarah Lucas, Vice President

616.723.8375 | Sarah.Lucas@MarshBerry.com
We know from studies that the insurance industry is not drawing in applicants like other industries that seem more attractive and interesting from the outside (technology, for example).

We have addressed the importance of looking beyond the industry to find people who would be successful producers. Hire for talent, teach the skills. But how closely are we focused on the gender make-up of our organizations?

Have you ever looked around the table and thought, “We could really use a few more women leaders to sound off on this issue.”

The reality is that many insurance agencies are mostly male run, and producers are predominantly men. Why? Are we missing an opportunity to show women opportunities in the insurance industry? As a culture, we talk about diversity and equality. But how evident is that in the workforce in general?

Actually, the roles women play in the workforce are still rooted in traditional ideas of what women do for work. According to a 2015 U.S. Bureau of Labor Statistics Report, the top three most common occupations for women were elementary and middle school teacher, registered nurse, and secretary/administrative assistant.

What about insurance?

Certainly, women are blazing career paths in our industry and supporting our businesses with their talent and skills. However, we found that where women are working within insurance firms is a reflection of the 2015 U.S. Bureau of Labor Statistics Report. According to MarshBerry’s proprietary financial management system, Perspectives for High Performance (PHP), 83% of insurance agency support roles are led by women — and 85% of service roles are fulfilled by female employees. As for producers, just 21% of those positions are held by women, and only 14% of executives in the insurance industry are female.

The percentage of women in executive and production roles is constant regardless of the agency size. For example, according to PHP, in firms of less than $5 million in revenue, 13.3% of executives are women; and in agencies $20 million and larger, 12.2% of executive roles are held by female leaders. Based on these statistics alone, we believe there is vast opportunity to expand the insurance industry talent pool by reaching the female audience. This parallels the importance of tapping prospects who are from outside of the industry and have traits that would help make them successful in a producer or support role at an agency.

The point is: In our experience, many individuals, men and women, don’t realize the opportunity in insurance. And women especially are underrepresented. So, how could we benefit as organizations by bridging that gender gap — and what would that take for an organization to accomplish successfully?

**INDUSTRY AVERAGE GENDER DIVERSITY BY FUNCTION**

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<thead>
<tr>
<th>Function</th>
<th>Men</th>
<th>Women</th>
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<tr>
<td>Support</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Service</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td>Production</td>
<td>14%</td>
<td>86%</td>
</tr>
<tr>
<td>Executive</td>
<td>21%</td>
<td>79%</td>
</tr>
<tr>
<td>Owner*</td>
<td>13%</td>
<td>87%</td>
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*Owners are also included/counted in each category (e.g. Executive, Production). Source: MarshBerry’s proprietary financial management system Perspective for High Performance (PHP). Data as of 7/18/17.
Women at Work

Sheryl Sandberg’s book *Lean In* initiated a groundswell of conversation surrounding women in the workplace.

In the book and related talks, Sandberg shares how women are held back — and how women hold themselves back. Her stories focus on what women can do. According to studies like the one from the European Commission in 2012, *Women in Economic Decision Making in the EU*, companies with a gender-diverse board do significantly better than their competition, with a 42% higher return in sales, 66% greater return on invested capital and 53% higher return on equity.

**NUMBERS TALK.**

Europe is asking its companies to *Lean In*, with proposed legislation adopted by the European Commission that calls for filling 40% of board seats with women by 2020. What does it look like — feel like — to have a gender-diverse board? What could this mean for a company in terms of competitive advantage, and the ability to attract talent?

First, we know that men and women are different. In general, women think differently, communicate differently — they bring different strengths to the workplace that, together, create a strong and cohesive team. What are those traits exactly?

**LET’S GET SPECIFIC.**

The *Athena Doctrine: How Women (and the Men Who Think Like Them) Will Rule the Future* Researchers John Gerzema and Michael D’Antonio surveyed 32,000 people across the globe asking them to categorize 125 human traits as typically masculine, feminine or neutral. Respondents labeled male traits as: dominant, strong, leader, confident, competent. Traits thought to be feminine were: committed, creative, intuitive, supportive, good listener, cooperative, encouraging and nurturing among others.

What *The Athena Doctrine’s* studies also note is the difference between how men and women communicate. Men tend to be assertive and dominating. Women, on the other hand, lean toward an expressive, tentative and polite style that is relationship-focused. Ultimately, when all of these traits — a range of leadership styles — are included in work environment, we have seen there is a greater diversity of ideas and perspectives. Female-inclusive companies where women hold leadership roles perform better based on many studies, including MarshBerry’s PHP database. Women are growing businesses.

**Diversifying Our Agencies**

The insurance industry is not unlike other traditionally male dominated occupations that have an opportunity to include more women in all roles, and particularly in leadership roles.

Take the financial services industry. In a 2016 analysis by Harvard Business Review of disclosures made by 50 American financial services companies, women occupied 20% of executive committee roles and 22% of board positions. Just 12% of chief executive officers of large U.S. financial firms were women, the analysis showed. These statistics are very similar to what we found among insurance agencies.

**What can firms do to bridge the gender gap? How can we expand our talent pools and include more women in roles where their traits and talents can better the organization as a whole? Here are some starting points:**

1. **Assess and nurture talent.**

How are you evaluating existing talent and finding opportunities to elevate individuals’ strengths through training or mentorship? Take a look at the company organizational chart. Where is your firm lacking? Who is filling the seats? What are each individual’s strengths and weaknesses? Based on job descriptions, what traits are needed to fill roles in your agency? These tools can change a conversation and empower staff. For example, a woman who is in a service role and shows an aptitude at building relationships and loyalty with clients could be successful as a producer. This lends confidence that she can pursue a different role.

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Continued on Page 6
LINE ROLE BREAKDOWN BY GENDER AND FUNCTION

Line and staff organization are management concepts that originated in the military. Line roles directly advance the agency's core operations — for example, production or service functions — or have profit-and-loss responsibilities, such as the Chief Financial Officer (CFO). Staff roles support the agency in achieving its business goals, and commonly provide advisory oversight — such as human resources, accounting or IT.

A 2016 *Women in the Workplace* study conducted by LeanIn.Org and McKinsey & Company found that at senior levels, women shift from line to staff roles. Now, that’s not to say that a line role is inherently “better” than a staff one — staff roles are essential in achieving organizational objectives. However, it does mean that fewer women end up on the path of becoming a Chief Executive Officer (CEO), as most CEOs come from line roles.

We analyzed data from MarshBerry’s proprietary financial management system, *Perspectives for High Performance*, to research the average distribution of women and men in line roles within the insurance industry (compared to staff roles). In the average agency, most individual contributors — employees who typically work on a team and carry out tasks but do not have management responsibilities — are line employees, with men having a 9 percentage point lead compared to women. These rates are consistent across agencies of different revenue sizes. By the time women reach a department manager or director role, the gap continues to widen, with 41% of women being in a line role, compared to 55% of men.

Women in middle management roles at agencies with less than $5 million in revenue are the least likely (22%) to be in a line role. The rate of women in line roles rises as agencies increase in size — 54% of women in middle management roles at agencies with more than $20 million in revenue are in line positions. In contrast, 45% of men in middle management roles at agencies with less than $5 million in revenue are in a line role. This rate also increases with agency size, maxing out at 70% of men in middle management line roles in agencies with over $20 million in revenue.

On average, men in executive management are nearly exclusively in line roles, compared to just 42% of women. Women in executive management in agencies between $5 to $10 million, and $10 to $20 million in revenue have the highest rate of line roles, at 43% and 47%, respectively. This percentage was lower for both agencies with less than $5 million in revenue (39%) and greater than $20 million (38%).

The percentage of men in executive line roles is consistent regardless of agency.

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3. “Average” is the average of all agencies in MarshBerry’s proprietary database, *Perspectives for High Performance*.
WHO’S SITTING AT THE TABLE?

Continued from Page 4

We believe there are many ways that talent assessments can work to benefit every person in the organization, including showing women how their traits align with job responsibilities.

2 Start career mapping.
Have open conversations with all employees at all levels about where they see their future in the business. What are their goals? What roles does the company offer that might align with their vision — and how does their performance position them for career growth. Career mapping should include mentorship to guide people on a path. That’s the execution part of the exercise. These sit-downs are important for gaining insight from everyone on your team — making sure each individual is heard so they realize their participation in the agency matters. It’s also a stage for discussing career opportunities.

3 Innovative recruiting.
Re-think the old way of hiring producers. Consider key traits and skills required to succeed in these roles, including relationship-building, and seek to expand your talent pool to see more diverse candidates.

4 Supportive leadership.
The tone starts at the top, and an inclusive leadership team shows men and women in the organization the value of gender diversity. Leadership should be focused on growing all talent, recognizing how diverse ideas and perspectives can result in business growth and a competitive advantage.

We Want To Hear From You!
What is your organization doing to diversify the gender make-up of your staff — and to recruit fresh talent, in general? How does more diverse leadership impact the way you do business? Tell us what you think.

MarshBerry Launches
AGENCY IN FOCUS Initiative

Do you have an exciting success story, witnessing exceptional growth or wanting to highlight your culture to the insurance industry?

We want to hear from you!
Every month MarshBerry will choose an agency to feature across our social media channels and, in some instances, CounterPoint.

Please help us by logging on to www.MarshBerry.com/Focus and filling out the brief form for consideration to be featured.

Agency In Focus will be a great way to highlight your agency’s achievements!

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MarshBerry’s Intellectual Capital Team Launches New Channel Checks

A Channel Check is a “light survey” using primary research, conducted by MarshBerry, to gather opinions on relevant topics from within the industry. Our first edition focuses on cyber insurance which is currently considered a relatively small market. However, we see it as a growing space and area of opportunity, especially for commercial clients.

The Cyber Insurance Channel Check addresses:
- How are agencies/brokers selling cyber, and
- How can one convince clients of cyber related risks and why they need coverage?


Need help identifying where your agency should focus? Contact us for a strategy consultation at 800.426.2774 or visit us online at www.MarshBerry.com.

*Primary research is defined as discussions used to gather specific perspectives related to an industry trend and/or market participant. It can involve questionnaires, surveys or interviews with individuals or small groups. It may or may not be used for exploratory purposes and is not intended to be used to assist in making investment decisions.

Register Now!

MarshBerry’s 2017 Peak Performance event is set for January 28-30, 2018, at the Hyatt Centric Park City.

MarshBerry’s Peak Performance event is the preeminent event for specialty distributors and specialty carriers in the insurance space. This intimate networking opportunity allows executives to learn and help improve their business while enjoying the slopes of Park City, Utah.

www.MarshBerry.com/Peak

Interested in being a sponsor for 2018? Contact Jessica Stogran at Jessica.Stogran@MarshBerry.com or 440.392.6558 for details.

Mark your calendars for MarshBerry’s 360 Seminar series. Registration opens this Fall.

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Q&A WITH MELISSA CERNY, AREA PRESIDENT OF ARTHUR J. GALLAGHER & CO.

Melissa Cerny started working in the insurance industry nearly 14 years ago at G.S. Chapman & Associates Insurance Brokers, Inc. (Chapman Insurance). During her tenure, Melissa worked in many facets of the company, including marketing, account management, claims, and production, building a $2M book of business. Melissa went on to become the Chief Operating Officer, overseeing client management, strategic management, and operations for all services. In 2012, Chapman Insurance was acquired by Arthur J. Gallagher & Co.

1 Connell: What are the challenges you see in the traditional hiring model in our industry?

Cerny: Hiring production talent has been one of the greatest challenges experienced in my 14 years. I’ve seen many ideas brought to the table to increase the success ratio, including hiring proven sales talent from outside of our industry, focusing on activity versus sales, as well as methods for altering compensation. However, one method for hiring sales acumen that has not been explored enough in our industry is the promotion of Account Managers into sales positions.

While the vast majority of brokerages are overwhelmingly staffed with female Assistants, Account Managers, and Account Executives, we have historically not looked to these women to progress into a sales capacity unless they have been assertive in pushing themselves into those roles. I believe this is a mistake. One of the challenges we face in hiring new sales people is that they need to create prospect activity while also learning insurance. This can be incredibly difficult. By creating a career path for some of our Account Managers who already know insurance, we can take one hurdle off the table and focus strictly on training them in a sales capacity. They immediately bring more knowledge to the table for our clients than those we are hiring from outside our industry. Sales is like any other job. It is a skillset that can be taught to someone who is hard-working, adaptable, and assertive.

In addition to reducing the learning curve, I also believe this is an important step to creating the diversity that our clients want to see. As our buyers continue to change, the skillset of the people we bring to the table needs to change as well. While we have historically associated attributes that are predominantly male with what we consider successful producers (e.g., assertiveness, confidence, etc.), I believe that many buyers today value, as much if not more, those producers who have what we might consider predominantly female characteristics (e.g., active listening, deep relationship-building, consultative selling, etc.).

2 Connell: You identified an opportunity for a career path from Service to Production — why do you believe there is limited Service to Production mobility?

Cerny: In general, the lack of mobility from Service to Production is not a conscious choice that managers in our
industry make in this day and age. When we are hiring service people, we are not hiring people whom we think might have the necessary attributes to progress into sales over time. We are also not fostering those talents in our young women or painting that as the vision for their future career path. I also think that because statistically, our industry has had a significantly male dominated Production presence, women in servicing roles don't often express interest in going into sales positions — it's not in their worldview as an option to chase yet.

On my team, we typically hire at the Assistant level, promote to a Marketing role, and then to an Account Management position. In the past, we would not hire someone in the entry-level Assistant role unless our management team could see them one day becoming an Account Manager; typically, within three years of starting. As we have started to push more women into sales positions within our team, we have expanded what we look for in new hires. While they don't all have to be able to do sales someday, we are consciously looking for people in that entry level Assistant role whom we believe have what it takes to be in a Production role within five years. With these individuals, we are having the conversations as of day one that a sales role is part of their possible progression plan. We are also actively informing our team that this is a possibility for those who have the desire.

Additionally, my experience has been that woman can be more risk-adverse than men. If we want to attract female talent into production roles, we have to do our best to limit the risk. This is why I love the idea of promoting Account Managers into this role. They can be paired with more senior Production staff (same as we do with those we hire outside our industry), continue to have a large portion of their role revolve around servicing their book, but as they write new accounts as a producer, we can slowly take away their servicing book and base compensation. This limits the risk both on the employee's side as well as the risk we are taking from the expense side as managers, operators, and owners.

**3 Connell: What advice would you offer to women starting their career in insurance?**

**Cerny:** Although I am now in a full-time management role, I was in a sales role for the last ten years. I would never have gone into sales on my own. There were very few women in sales and leadership roles in our industry at the time and I honestly never thought I would enjoy sales as much as I have. However, I was lucky enough that the former owner of Chapman Insurance, as well as our best producer, both pushed me past my comfort zone and encouraged me early to go into sales. I'm incredibly grateful for their mentorship and for the fact that they told me that sales is just like any other job... it's a skill that you learn over time and how good you are depends on how hard you work and adapt.

All that said, the advice I would offer to women is not to limit what roles you think you can play successfully. Be willing to take on a little risk. Believe that you can learn and master as much as the next guy if you are willing to put in the work. By stretching yourself and becoming successful in sales or a leadership capacity, remember that you will put those options on the map for the next generation of women entering our industry.

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When the human element enters the business world and employees are encouraged to bring their whole self to the table, tremendous personal and professional growth can happen. This is what Laura Bren has discovered during the last 16 years, 11 of which have been in the position of president of Atlantic/Smith, Cropper & Deeley.

Today at the firm, there’s a connection — and collaboration — among team members that strengthens the organization as a whole, she says. But it took work to get there and the perspective of female leaders, together with their male peers, to introduce a different set of core values and culture that was ultimately defined by being kind.

That’s a wildly different approach than the way most competitive businesses operate. And, it took a sort of coming-of-age for Bren and her team to recognize that the soft stuff was just as important as the numbers.

“We had a tagline of, ‘Service is our priority,’ but that was where our mission and culture ended,” relates Bren, sharing insight about the culture when she first came on board in 2001 in a sales role. She was the first female Commercial Lines producer the firm hired, and the daughter of the owner. She was a philosophy major who had never read a financial statement. She laughs, “It was a trifecta of inadequacy — dealing with nepotism as the boss’s kid, and being a young woman with no experience in the industry.”

Bren was being primed to take over the President role. During that time of climbing the ladder, and just a few years after starting in the business, a colleague introduced a book to her called *The Kindness Revolution* by Ed Horrell. “Simply put, if you start with kindness at the core and do the right thing, the rest of the business issues will resolve themselves,” Bren relates.

This is not exactly the management strategy most insurance firms were accustomed to operating by, and Bren knew it would mean a real culture change. She read the book and thought to herself, “We know how to be good people.” Now she realized that being good people made smart business sense.

“The one thing I knew in my core was culture,” Bren relates. “I did not know how to say it out loud at that time, but I knew how to connect and grow people. And no one in our firm was talking about that.”

Bren called *The Kindness Revolution*‘s Horrell and invited him to speak at the firm. “He led a culture strategy session that helped us pull out who we were and who we thought we should be, and how we were going to articulate this to our team,” she says.

Next came the tough part. Once we defined the culture, would the existing team be a good fit? “As we were growing and articulating our culture, it became clear that the distinguishing factor between those who were going to thrive in this culture or not was their core values,” she says. “Who they were in their hearts would ultimately translate into the way in which they approached their work, their clients & their colleagues.”

**An Agency Finding Itself**

Beth Bell, CFO and Vice President of Operations, says, “we had amazing, dynamic change over the last 10 years, really coming full speed in the last few years.”
As a firm, Atlantic/Smith is an independent agency representing more than 50 major national and regional insurance carriers and employing about 65 people. The agency’s success during the past decade is due in part to the way it treats people — internally and externally.

Bell reflects on her 20-year professional career and how the culture at Atlantic/Smith, Cropper & Deeley focuses on nurturing relationships, building connections—traits where women excel. “I spent the first half of my career holding back who I was as a person because it wasn’t welcome and because I wanted to prove myself in the professional world,” she says. Bell grew her resume in operational accounting and CFO positions at two medical practices. She was the director of finance at a broadcasting company and controller at an Ocean City, MD, restaurant and hotel group.

“No, I’m able to combine both of those,” Bell says of her personal and professional character and aspirations. She doesn’t have to check who she is at the door.

Bell says, “In one of our core values we say, ‘bring your whole self. Professionally and personally you are the same remarkable person. You are a beautiful blend of passion, purpose and pursuit.’”

Those core values grew from a number of deep-dive sessions and time digging into who and what moved the people of Atlantic/Smith to excel in and out of the workplace. Bren shares how after a MarshBerry Peer Exchange Network event that included a tour of Zappos, the Las Vegas, Nevada-based online shoe and clothing shop, she and Bell read the founder Tony Hsieh’s book. Then back at the office, the Atlantic/Smith leadership team conducted its own Mountains and Valleys exercise.

It involves creating a timeline from the time you were born to today. Personal and professional milestones are recorded throughout the years — the big stuff that you’d tell someone if they were writing a biography about your life. Then, you make a check mark above or below the line indicating how positive or how negative the experience was. Finally, reflecting on each experience, you determine what values were present or missing that made the event a significant win or disappointment.

From this timeline, participants culminate a list of individual values. Together, the group meets to discuss their experiences openly, sharing what values they realized. Common values become tribal values. “We captured themes from our leadership team and discussed consistent themes that made us good people and allowed us to make the right decisions,” Bren says. Bell adds, “We realized that our core values define the person that is able to deliver the service value. It’s also the way that we can define the feeling of our culture, and allows us to find the right people and hold them accountable to the values that we believe make up our culture.” (See Straight to the Core on page 12)

VALUES GUIDE SUCCESS

Running a dynamic, growing business with the Atlantic/Smith core values is a lot like parenting, Bren compares. That includes sticking to those values because, “our family just doesn’t do that.”

“Leadership parallels parenting because you are leading a family, you are leading a house, you are growing people and you are guiding them,” she continues. “You are celebrating what they are getting right and respectfully reminding them when they get it wrong. The responsibility for leading a family — that’s gender neutral. Men and women share that role.”

Bell adds, “And you’re proud of them.”

That tone set from the top comes from the perspective of a female executive in an industry dominated by men, particularly the executive suites. At Atlantic/Smith, two women were promoted to the executive team this June—Bell and Cindy Hall, Vice President of Sales.

“There has been much talk about the female voice in this industry,” however, Bren is quick to add the qualities that make exceptional leaders and producers are not unique to women. “Many of the men I work with inside our agency, and within the industry as a whole, share these skills of collaboration and care.” “At the core it’s being kind to others. It’s about balance — you can’t just be kind, you also have to be firm, set expectations and hold people accountable.”

“And they respect it,” Bell says.
STRAIGHT TO THE CORE

ATLANTIC/SNITH, CROPPER & DEELEY SHARES ITS CORE VALUES, WHICH ARE ROOTED IN

BE AWESOME

We must be proactive by anticipating the needs of our clients and exercise good time management. Define expectations by setting action plans, keeping people informed and notifying them of updates. Be accountable because it is always our responsibility to see it through, tackle the tough stuff first and work as a team. Be consistent by doing what you say you are going to do and following the process. Finally treat our carriers, clients and co-workers fairly with dignity, respect, courtesy and kindness.

HAVE EMPATHY

When you have empathy, you are able to step in someone else's shoes, be aware of their feelings and understand their needs. You take the time to understand where they are coming from. Demonstrating empathy takes time and effort and requires listening, openness and understanding. In the workplace, it gives you the opportunity to develop closer relationships with clients, co-workers and carriers. Empathy is the driving force behind our business communications — internally and externally.

ACHIEVE THROUGH DETERMINATION

Determination is simply not giving up. No matter how tough things get or how badly you want to just give up, you keep on going. Set goals and be determined to achieve them no matter what. There are always going to be obstacles. You figure out how to overcome and stay focused on achieving the goal. You've got GRIT.

BRING YOUR WHOLE SELF

Personally and professionally, you are the same remarkable person. We are a beautiful blend of passions, purposes and pursuits. We empower you to be you and be authentic. Be present in your interactions with others and challenge yourself to actively listen. When you are here, give work your full attention.

WELCOME & CULTIVATE CHANGE

How we do it today isn't necessarily how we should do it tomorrow. An evolving company accepts change is necessary to continue growing. A positive, open mind alleviates fear during change. Your energy will be contagious to those around you. We encourage each member of our team to be innovative and creative. Look for ways to make your process better.

SEEK A GREATER PURPOSE

We provide insurance and peace of mind to our clients and we take that responsibility very seriously. Choose to find a greater purpose in why you work for our agency in this season of life. Serve others with a deeper intention than simply to get the work done and move on to the next task. Open your heart, you never know what a difference you can make when you pursue a greater purpose in everything you do.

LAUGH OFTEN

Insurance is serious business. Our agency is committed to fiercely protecting what matters most to our clients and the culture that we have cultivated. We proudly dive into the details to ensure that this occurs. We truly enjoy what we do and who we have been blessed to work with. We believe that humor is a by-product of positive thinking, builds trust and relationships and is a natural deterrent for stress. Laugh and we will laugh with you.

DEVELOP YOURSELF AS A RESOURCE

Our agency creates opportunities for your personal and professional growth. We strive to build a work environment that is motivating, yet challenging. We will continue to provide resources to further your education, help you obtain designations, coordinate the curriculum for
KINDNESS, RESPECT AND ACCOUNTABILITY.

ASCD University and send delegations to conference and seminars. It’s your responsibility to take advantage of these opportunities. With this acquired knowledge, we expect you to become a resource to others — a trusted adviser to our clients, transfer knowledge to your co-workers and share your talents whenever possible. Be a student that can then teach.

DO MORE WITH LESS

Operational efficiency creates opportunity to invest more in our resources — our people, our technology and our knowledge.

CHOOSE OPTIMISM

Life is difficult, uncertain and confusing. Work can be stressful, challenging and draining. Falling down is rarely the problem, getting back up is. During these times, our capacity to cope and our personal resiliency are put to the ultimate test. The responsibility for choosing our attitude lies solely and soundly within each of us. Choosing true optimism means having the courage to decide that today will be better than yesterday, and that tomorrow will be better than today.

BE HUMBLE

A humble team acknowledges their limitations and accepts they cannot do it alone. This serves as an invitation for others to help. It also means having the willingness to help others do their jobs when the need arises and allowing for different personalities to coordinate with each other. A humble heart is open to the possibility of being wrong. We expect the members of our entire team to possess self-awareness, a strong sense of modesty and to use we and team instead of I and me. Trustworthiness, integrity and honesty are essential to truly be humble.

CONGRATULATIONS to the following organization that was recently represented by MarshBerry in their transaction:

S E P T E M B E R  2 0 1 7

Sunstar Insurance Group, LLC
HAS ACQUIRED
P&C Division and Operations of Simmons Bank

*MarshBerry represented the Seller in this transaction.

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PEER EXCHANGE NETWORK NEWS

2018 Spring Network Summits are right around the corner!

APPEX
April 24-27, 2018
Radisson Blu Aqua Hotel, Chicago, IL

October 16-19, 2018
The Cosmopolitan, Las Vegas, NV

BANK/TASC
March 5-7, 2018
Swissôtel Chicago, Chicago, IL

Register now!
www.MarshBerry.com

INTERESTED IN LEARNING MORE ABOUT OUR PEER EXCHANGE NETWORKS?
Please contact Tommy McDonald today at Tommy.McDonald@MarshBerry.com
Data Shows Link Between Higher Organic Growth and Gender Diversity

by Valerie DeMell, Executive Vice President
440.392.6571 | Valerie.DeMell@MarshBerry.com

MarshBerry sees more women in production and leadership roles in the insurance industry today than when I started here 30 years ago, but we believe there is still room for improvement.

According to MarshBerry’s proprietary database, Perspectives for High Performance (PHP), women in production roles represent about 21% of the total production workforce (compared to 83% in support and 85% in service roles). The percentage is even less for women in executive leadership positions (CEO, COO and CFO) at 14%. While a gender diverse workforce seems to be the right thing to do, does it really translate to better performance?

OUR DATA TELLS US THAT THE ANSWER IS “YES!”

Respondents to MarshBerry’s 2017 Organic Growth Study

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Female Inclusive Leadership</th>
<th>No Female Leadership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Achieved annual budgeted organic growth goals for past three years</td>
<td>48%</td>
<td>33%</td>
</tr>
<tr>
<td>Percentage of current producers coming from non-industry sales positions</td>
<td>32%</td>
<td>21%</td>
</tr>
<tr>
<td>Has a defined new producer technical training program (hard skills such as financial, regulations)</td>
<td>42%</td>
<td>35%</td>
</tr>
<tr>
<td>Provides producers with formalized sales coaching (soft skills such as how to win an account, collaboration, listening)</td>
<td>78%</td>
<td>65%</td>
</tr>
<tr>
<td>Assigns a mentor for new producers</td>
<td>93%</td>
<td>88%</td>
</tr>
<tr>
<td>Enforces negative consequences (e.g., compensation reduction) for producers not reaching minimum goals</td>
<td>56%</td>
<td>29%</td>
</tr>
<tr>
<td>Annually reviews each producer’s book of business with the individual (growth in new business, average account size, industry risk, other)</td>
<td>96%</td>
<td>76%</td>
</tr>
<tr>
<td>Has a clearly defined sales process (e.g., step 1, step 2, step 3, etc.)</td>
<td>58%</td>
<td>41%</td>
</tr>
</tbody>
</table>

Source: 2017 MarshBerry Organic Growth Study. “Female Inclusive Leadership” is defined as having a female owner (any % of shares), female executive (CEO/President/COO), or female CFO; or any combination of these. For all Study questions, blank responses were excluded from the total. The 2017 Study had approximately 130 participants. The sample size includes 47 agencies that participated in the Study, subscribe to PHP and provide gender information. Approximately 60% of these agencies had leadership inclusive of women.

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Although the average producer book of business for male and female producers is similar, average new business for female producers represented 17% of total book compared to 13% for male producers. Higher new business by women bodes well for agency success.

In addition, according to PHP, agencies with a lower-than-average percentage of women in a production role (less than 21%) had overall lower organic growth versus agencies with a higher-than-average percentage of female producers (organic growth of 3.4% and 4.5%, respectively).

Gender diversity in leadership also seems to play a part in performance. We looked at the respondents to MarshBerry’s 2017 Organic Growth Study who are also PHP subscribers and broke out responses between those who had “Female Inclusive Leadership” and those who did not.

Firms with Female Inclusive Leadership seem to have more focus on sales training, accountability and process translating to more success. Are these disciplines positively influencing organic growth results? It makes sense that they would be.

Female Inclusive Leadership is defined as having a female owner, executive (CEO, President, COO), CFO or any combination.

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Property & Casualty Insurance Training for New Producers

Are You Achieving the Levels of Organic Growth You Should Be?

In 2016, our Sales Performance team helped clients produce 17.9% new business as a percentage of prior year’s commissions & fees, while the industry average remains around 12.7%.

What’s stopping you from driving more predictable, profitable organic growth?

Overcome your Organic Growth challenges with our Sales Performance solutions:

- Sales culture analytical and onsite assessment
- Sales management recommendations
- Onsite sales training workshops
- One-on-one sales coaching for new & seasoned producers
- Pipeline management
- Compensation modeling

Want to learn about these solutions? Contact us at 440.392.6559.
The Right Time for a Rebrand

by Kelly Farrell, CEO and Founder of designRoom

Your brand is one of your most valuable assets, if not the most valuable. Does it receive the care it deserves as the public face of your organization? Do you show it off, or do you sort of hide it?

After decades of building healthy brands, I can tell pretty quickly when a brand needs a refresh. And we still feel exhilarated when we watch a client completely embrace, support, and move full speed ahead with their new identity, like MarshBerry has done.

So how do you know if it’s the right time?

Here are some of the real-life reasons we have encountered along the way. Some of them may seem obvious:

- I hate my logo!
- Our logo has nothing to do with who we are
- We have trouble succinctly telling people who we are and what we do
- I can find six versions of our logo in use right now
- Everyone in our organization has a different message about who we are
- Our mission has changed
- Our audience is not the same as it was 30 years ago
- Everything about our industry has changed, except us
- We’re not the same company we were when our logo was created
- We need some unity and focus within our organization
- Our vision is completely different now
- Our brand is practically unusable in digital media
- We need a brand that will grow with us
- I want to sit at the table with the big kids and look like I belong

A healthy brand offers tangible, sustainable results. If you feel like your public perception doesn’t match your internal reality or communicate how your organization is special and unique, it might be time to refresh.

Marsh, Berry & Company, Inc. and its affiliates are not affiliated with designRoom.
• **602** total Merger & Acquisition (M&A) transactions advised on since 1999, representing 28% of total tracked M&A deal flow receiving advisory credit since 1999 as reported by *S&P Global Market Intelligence*.

• **$4.1B** in advised transaction value since 2012.

• **325** M&A transactions since 1995 with the 100 largest brokers of U.S. business as identified by *Business Insurance*, and over **205** Bank-Related Insurance M&A transactions since 1997.

• Completed more than **275** diagnostic and confirmatory due diligence projects over the last thirteen years.

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**#1 M&A Ranking by S&P Global Market Intelligence**

**Most Active: Adviser Rankings**

Merger & Acquisition Transactions in Insurance Brokerage 1999-2016

Ranked by Total Number of Deals

Completed transactions in the United States as reported by *S&P Global Market Intelligence*, February 1, 2017

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A Completed transactions (insurance brokerage) involving a financial adviser in the United States for 2016 as reported by *S&P Global Market Intelligence*, February 1, 2017.

B These totals include certain transactions completed by Marsh, Berry & Company, Inc. professionals while employed at another firm, whereby substantially all of the assets were acquired by Marsh, Berry & Company, Inc.

C Based upon maximum possible purchase price; MarshBerry advised deals through 12/31/16.

Mark your calendars!

OCTOBER 2017
10.16-17 • The Art & Science of Mentoring Producers, Scottsdale, AZ
10.17-20 • APPEX Summit, Scottsdale, AZ

NOVEMBER 2017
11.8-9 • 11th Annual Insurance Brokerage Summit, Washington D.C.

JANUARY 2018
1.28-1.30 • Peak Performance Summit, Park City, UT

MAY 2018
05.03 • MarshBerry 360, New York, NY
05.08 • MarshBerry 360, Chicago, IL
05.10 • MarshBerry 360, Las Vegas, NV

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