ICMIF Advanced Management Course 2024

2. Leading Mutual Insurers with Purpose

2. Leading Mutual Insurers with Purpose

Tuesday morning groups

Group 1	Group 2	Group 3	Group 4	Group 5
Kristof Quintyn	**Rikke** Smidt Gellert	**Philipp** Streibel	**James** Thomas	**Sandra** Budé
Asbjørn Christensen	**Christian** Simon	**Palanisamy** Muthusamy	**Nathalie** Withofs	**Lauren** Mazurkewich
Johannes Speicher	**Ryosuke** Kachi	**Robert** de Ruiter	**Bill** Lagopoulos	**Rowena** Casinillo
Thebe Ramanna	**Ruel** Arsua	**Liyoni** Muditha	**Benoït** Ballivet de Regloix	**Jamie** Vooght
Steve Firko	**Charlotta** Carlberg	**Åsa** Björklund	**Mats** Davidson	**Steve** Prentice

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Ginger INSIGHTS

ICMIF Advanced Management Course

Your work is more important now than at any point in history

The world needs you to lead the whole industry with purpose

Your members need you to solve the problems they have

We eternally add value by looking for new solutions to new problems in society

We need each other because peer-to-peer consultancy is cheaper and better than McKinsey

ICMIF will assist and inspire to help you
to **achieve your purpose** and the **impact** you have the ambition to have

The Problems of Mutual Insurers are Universal

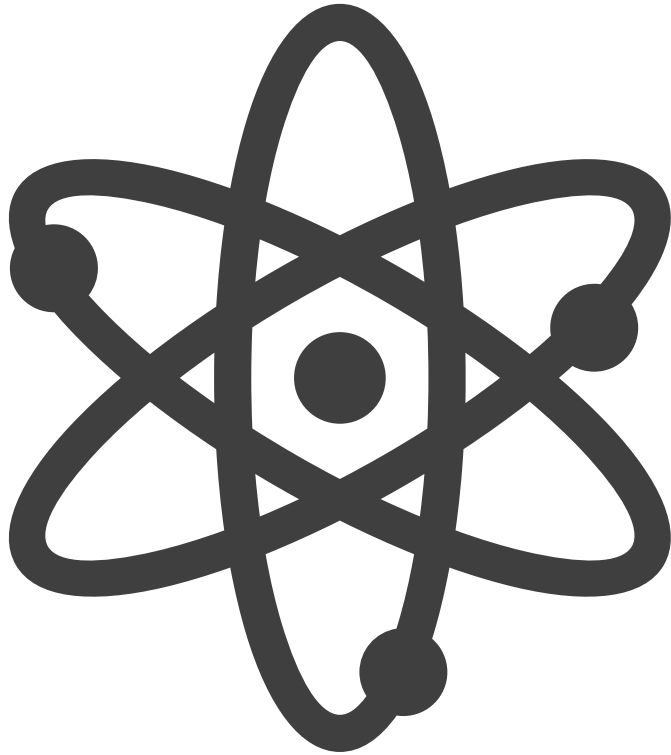The **solutions** are **specific** and **context dependent**

Rob Wesseling
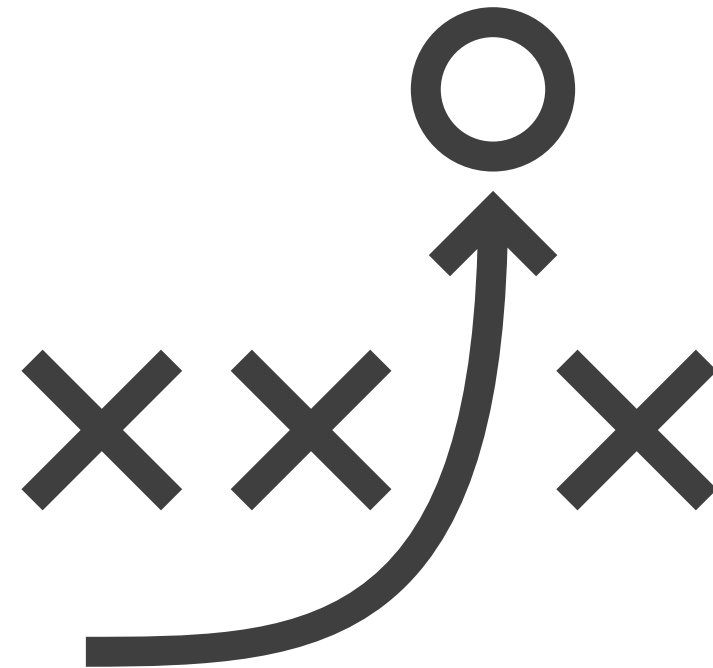President and CEO, The Co-operators

4

The **ICMIF AMC** Makes it Easier For You to **Assist Each Other**

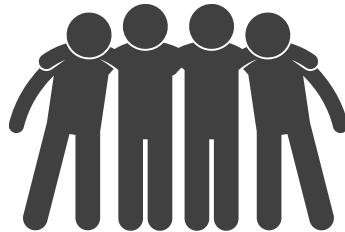**Break Down Complex Subjects Into Easy to Understand Atomic Parts**

Develop Leadership Plays With Fellow Mutual Insurance Leaders

The ICMIF AMC
is Designed as One Integrated Piece

Monday	Tuesday	Wednesday	Thursday	Friday
Welcome and introductions	**Leading mutual insurers with purpose**	**Leading teams in a complex world**	**Activating strategy in a complex world**	**Translating learning into value**
18.00 – 18.00	09.00 -17.00	09.00 -17.00	09.00 -17.00	09.00 – 15.00

Today Prepares the Ground
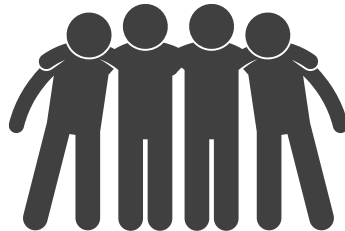
Monday	Tuesday	Wednesday	Thursday	Friday
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High Level and Foundational
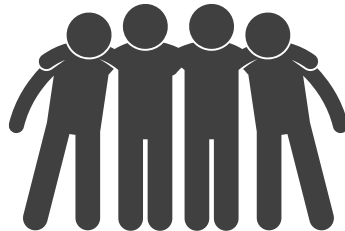
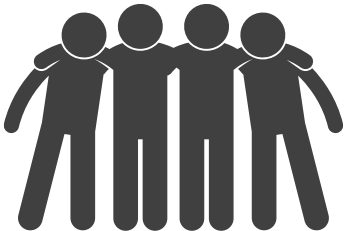| Monday **Welcome and introductions** 18.00 – 18.00 | Tuesday **Leading mutual insurers with purpose** 09.00 -17.00 | Wednesday **Leading teams in a complex world** 09.00 -17.00 | Thursday **Activating strategy in a complex world** 09.00 -17.00 | Friday **Translating learning into value** 09.00 – 15.00 |

Capture Your Thoughts to Prepare to Translate Your Learning Into Value

Monday	Tuesday	Wednesday	Thursday	Friday
Welcome and introductions	**Leading mutual insurers with purpose**	**Leading teams in a complex world**	**Activating strategy in a complex world**	**Translating learning into value**
18.00 – 18.00	09.00 -17.00	09.00 -17.00	09.00 -17.00	09.00 – 15.00

ICMIF Advanced Management Course 2024

Universal Challenges
Leading with Purpose In a Complex World

Part 1 (of 6)
Next break: 09:45

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What Happened?

1000

40

1000

30

1000

20

1000

10

Actual total ➡ **4100**

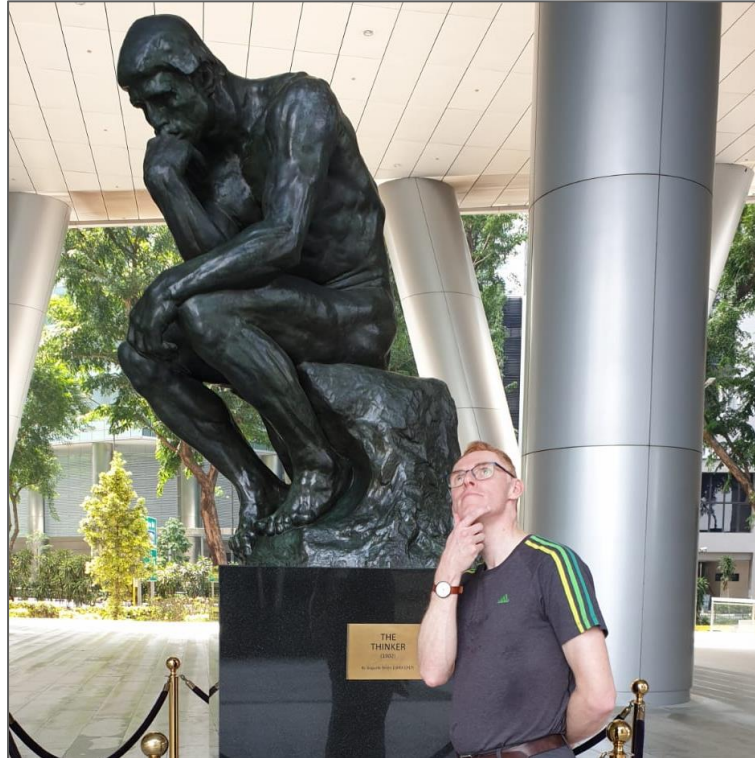# Our Brains Used Patterns to Save Energy

1000

40

1000

30

1000

20

1000

10

Actual total ➡ **4100**

"When we think we think less than we think we think"

Daniel Kahneman

What Happened?

"When we think we think less than we think we think"

Daniel Kahneman

Universal Challenge #1: People Aren't Rational

"When we think we think less than we think we think"

Daniel Kahneman

1. Watch

2. Predict
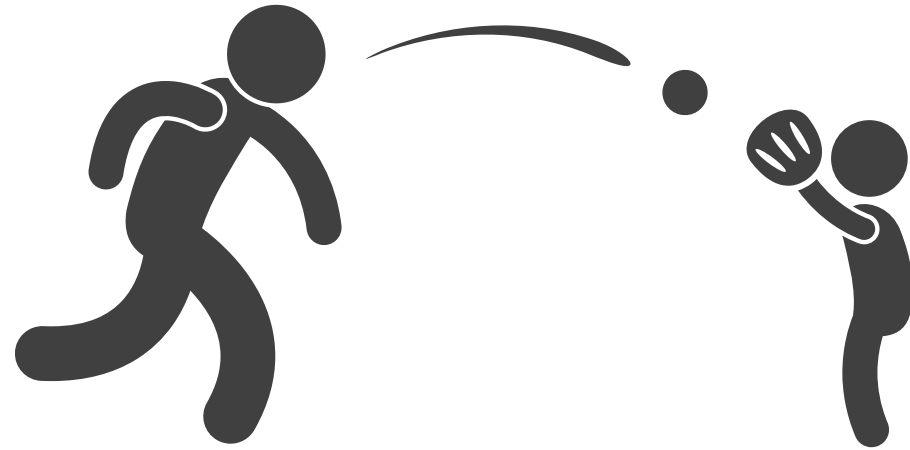
Leading in a Complex World

A Technical Problem

A Complex Problem

Comparing Technical & Complex Problems
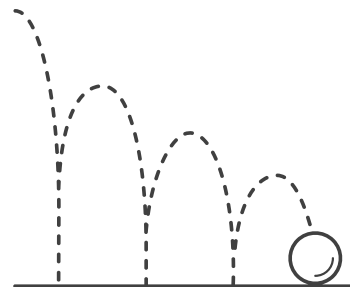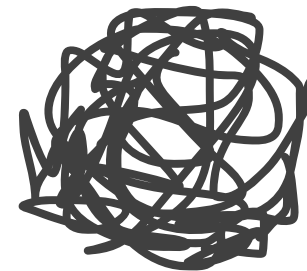
Technical | ★ | **Complex**

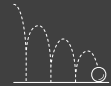### Technical
How shall I underwrite this <u>standard</u> risk?

Complex
How do we ensure our company manages the present while it also invents the future?

Comparing Technical & Complex Problems

Technical

- Repeated patterns
- Predict with confidence
- Reliable learning
- **Engage an expert**
- **Apply rules**

Complex

- Hard to understand
- Impossible to predict
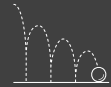- Hard to learn from
- **Work as a team**
- **Apply models and tools**

Rules Fail in the Face of Complexity

Technical

Repeated patterns

Predict with confidence

Reliable learning

Engage an expert

Apply rules

Complex

Hard to understand

Impossible to predict
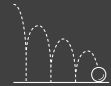
Hard to learn from

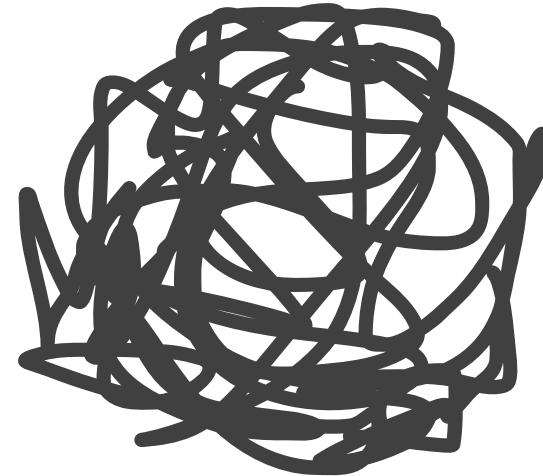**Work as a team**

Apply models and tools

Complex Situations Require Teams Using Models and Tools

Technical

- Repeated patterns
- Predict with confidence
- Reliable learning
- **Engage an expert**
- **Apply rules**

Complex

- Hard to understand
- Impossible to predict
- Hard to learn from
- **Work as a team**
- **Apply models and tools**

Two Universal Challenges

1. People Aren't Rational

2. The Real World is Complex
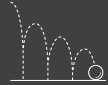
Your Return On Investment

Where do <u>you</u> need an expert using rules?

Repeated patterns

Predict with confidence

Reliable learning

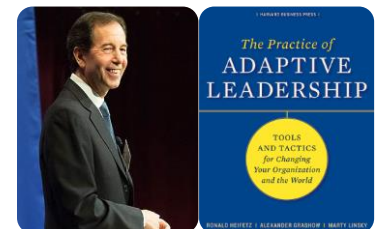**Where do <u>you</u> need a team using models and tools?**

Hard to understand

Impossible to predict

Hard to learn from

The Most Common Cause
of Leadership Failure

Stems from trying to apply
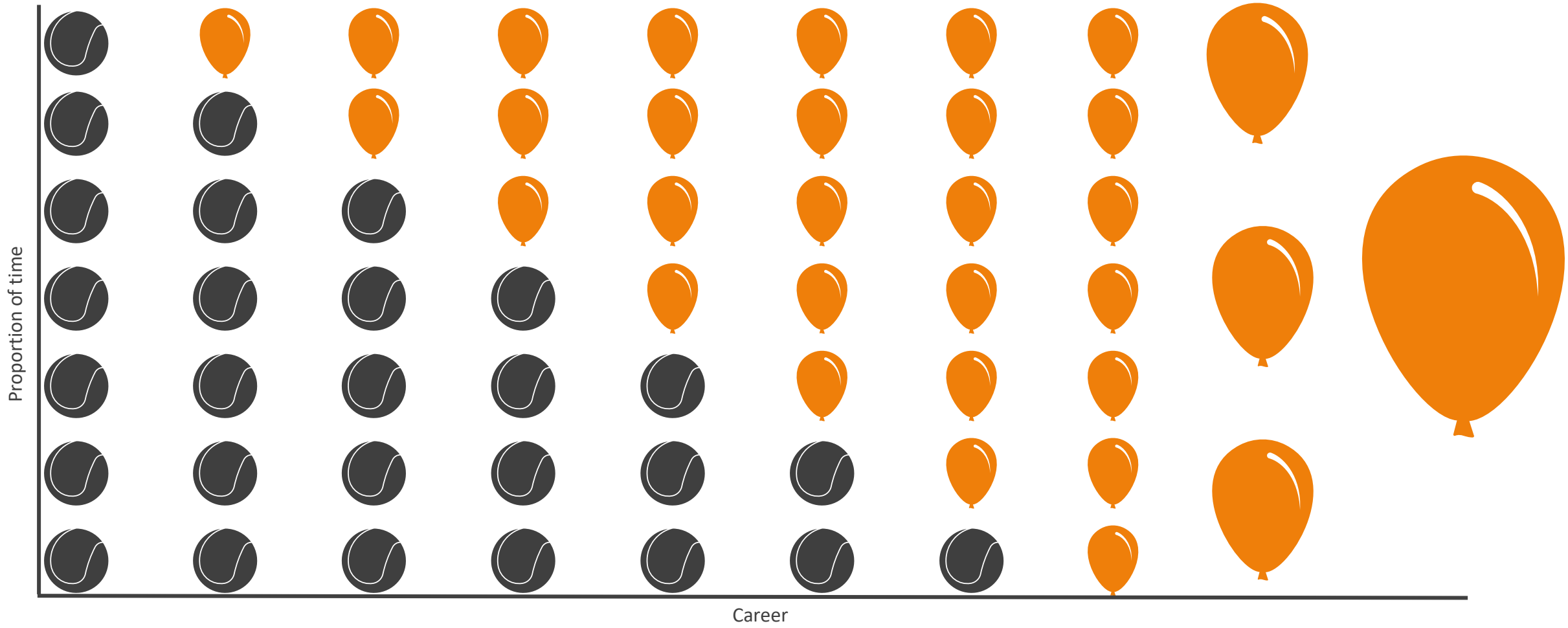**technical solutions** to **adaptive challenges**

Ronald Heifetz
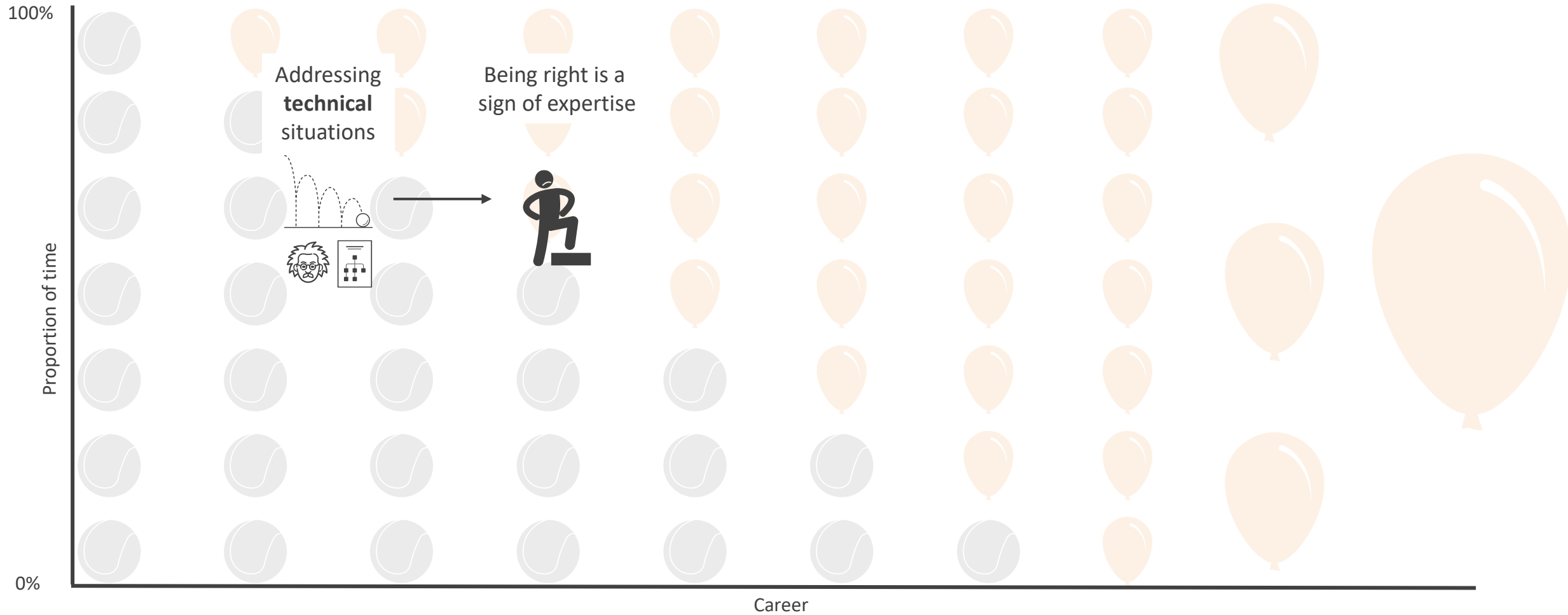Harvard University

For Every Complex Problem

There is an answer that is clear, simple and **wrong**

HL Mencken
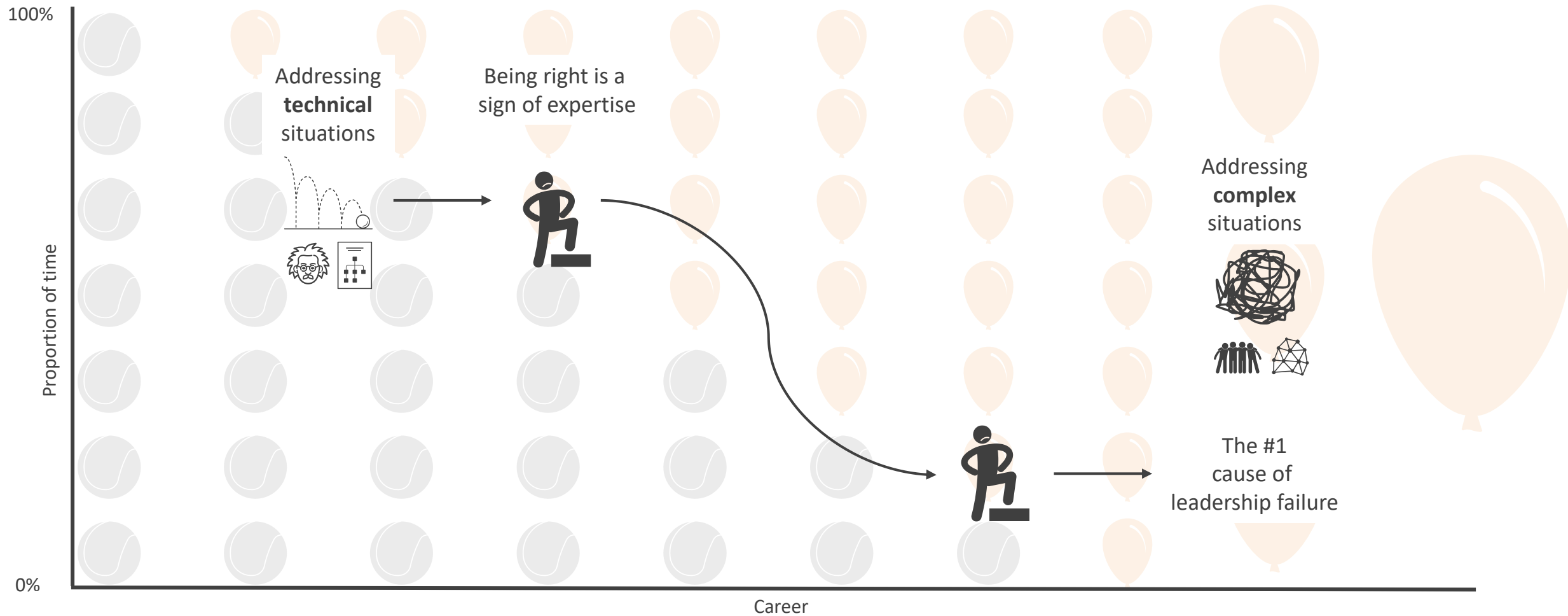American journalist, essayist and satirist

Proportion of time

Career

We Associate Being An Expert With Our Status As Leaders

100%

Proportion of time

Addressing **technical** situations

Being right is a sign of expertise

0%

Career

We Cannot Be Experts
In Every Complex Situation

Proportion of time

100%

0%

Career

Addressing **technical** situations

Being right is a sign of expertise

Addressing **complex** situations

The #1 cause of leadership failure

But We Can Become Expert In How to **Approach** Complex Situations

Addressing **technical** situations

Being right is a sign of expertise

Addressing **complex** situations

The #1 cause of leadership failure

Proportion of time

Career

100%

0%
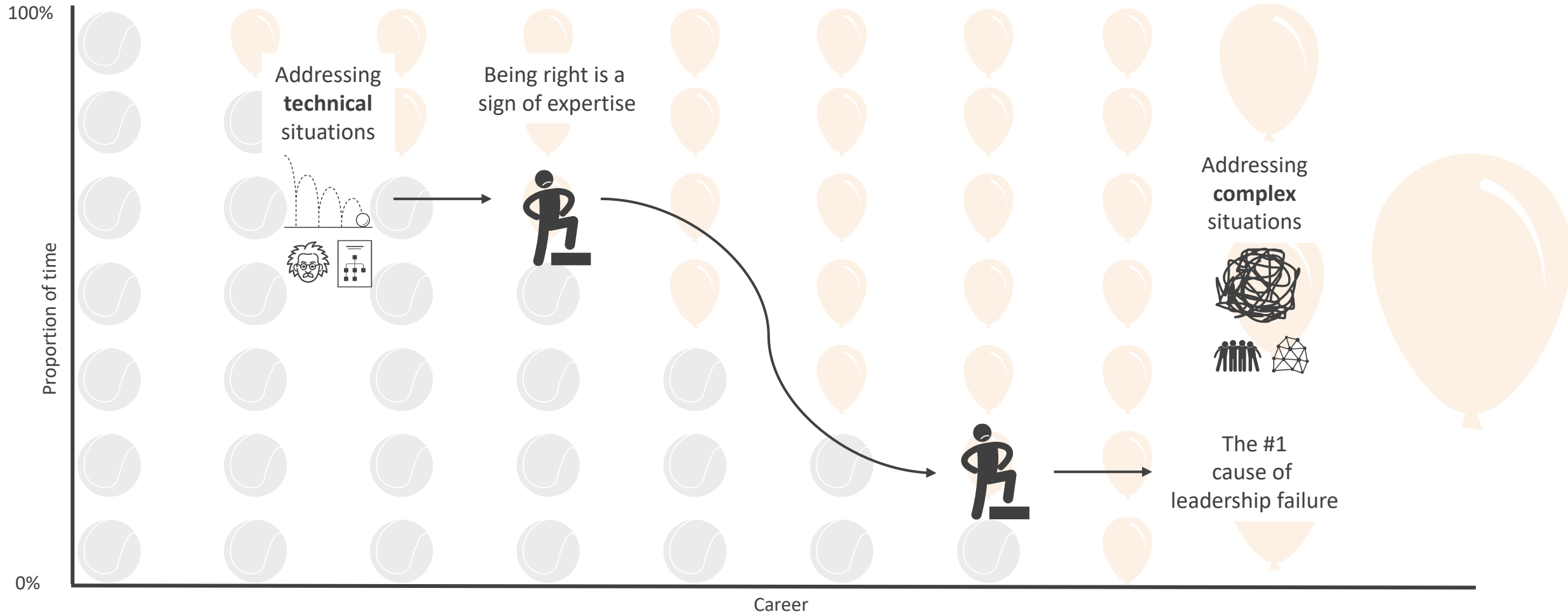
But We Can Become Expert In
How to **Approach** Complex Situations

Technical
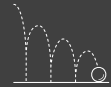
- Repeated patterns
- Predict with confidence
- Reliable learning
- **Engage an expert**
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Complex
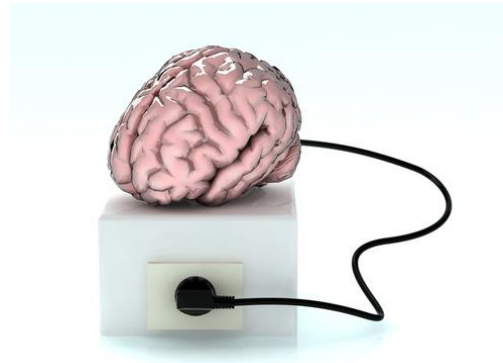
- Hard to understand
- Impossible to predict
- Hard to learn from
- **Work as a team**
- **Apply models and tools**

Break #1 (of 4 today)

Next session starting at

10:05

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ICMIF Advanced Management Course 2024

Foundations of Leading with Purpose (With an Energy-Saving Brain)

Part 2 (of 6)

Next break: 11:05

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Ginger INSIGHTS
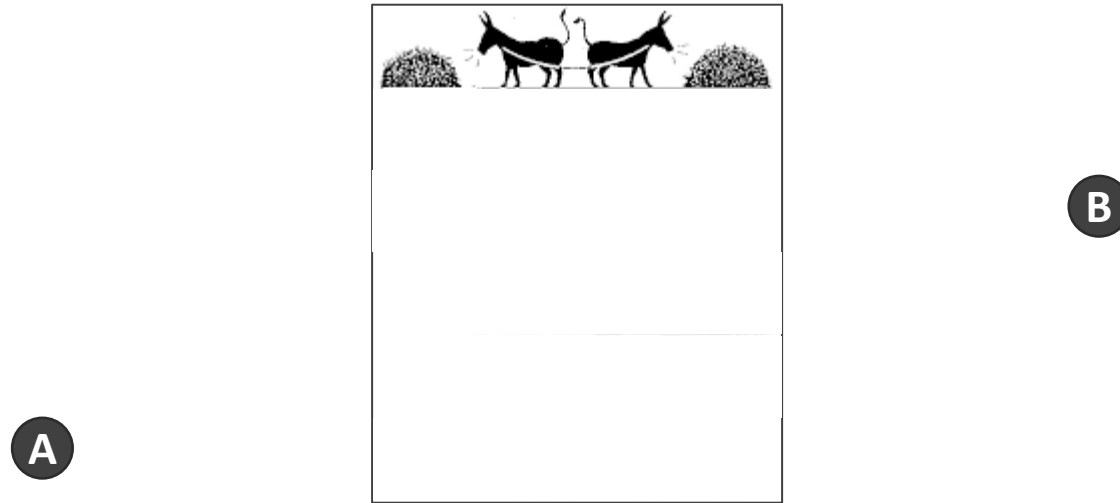
Leading a Team Towards A Leader's Goal
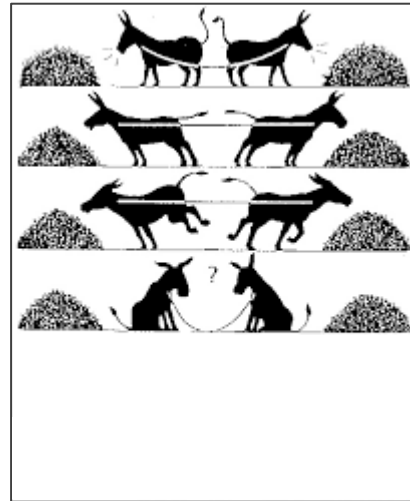
B

A

Leading a Team Towards A Leader's Goal

Leading a Team Towards A Leader's Goal
All Too Often Ends In Failure

A

B

Organizations Spend Over $160 Billion a Year Hiring Consultants to Develop and Execute Strategies

And yet 80 percent of corporate strategies fail

Aric Wood
CEO, XPLANE

Why?

Aric Wood
CEO, XPLANE

Why?

Because we forget the most important factor in successfully executing strategy:
People

Aric Wood
CEO, XPLANE

Leaders are Not (by definition) Responsible for Results

Leaders are **responsible for the people** who are responsible for the results

Simon Sinek
Author

We Overlook Strategic Activation

Image: The Strategy Activation Playbook
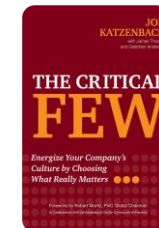
Strategy Activation

Seeks to **capture hearts and minds**, develop a **shared vision**, and **persuade** people to **work together** to co-create new futures

Aric Wood
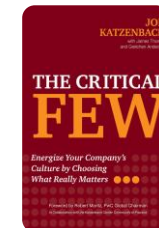CEO, XPLANE

When Corporate Boards Fire CEOs

The official reason is often a lack of financial success or failure to meet targets

Jon R. Katzenbach
Managing Director, PwC US

But Each is an Outcome of a Deeper Issue

An inability to connect strategic choices and operational shifts to the company's people in **ways that motivate and energize them**
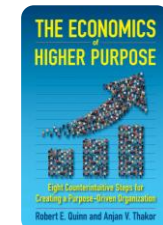
Jon R. Katzenbach
Managing Director, PwC US

Universal Challenge: The Principal-Agent Problem

The Central Framework of Microeconomics
The Principal-Agent Model

Self-interest causes the goals of the principal and agent to **diverge**

Prof. Robert Quinn

Center for Positive Organizations, University of Michigan

Universal Challenge: The Principal-Agent Problem

**The principal (the employer)
and the agent (the employee)
form a work contract**

Robert Quinn

The **Principal** (Employer) and the **Agent** (Employee) Form a Work **Contract**

Assumption: The Agent (Employee) is Lazy

For a Certain Amount of Money, They Will Deliver a Certain Amount of Labour, and No More

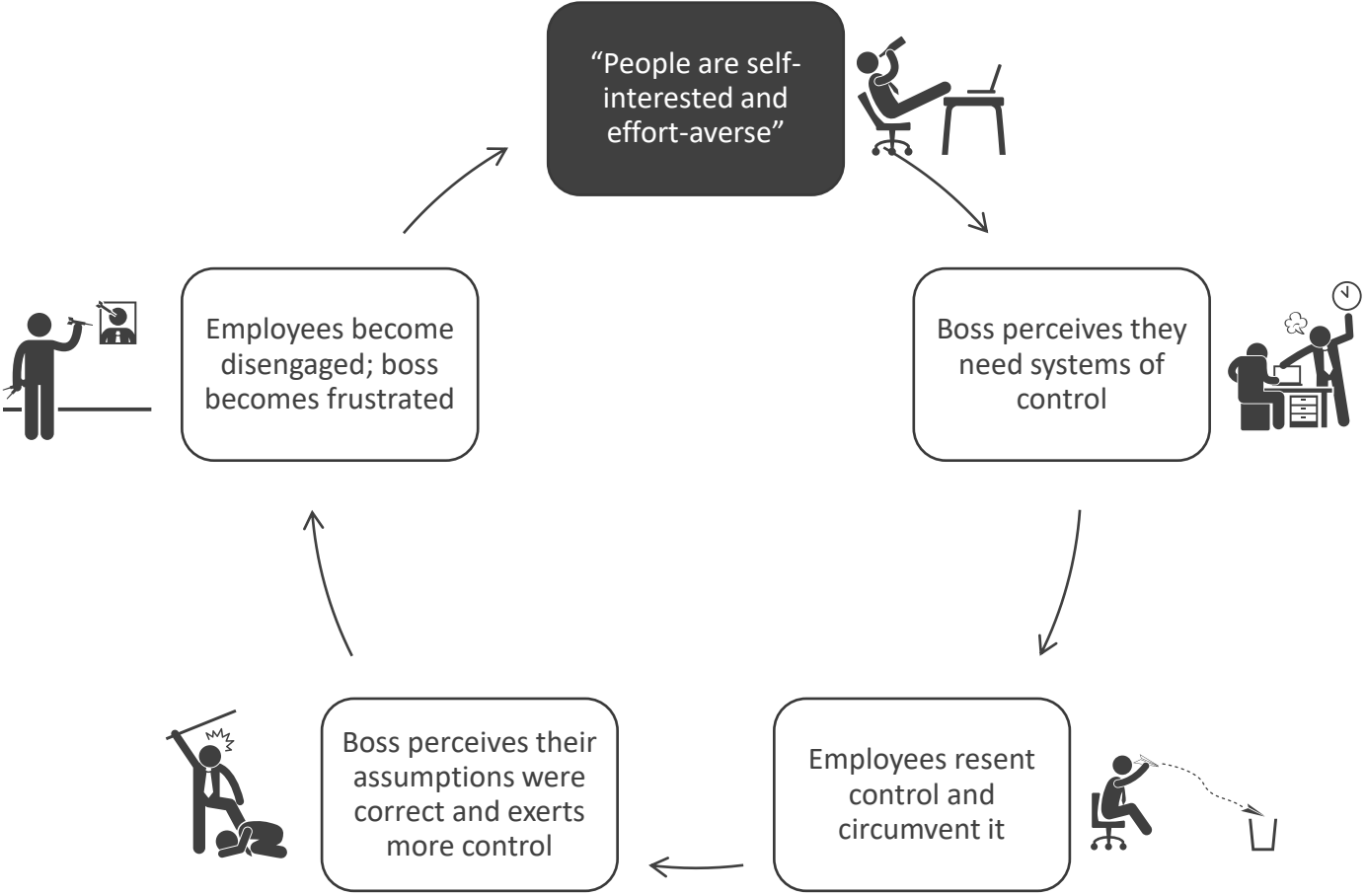# Since Effort is Personally Costly, the Agent (Employee) Underperforms

Unless the **Principal** (Employer) Puts in Place Incentives & **Control** Systems

An Economic Theory of Higher Purpose
Vicious circle

"People are self-interested and effort-averse"

Boss perceives they need systems of control

Employees resent control and circumvent it

Boss perceives their assumptions were correct and exerts more control

Employees become disengaged; boss becomes frustrated
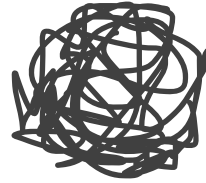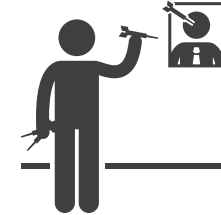
Leadership is Not Domination

But the art of **persuading** people to work towards a **common goal**
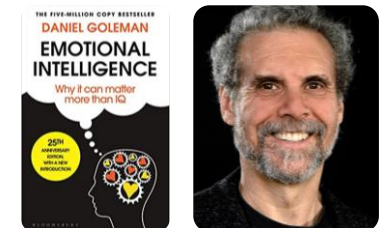
Daniel Goleman
Author

The Central Framework of Microeconomics
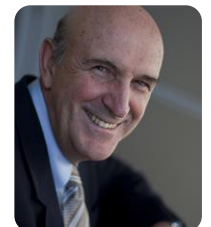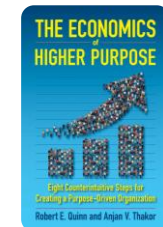# The Principal-Agent Model

Normally predicts behavior

Prof. Robert Quinn
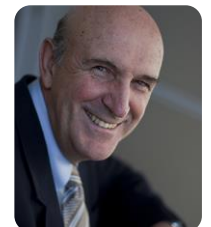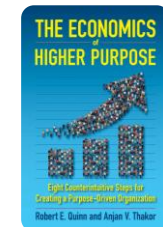
Center for Positive Organizations, University of Michigan

The Central Framework of Microeconomics
The Principal-Agent Model

Normally predicts behavior, but is based on **assumptions** that **diminish the ability of leaders** to **inspire behavior** that results in organizations of exceptional performance

Prof. Robert Quinn
Center for Positive Organizations, University of Michigan

An Authentic Purpose Delivered With Clarity

Has a **positive impact** on both operating financial performance and forward-looking measures of performance like stock price
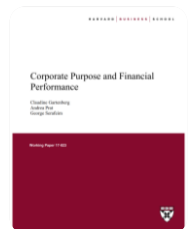
Harvard, Columbia & Wharton
500,000 people across 429 firms

Gartenberg, Claudine Madras and Prat, Andrea and Serafeim, George, Corporate Purpose and Financial Performance (October 9, 2018). Organization Science, 30(1), pp.1-18, Available at SSRN: https://ssrn.com/abstract=2840005 or http://dx.doi.org/10.2139/ssrn.2840005
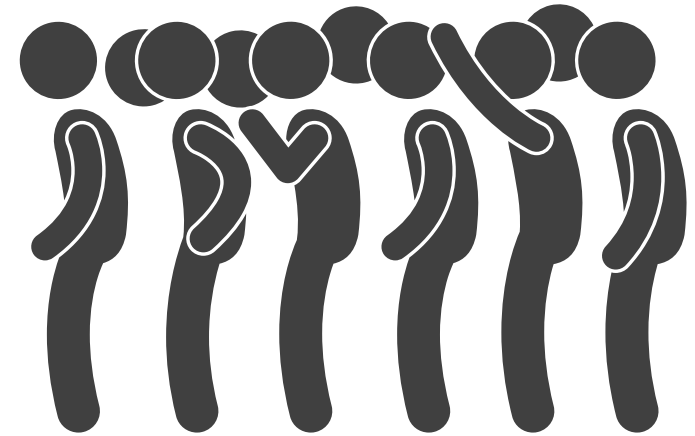
We All Work For
Purpose-Driven Organisations
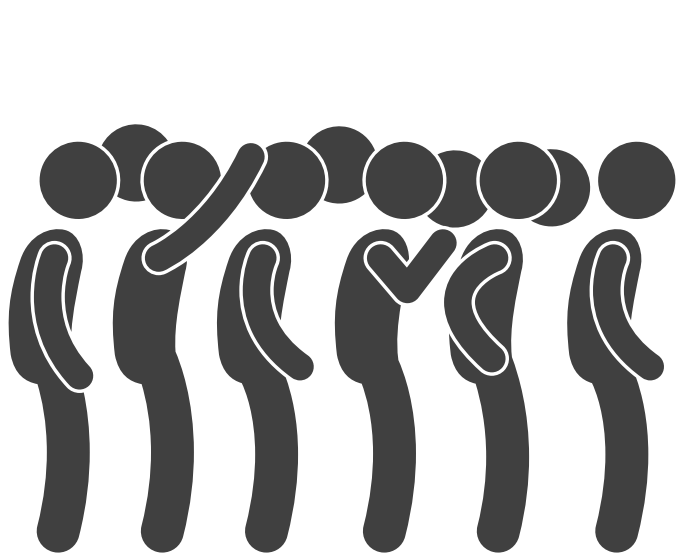
The Positive Impact on Performance is Driven By

The **perceptions of middle management** and **professional staff**, rather than senior executives
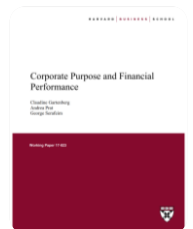
Harvard, Columbia & Wharton
500,000 people across 429 firms

Gartenberg, Claudine Madras and Prat, Andrea and Serafeim, George, Corporate Purpose and Financial Performance (October 9, 2018). Organization Science, 30(1), pp.1-18, Available at SSRN: https://ssrn.com/abstract=2840005 or http://dx.doi.org/10.2139/ssrn.2840005

Purpose is Not Just a Lofty Ideal
It Drives Financial Health and Competitiveness

People who **find meaning in their work** don't hoard their energy and dedication

They **give them freely**, defying conventional economic assumptions about self-interest
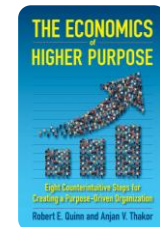
Prof. Robert Quinn
Center for Positive Organizations, University of Michigan

Purpose is Not Just a Lofty Ideal
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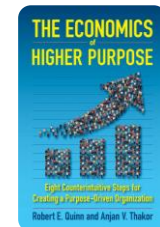They **give them freely**, defying conventional economic assumptions about self-interest

Prof. Robert Quinn

Center for Positive Organizations, University of Michigan

Seada van den Herik
CEO, Onderlinge 's-Gravenhage (Netherlands)

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An Economic Theory of Higher Purpose

Virtuous circle

An authentic shared higher purpose

Motivates employees to contribute their discretionary effort

Because it contributes to their economic well-being and greater good

Increasing the value they perceive in their work … so they act like entrepreneurial owners

So the interests of the workers, owners and customers of the business are aligned
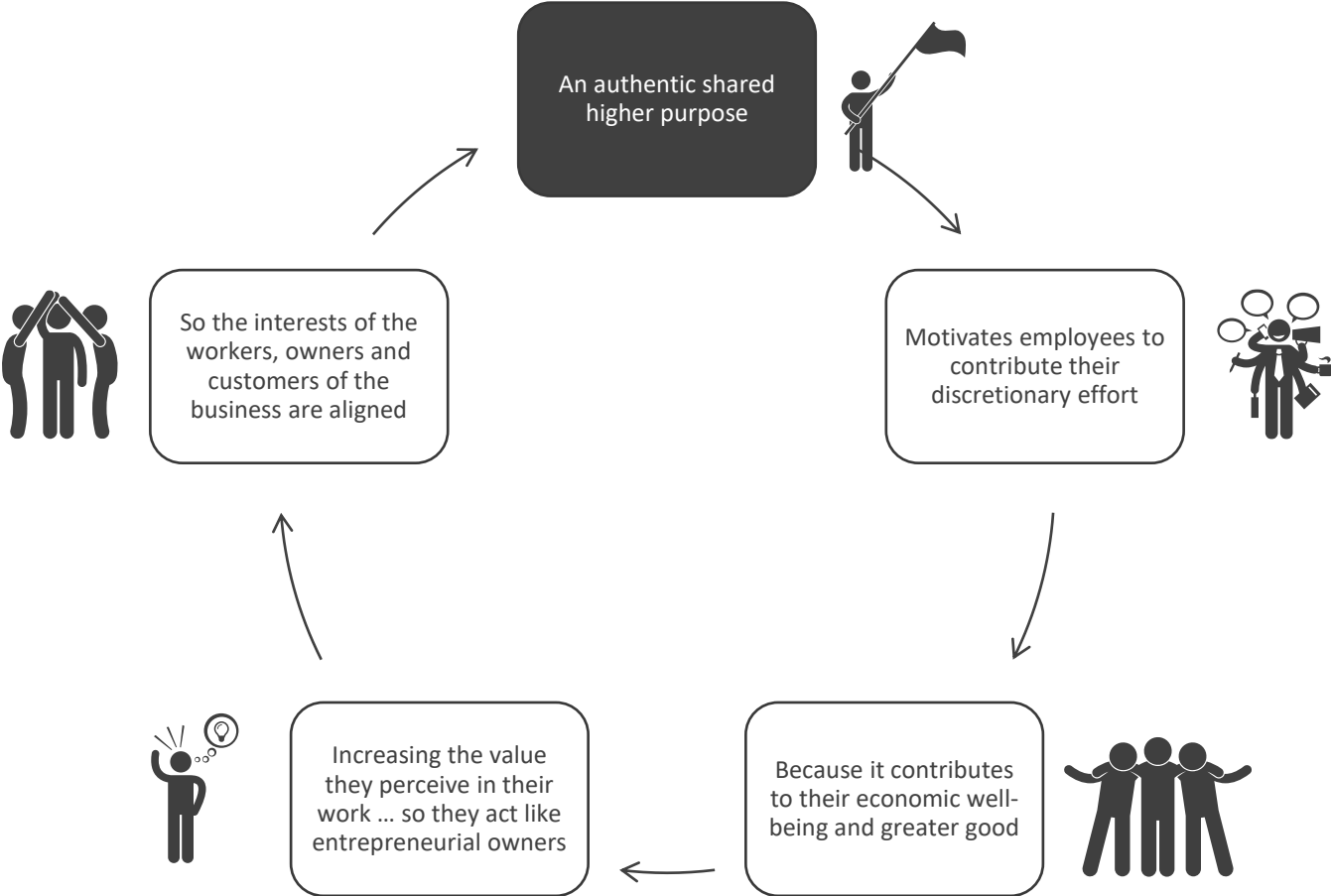
The #1 Responsibility of a Leader

To catalyze a **clear and shared vision** for the company

Jim Collins
McKinsey & Stanford University

The #1 Responsibility of a Leader

To catalyze a **clear and shared vision** for the company and to **secure commitment** to and vigorous pursuit of that vision
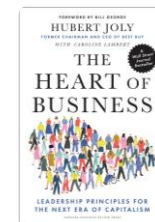
Jim Collins
McKinsey & Stanford University

This Approach is Easy to Understand

But putting it into **practice** is not so easy

Hubert Joly
CEO, Best Buy

For Senior Leaders To Lead With Purpose

**Discover and refine the organization's
higher purpose**

Royal London's Purpose and Strategy

Our Purpose and strategy were introduced in 2020

Our Purpose
Protecting today, investing in tomorrow. Together we are mutually responsible.

Our Customers and Clients

Our Strategy
An insight-led, modern mutual growing sustainably by deepening customer relationships

Purpose driven

Data led, digitally nimble

Customer focus

Broader solutions

Mutually valued relationships

Sustainable financials

Our People and Values

Collaborate | Trustworthy | Empowered | Achieve

ROYAL LONDON

For Senior Leaders To Lead With Purpose

Discover and refine the organization's higher purpose

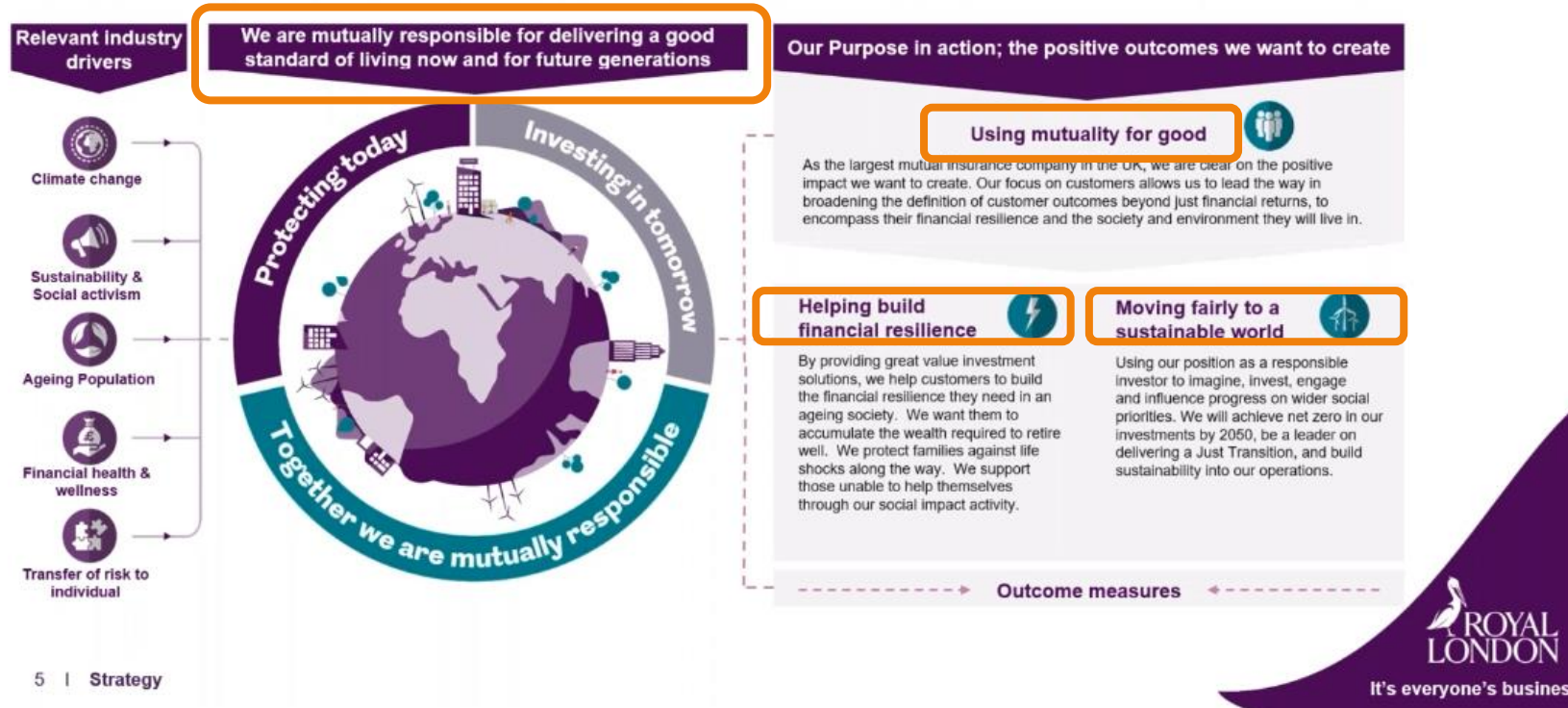**Intersect the purpose with the organization's strategy**

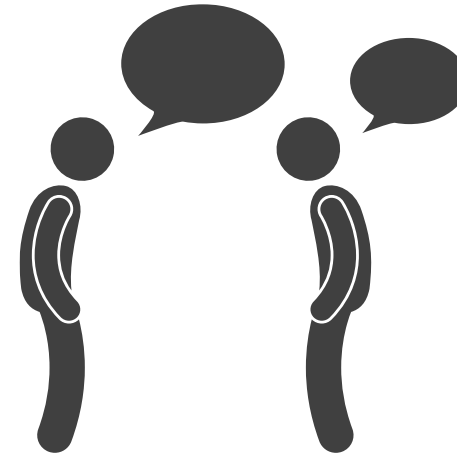# Royal London's Logic Model For Activating Strategy

For Everyday Leaders To Lead With Purpose

Once leaders have internalized the organization's purpose and strategy

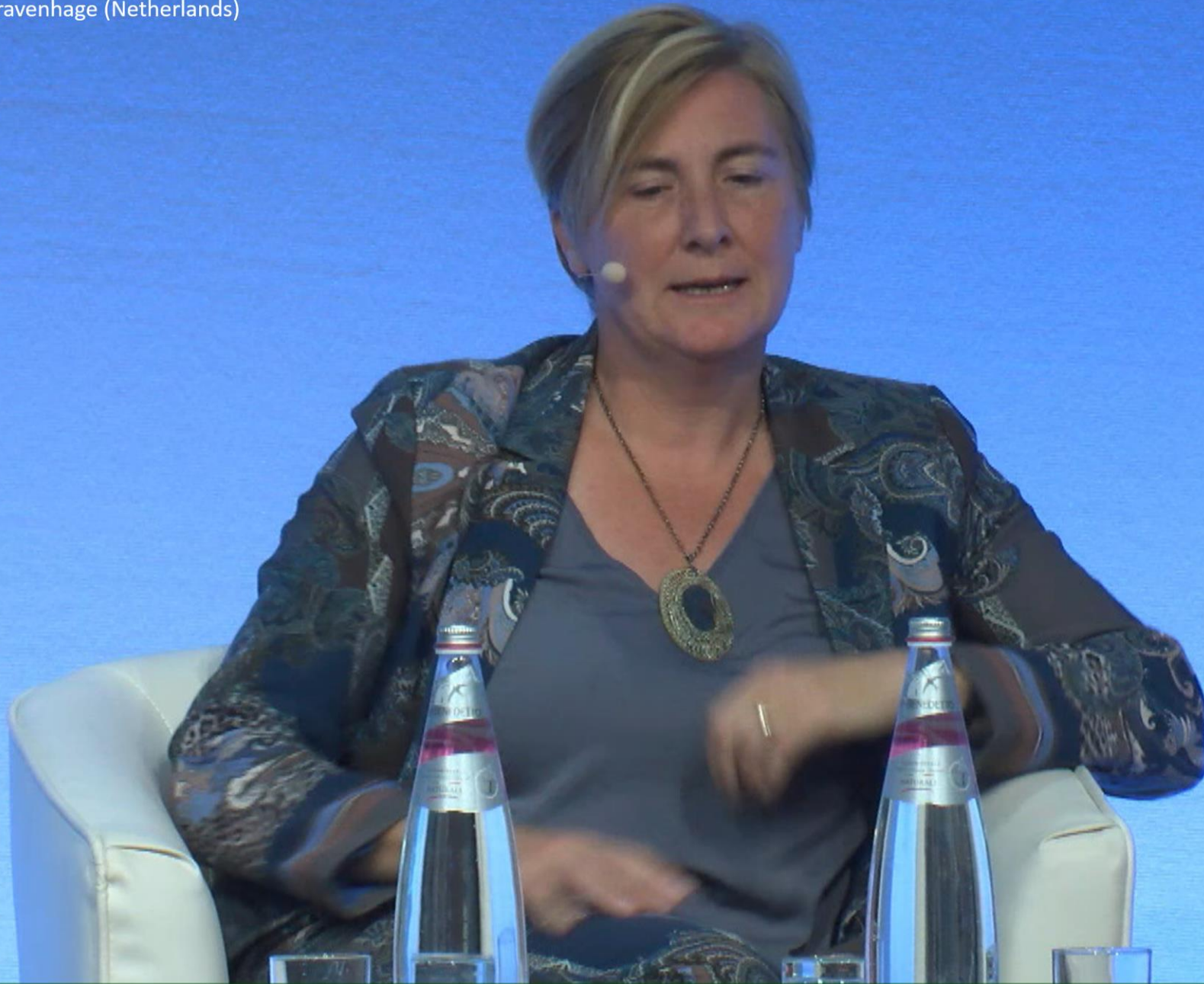**Make it easier for frontline employees to translate it to their day-to-day tasks**

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Are Your People
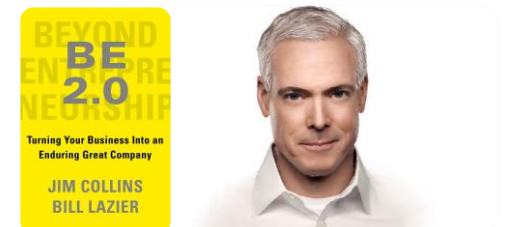
Extracting Rock

Building Aqueducts and Basilicas

The #1 Responsibility of a Leader

To catalyze a **clear and shared vision** for the company and to **secure commitment** to and **vigorous pursuit** of that vision
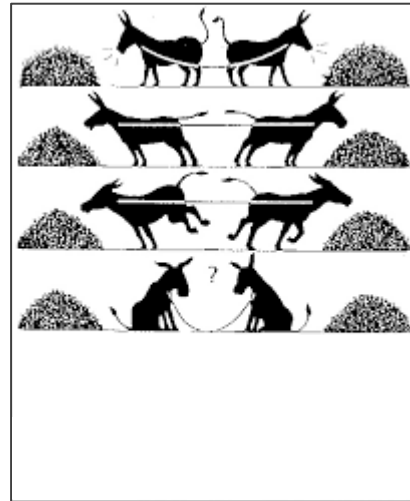
Jim Collins
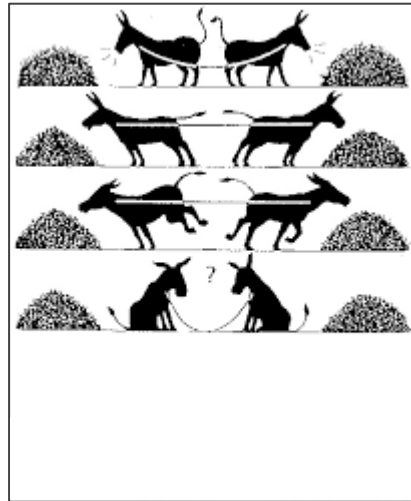McKinsey & Stanford University

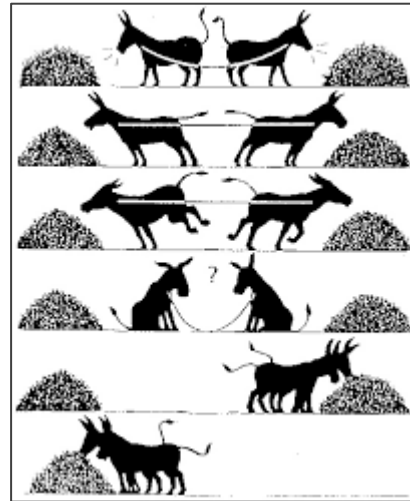# Competing Goals = Low Motivation

A

B

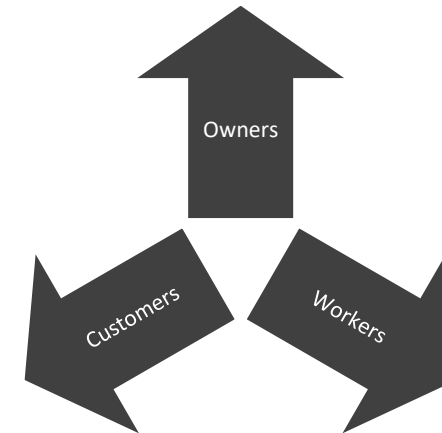# Shared Goals = Higher Motivation

A

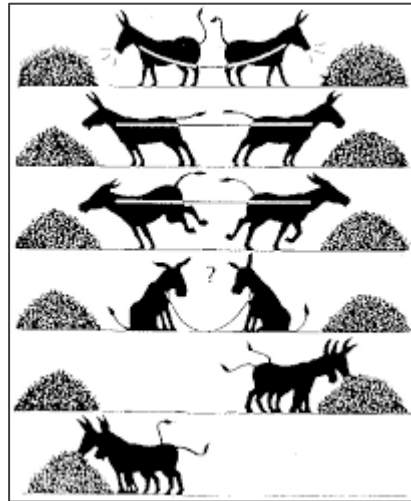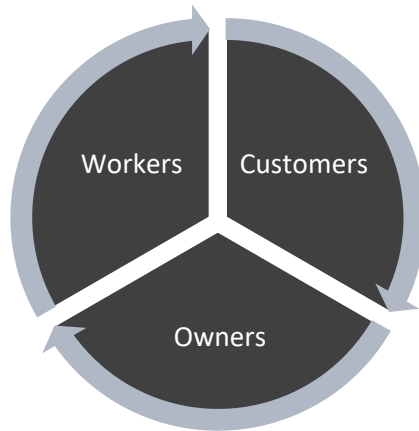**B** <u>Shared</u> goal

The Challenge of Competing Motivation

Joint stock
Non-aligned motivation

One Could Argue…
Only Mutuality Aligns Motivation

Mutuality
Aligned motivation

Joint stock
Non-aligned motivation
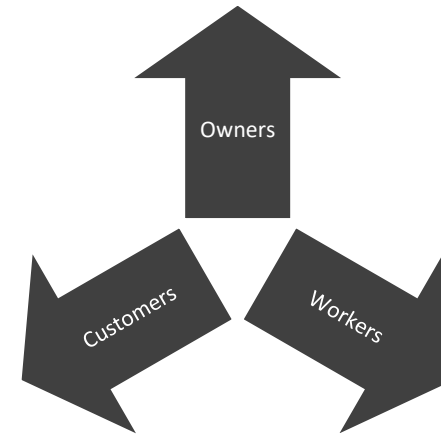
Declaration of Interdependency

Owner　　**Worker**　　**Customer**

THE HEART OF BUSINESS
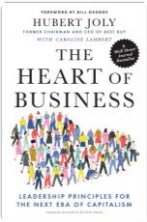
Hubert Joly
CEO, Best Buy

An Economic Theory of Higher Purpose

Virtuous circle

An authentic shared higher purpose

Motivates employees to contribute their discretionary effort

Because it contributes to their economic well-being and greater good

Increasing the value they perceive in their work … so they act like entrepreneurial owners

So the interests of the workers, owners and customers of the business are aligned
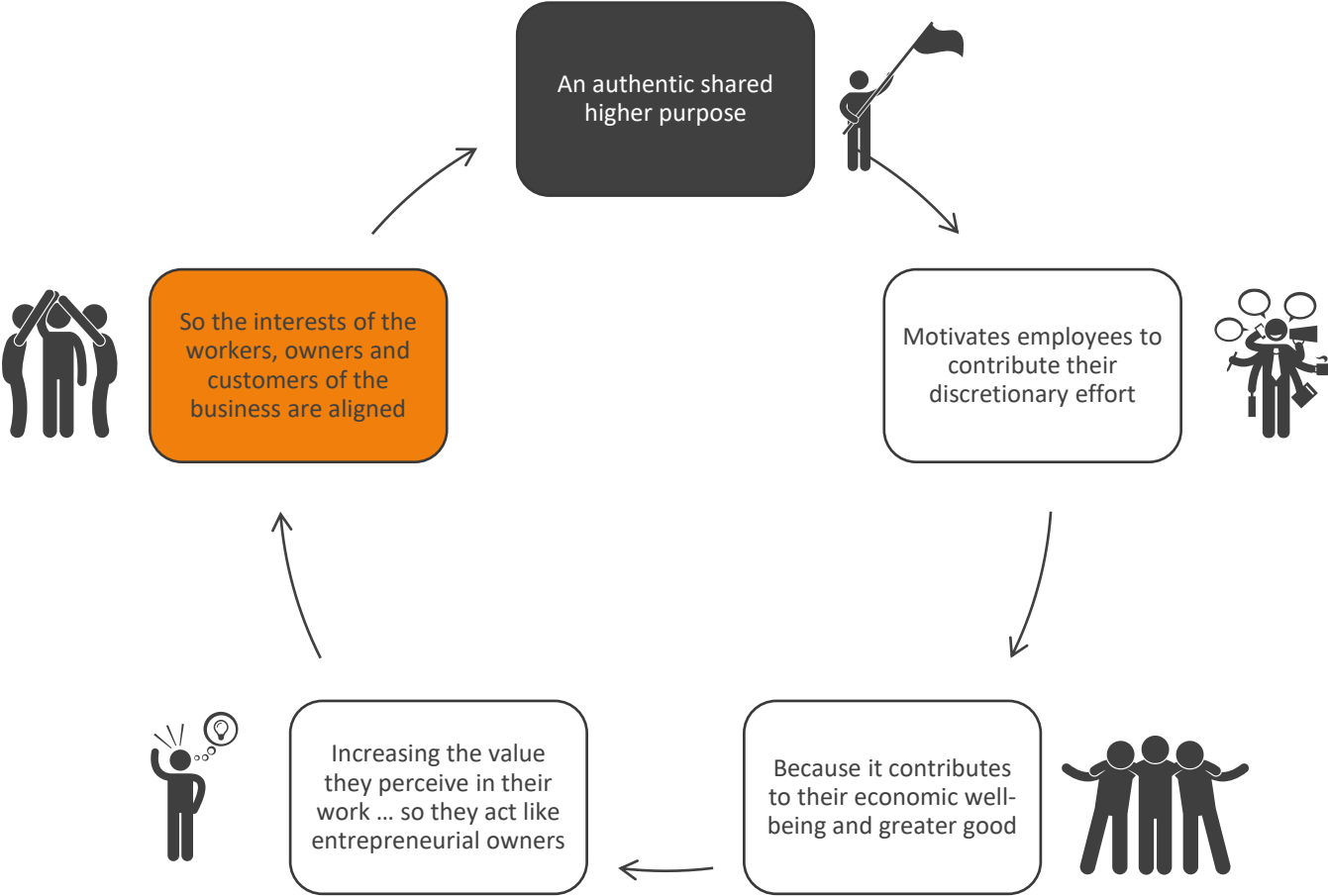
Mutuality Makes Leading With Purpose **Easier**

Mutuality Can Build and Sustain Purpose for Workers, Customers, Owners and Society

Insurance Started Out

As **communities coming together**
to **share life's big risks**
by **mutualising them**

Shaun Tarbuck
Chief Executive, ICMIF

Purpose

Is the **reason a company exists**
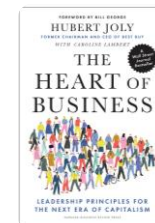
Hubert Joly
CEO, Best Buy

What We Seek is an Intersection of Higher Purpose and Business Strategy

Not some charitable cause distinct from the company's business
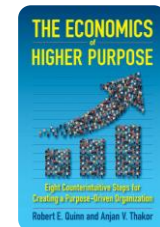
Prof. Robert Quinn
Center for Positive Organizations, University of Michigan

A Noble Purpose

Is the positive **impact** a company is seeking to make on **people's lives**

Lisa Earle McLeod
Founder, McLeod & More

We Insure Over Half of the Farmers and Growers

Glenn Croasdale
Chief Client Officer, FMG, New Zealand

A Noble Purpose

Is the positive **impact** a company is seeking
to make on **people's lives**
and, by extension, its contribution
to the **common good**
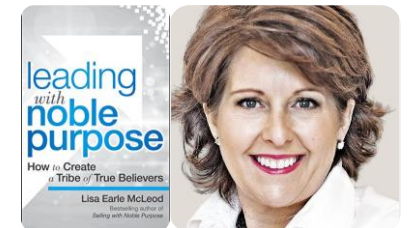
Lisa Earle McLeod
Founder, McLeod & More

A Better Deal for Rural New Zealand

Your Return On Investment
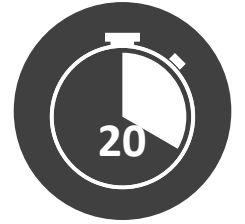
2. What is your organisation's purpose?
Optionally, what is one way you harness that purpose to inspire the people you lead?

The Organization Must Stress Operational and Economic Success

While it embraces higher purpose

Prof. Robert Quinn
Center for Positive Organizations, University of Michigan

The Centre of Power in the Organization has Shifted

From the command structure
to **empowered people**

Aric Wood
CEO, XPLANE

The Very Basis of Competition Today is Creativity and Innovation

We should not be surprised that this has **upended command and control** and for our people to think critically about the **why** of things

Aric Wood
CEO, XPLANE

What is the Difference Between Management and Leadership?

Management vs. Leadership

Addresses can't   Overcomes won't

Management controls performance   **Leadership creates performance**

because it impacts skill   because it impacts willingness

It's a matter of monitoring, analysing and directing   It's a matter of modelling, inspiring and reinforcing
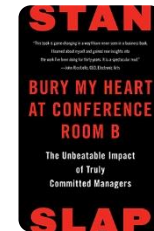
Stan Slap
Founder, Slap Company
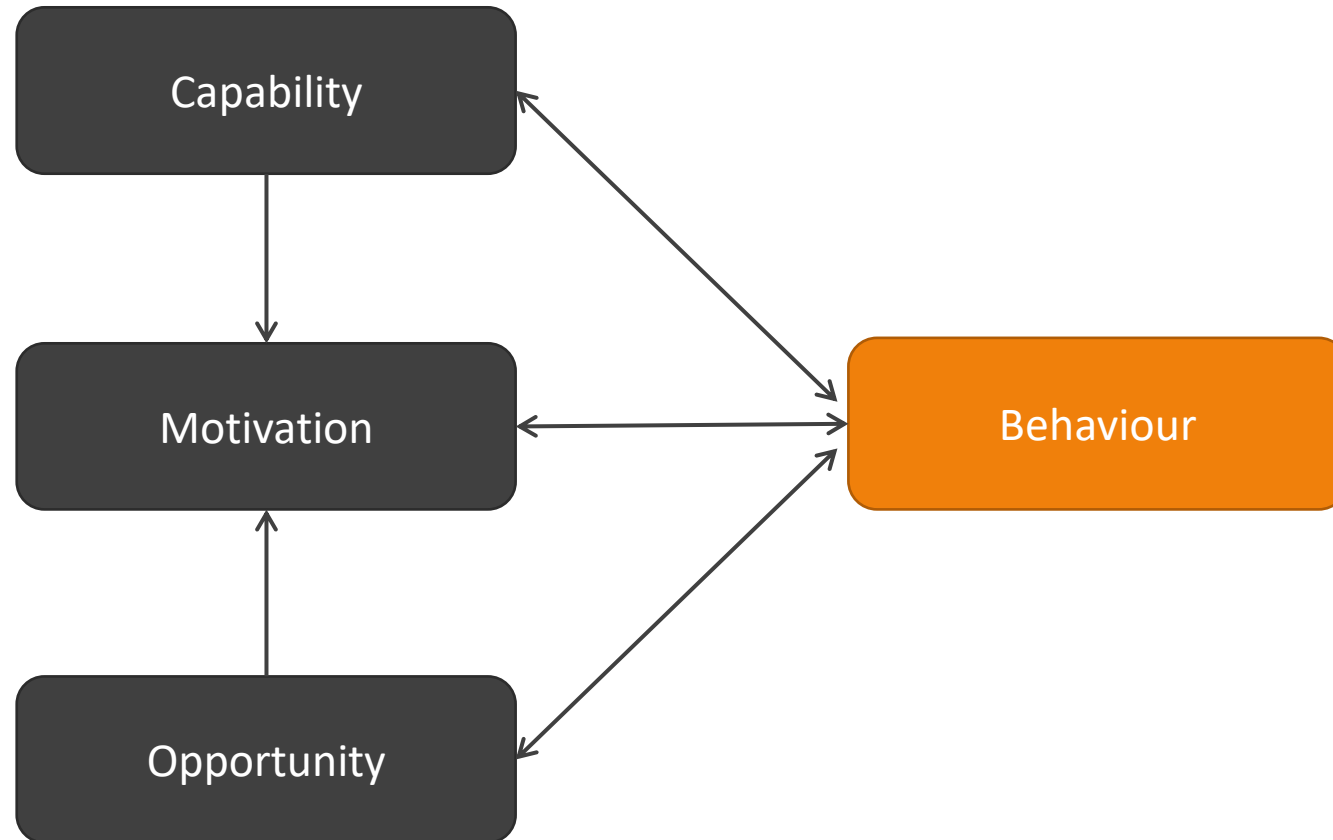
What 3 Things Do You Need to Prove to Secure a Conviction for Murder in the USA?

Capability

Motivation

Opportunity

Delivering Behavioural Change

Prof. Susan Michie
University College London

Why Leaders Fail
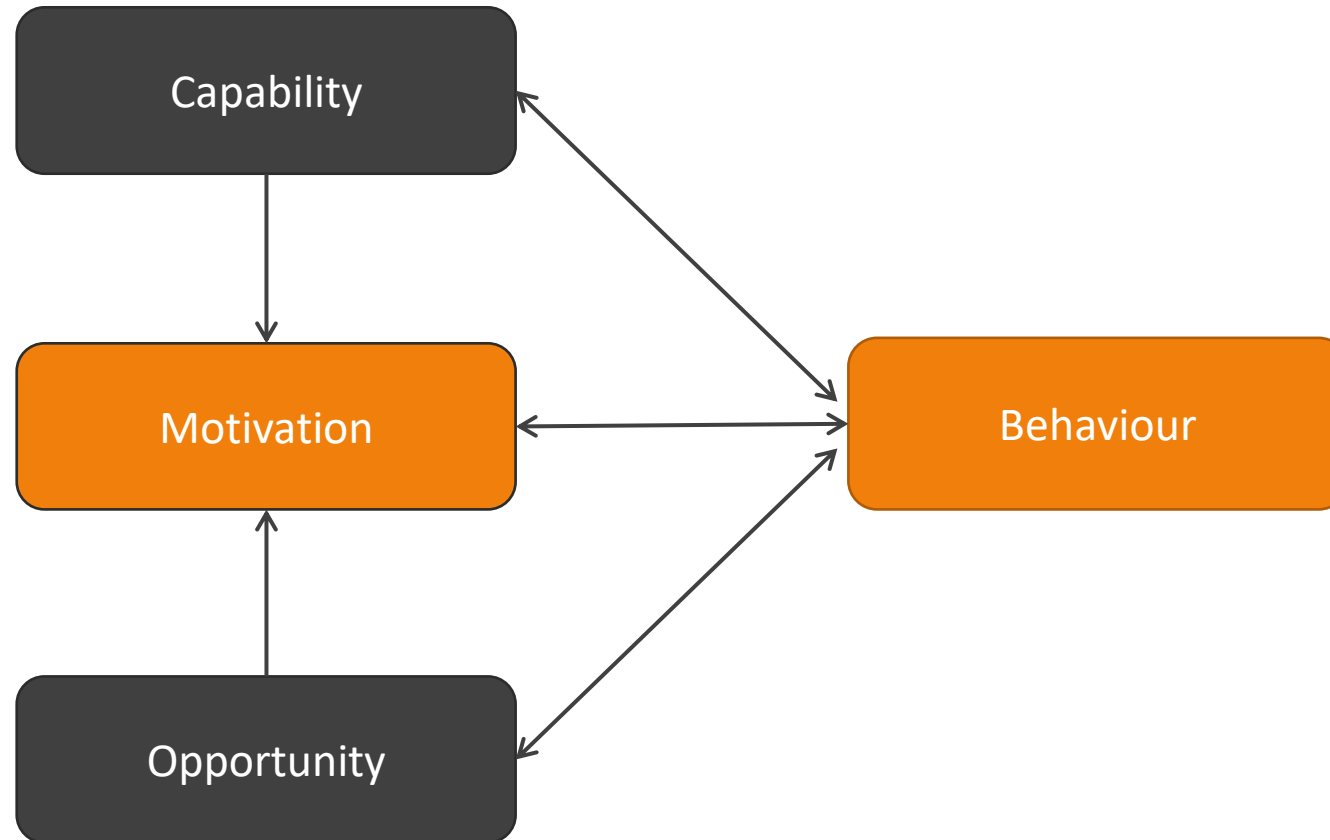
Prof. Susan Michie
University College London

For Leaders to Activate the Strategy of Purpose-Driven Organisations

1. Clarify the Purpose to overcome self-interest

By providing a vision of a **purpose** bigger than any one of us

2. Lead to unlock the Drive to act

By helping each person **connect** their own purposes with the organization's

3. Manage to provide the Organisation to act

By providing the **capability** and **opportunity** each person requires to act

Three Universal Challenges & One Opportunity

1. People Aren't Rational

"When we think
we think less
than we think we think"

2. The Real World is Complex

"The most common leadership failure stems from applying technical solutions to adaptive challenges"

3. Principal-Agent Problem

"Self-interest causes
the goals of the principal and agent
to diverge"

The Power of Purpose

"An authentic purpose delivered with clarity has a positive impact on performance"

Apply A Logic Model

Theory of Change

A **logical description** of how "it" works

The Engine of Impact

Describes your **strategy** for achieving your goals given the theory of change
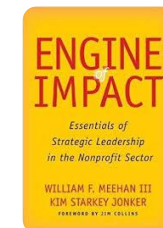
Meehan & Starkey Jonker

Stanford University Business School

Complex Systems Feature Uncertainty
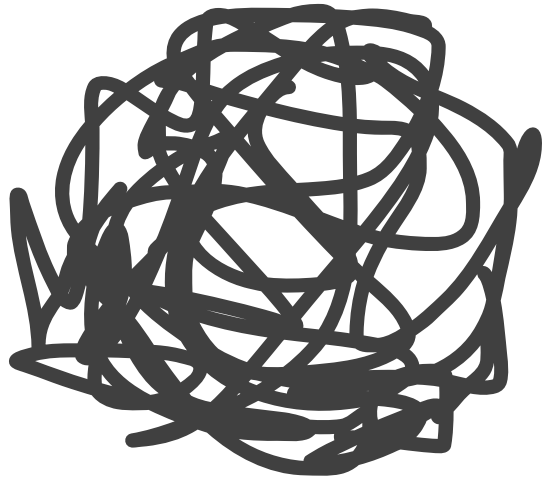
Complex Systems Feature Uncertainty

Wherever there is uncertainty

there has got to be judgment

and wherever there is judgment

there is an opportunity for human error

Donald Redelmeier
University of Toronto

Why Did a Brain Like Yours Evolve?
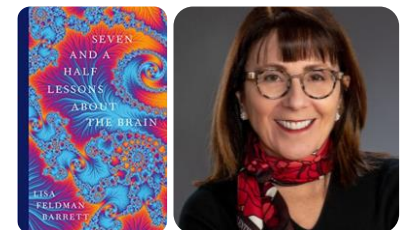
There is no "why"

Lisa Feldman Barrett
Northeastern University
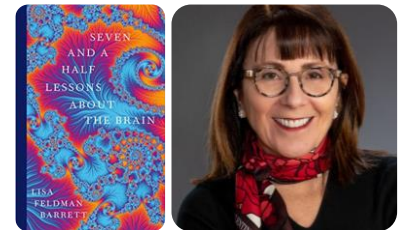
Source: lisafeldmanbarrett.com

But We Can Say What is Your Brain's Most Important Job

It's not rationality. Not emotion
Not imagination, or creativity, or empathy

Lisa Feldman Barrett
Northeastern University

Source: lisafeldmanbarrett.com

Your Brain's Most Important Job
Is to Manage Allostasis

Lisa Feldman Barrett

Northeastern University

Allostasis
Body Energy Budgeting
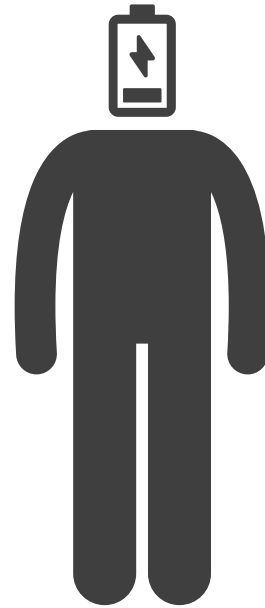
Once Upon a Time
550 Million Years Ago
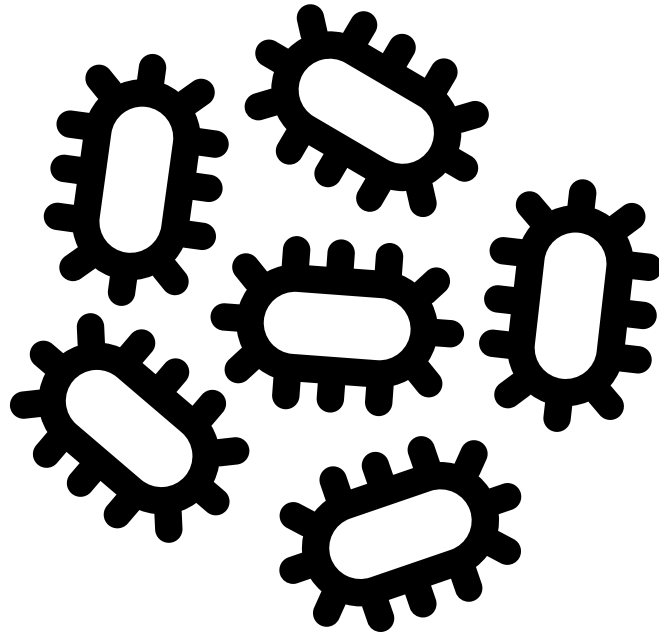
You Were a Little "Stomach" Floating Without Control Bumping Into "Food"
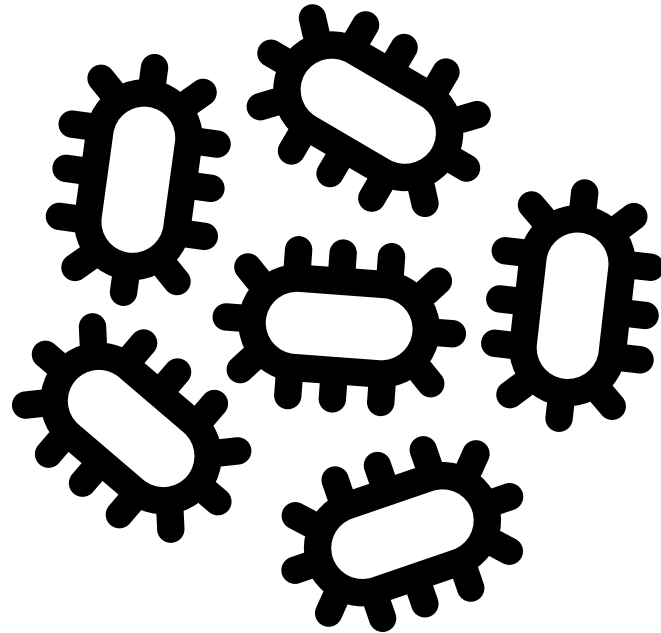
Like a Nematode
(302 Neurons Versus Our ~85 Billion)

Brain with only a few
hundred neurons
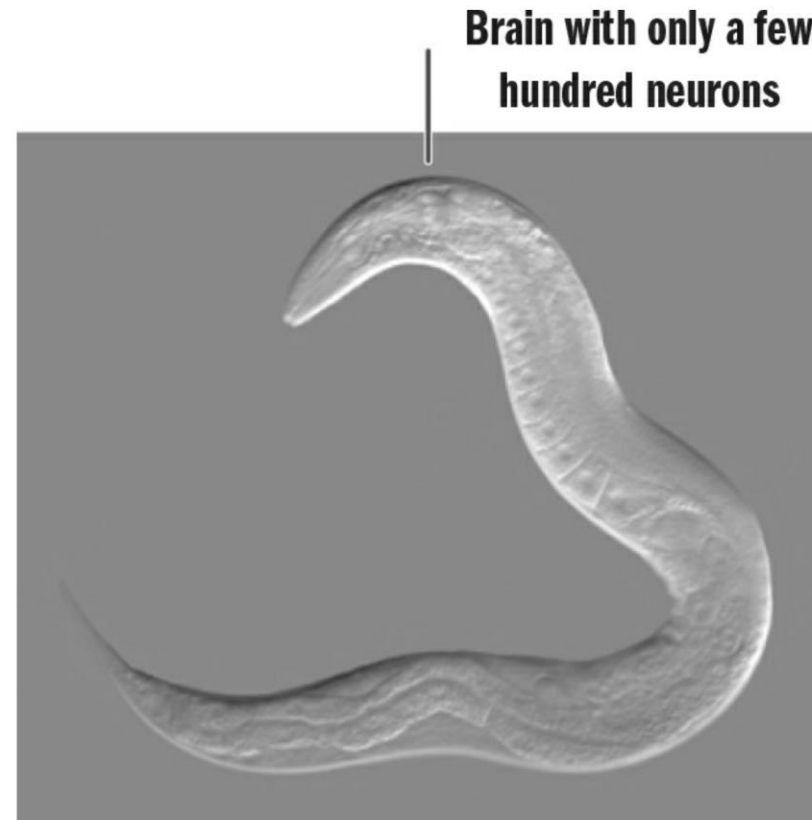
Figure 2.5: The nematode *C. elegans*

Original art by Rebecca Gelernter
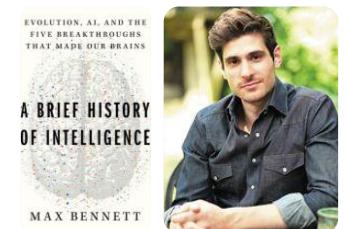
Max Bennett
AI Entrepreneur and researcher

Little By Little You Evolved to Wiggle Towards The Food
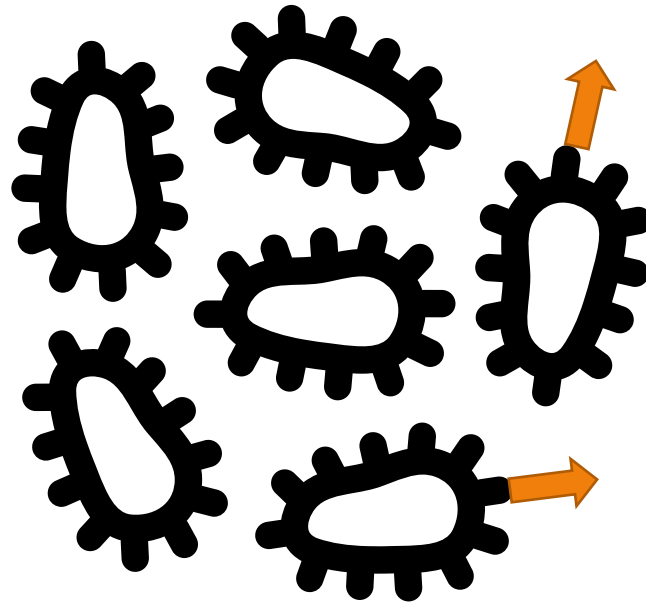
If Food Smell Increases, Keep Going Forward
If Food Smell Decreases, Turn

Hidden patch of food
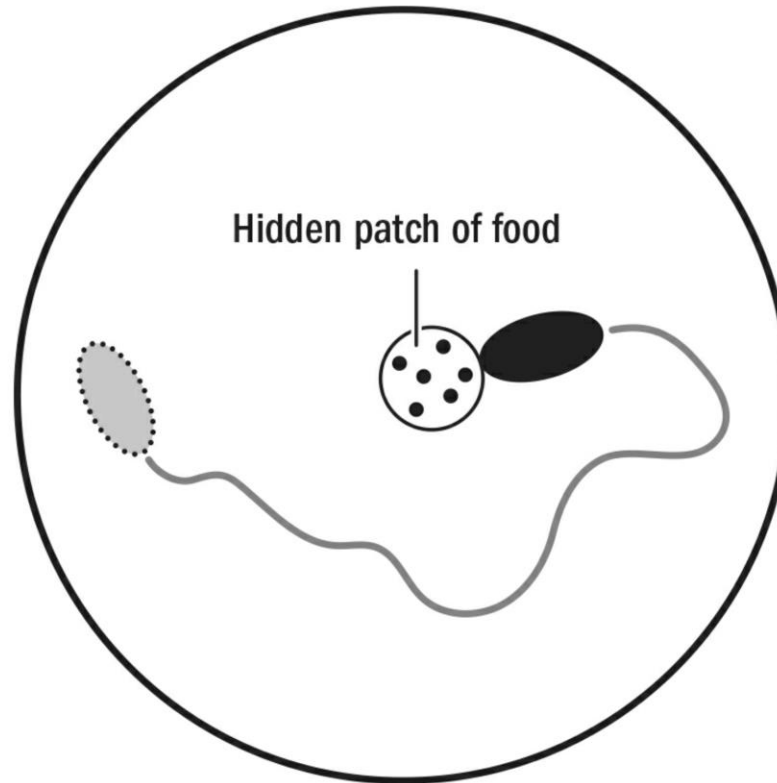
Figure 2.6: Nematode steering toward food

Original art by Rebecca Gelernter

1. If food smells increase, keep going forward.
2. If food smells decrease, turn.
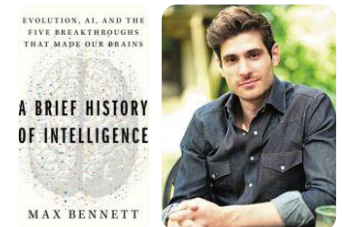
Max Bennett
AI Entrepreneur and researcher

Competition Is Fierce
So Natural Selection …
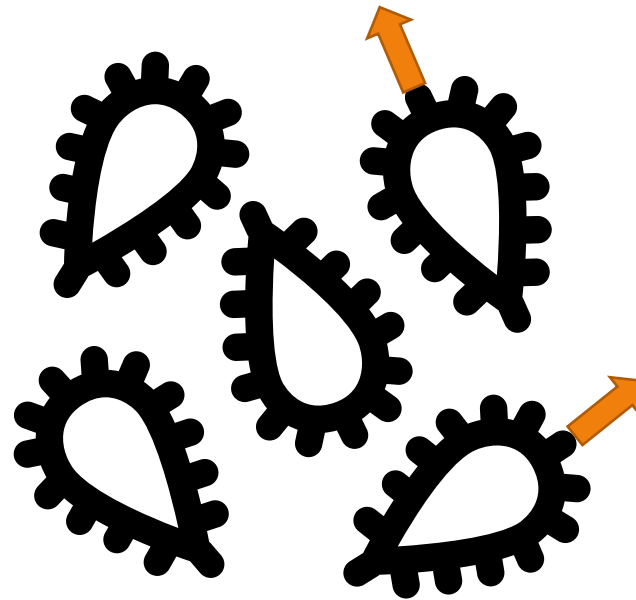
... **Rewards** Those Able to
Efficiently Predict Where to Go for Food
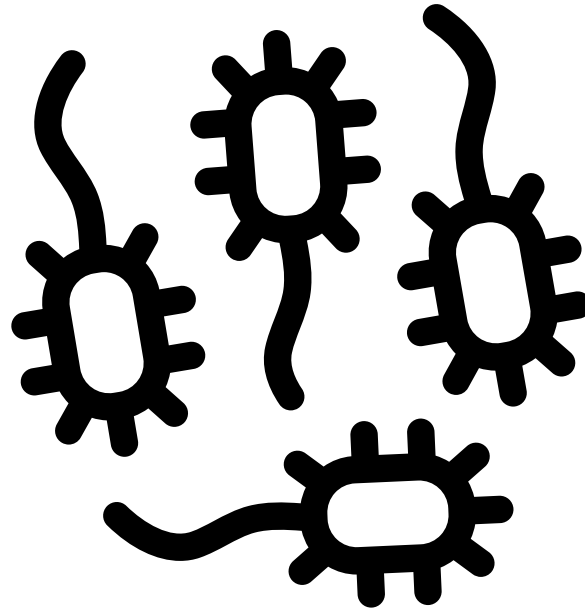
And **Punishes** Those that Simply **React**
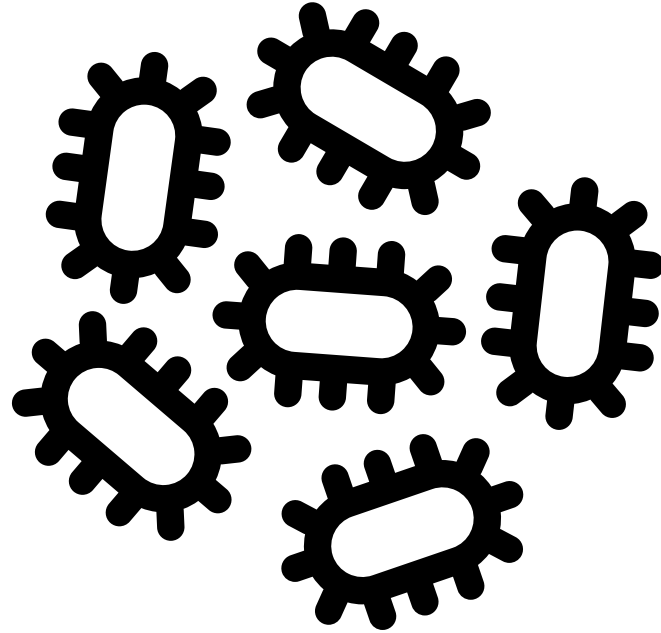
Your Brain's Most Important Job Is to Manage Allostasis

By **predicting** energy **needs** before they arise
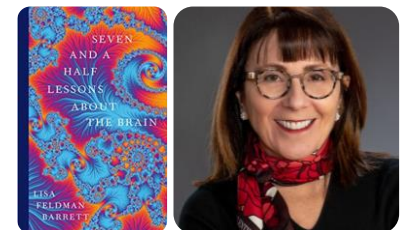
Lisa Feldman Barrett
Northeastern University

# Your Brain's Most Important Job Is to Manage Allostasis

By **predicting** energy **needs** before they arise so you can **efficiently** make worthwhile movements and survive

Lisa Feldman Barrett
Northeastern University
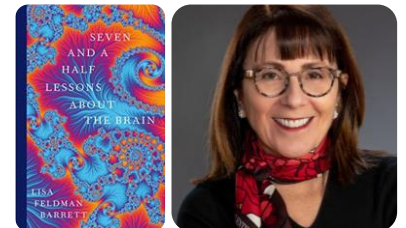
Source: lisafeldmanbarrett.com

Our Brains Are Hungry For Energy

% of body weight

2

98

- Brain
- Rest of body

% of energy consumption

30

70

- Brain
- Rest of body

THE HUMAN ADVANTAGE
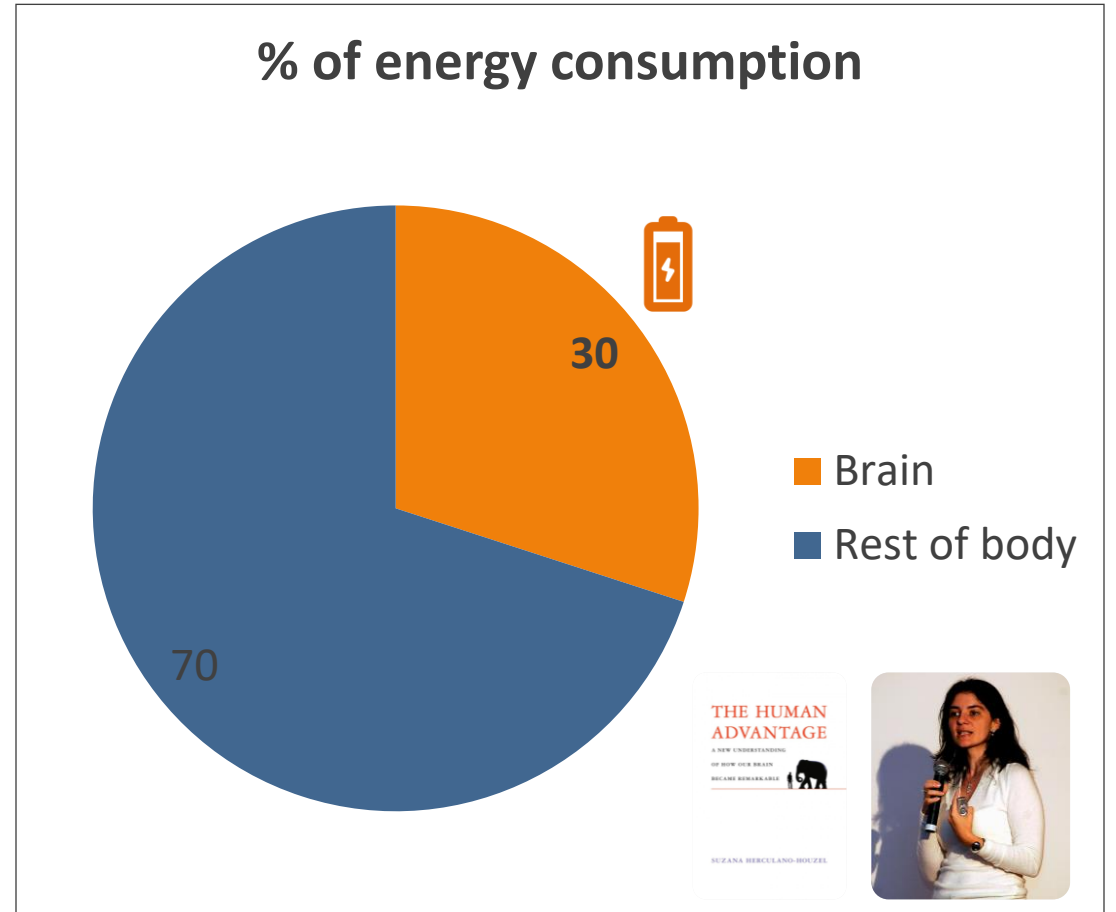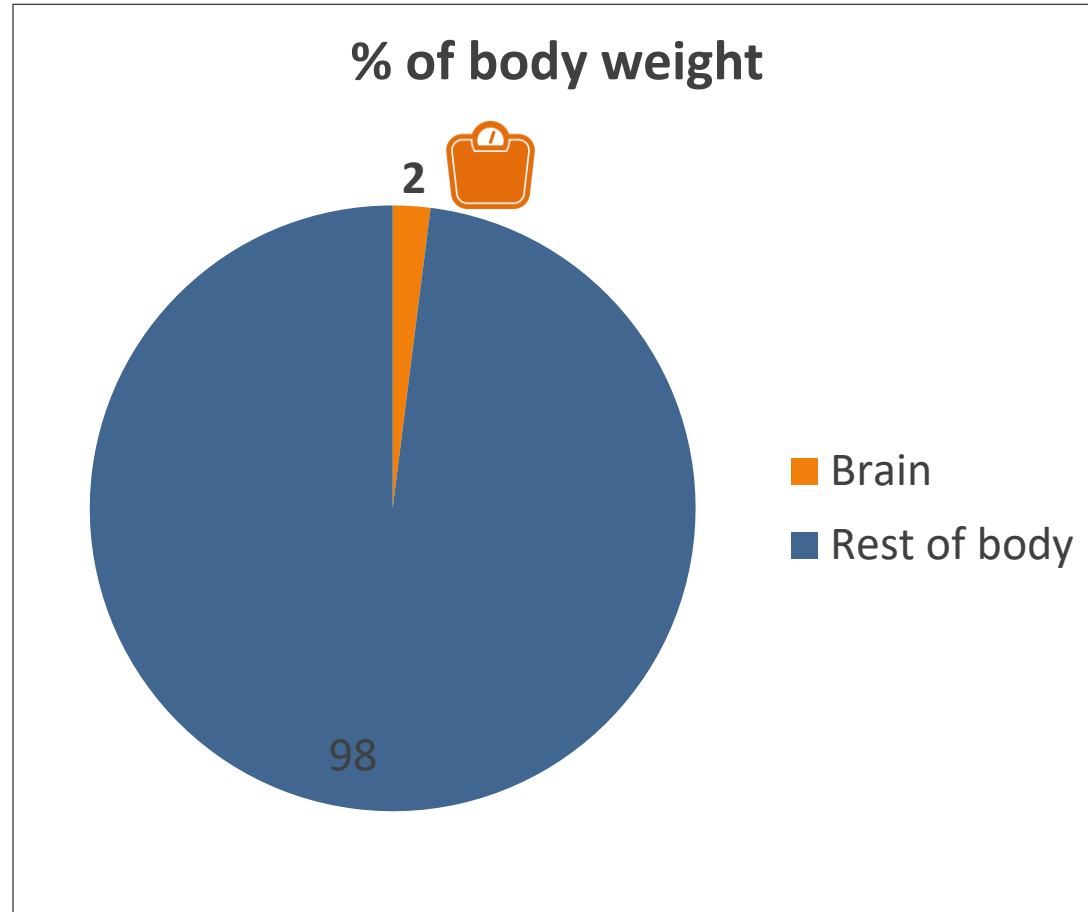
Suzana Herculano-Houzel

The Battle For Calories Drives Evolution

CC-BY-NC-SA 3.0: Silhouettes by Steven Coombs, Dmitry Bogdanov, FunkMonk, Ghedoghedo, Giant Blue Anteater, Scott Hartman, Philippe Janvier, Chris Jennings (Risiatto), T. Michael Keesey, Gareth Monger, Smokeybjb, Nobu Tamura, Arthur Weasley, and Matteo Zirio

Our Brains Evolved To Conserve Energy

In Effect

All animals are under stringent selection pressure to be **as stupid as they can get away with**

Richerson and Boyd
University of California Davis, Arizona State University

Brains Aren't Wired for Accuracy

They're wired to **keep us alive**

Lisa Feldman Barrett
Northeastern University

Source: lisafeldmanbarrett.com

We Evolved To Think As Little As Possible

Speed

Accuracy
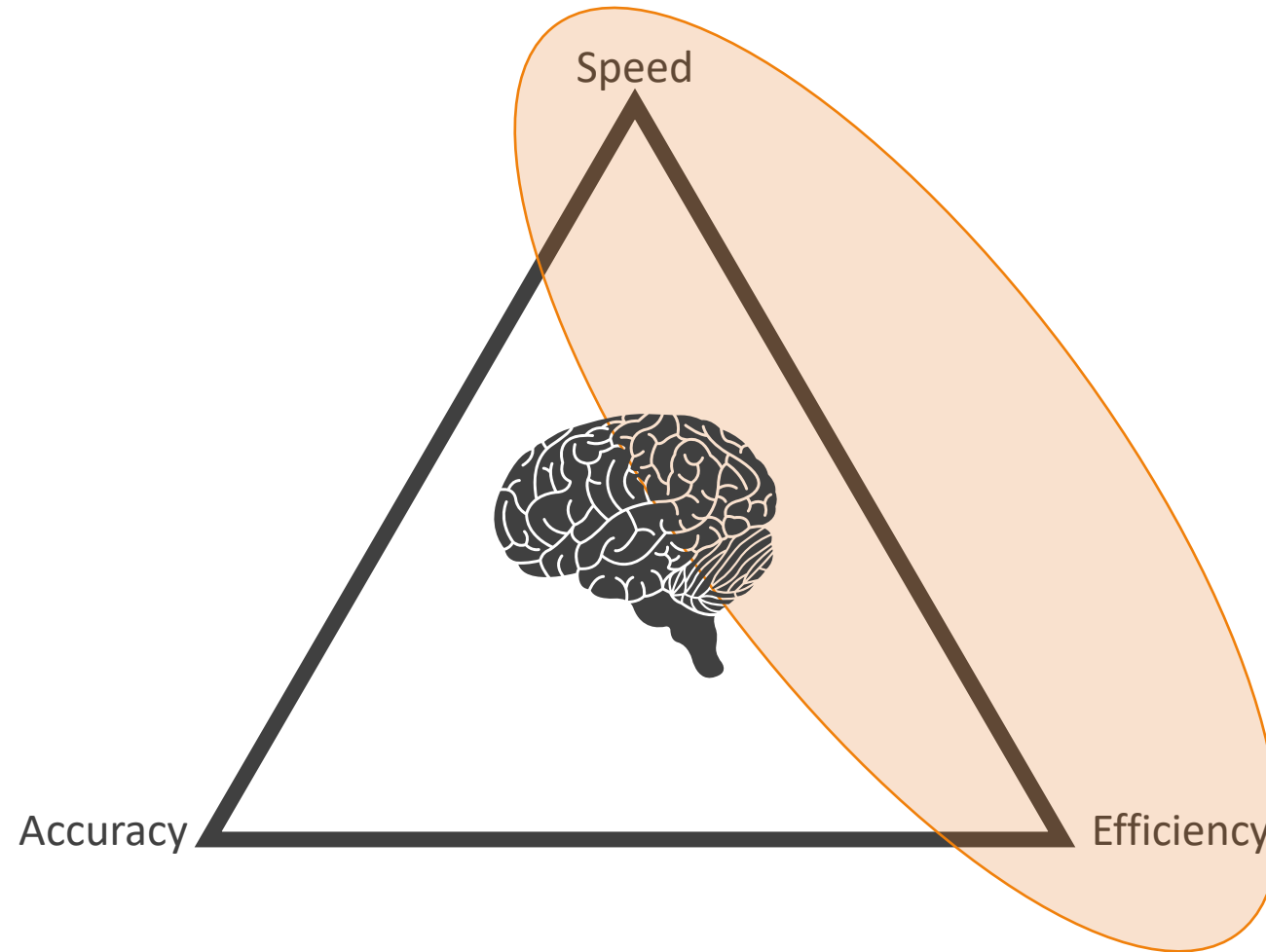
Efficiency

Efficiency Requires a Brain

To **predict** what will be needed

Prediction beats reaction

History guides prediction
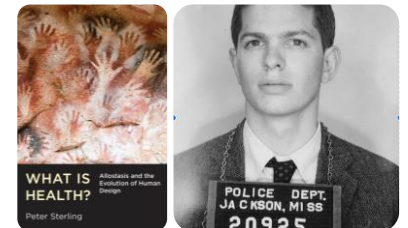
Peter Sterling
Perelman School of Medicine

Source: twitter.com/whatishealth21

Energy Saving Prediction Machine
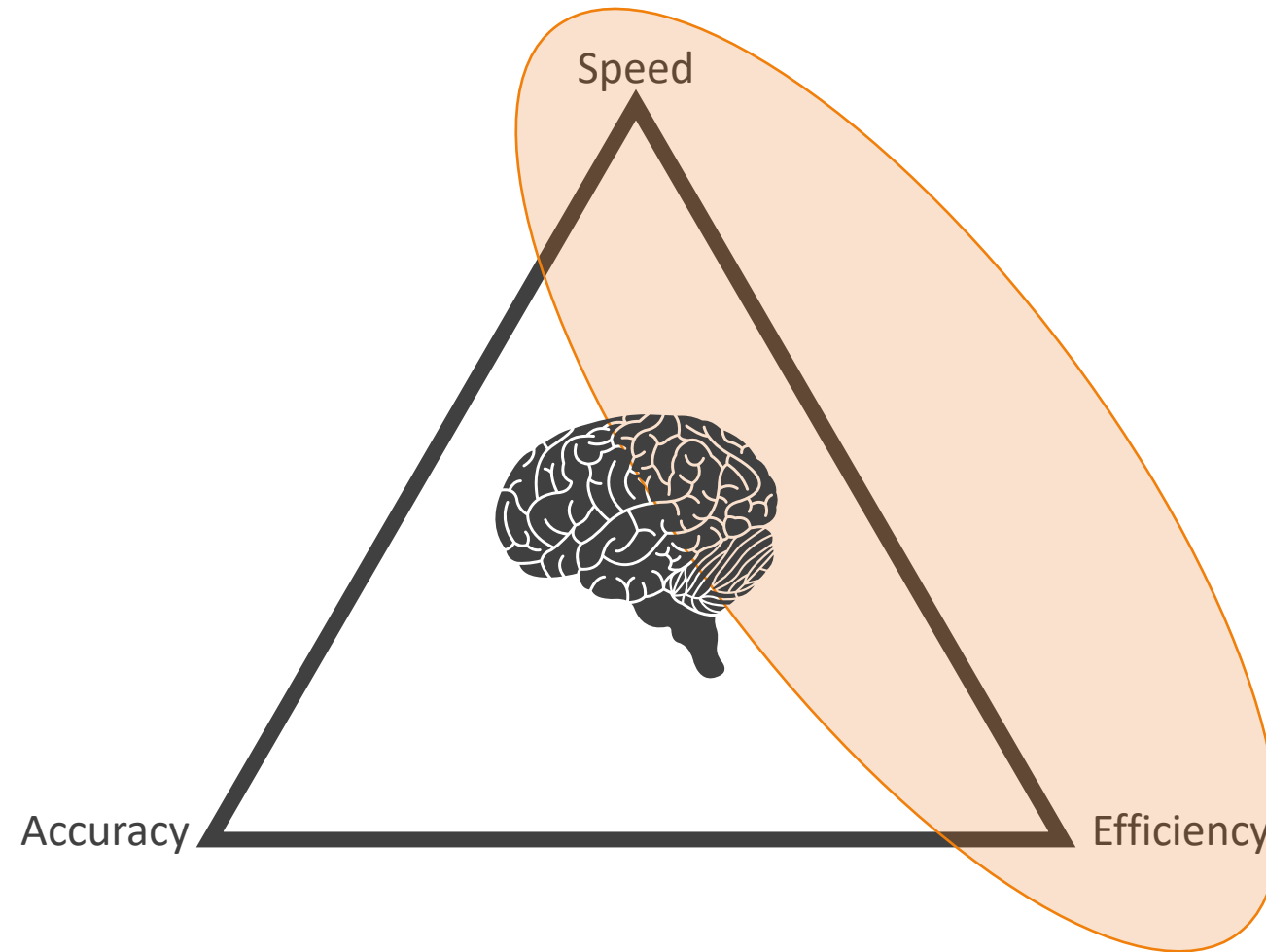
We Evolved To Operate
On Prediction-Based Autopilot

95%
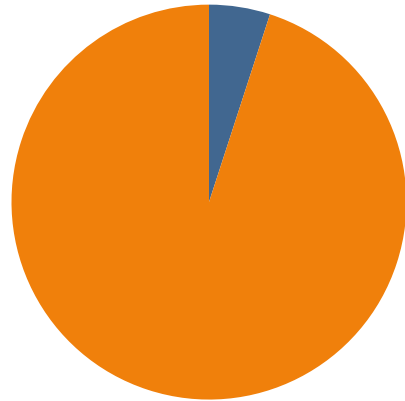
Navigating Life On Prediction-Based Autopilot is Essential and Wonderful

95%
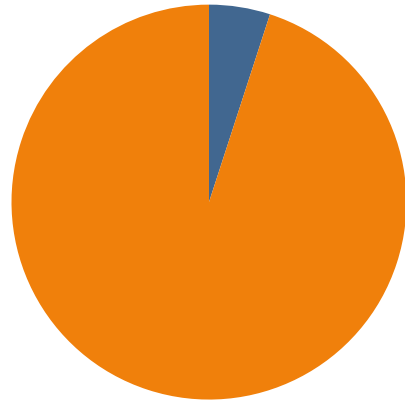
Do You Remember How Overwhelming It Was to Drive for the First Time?

Now You Can Drive A Familiar Route

Thinking About Yesterday's Meetings

Planning Today's Meetings

Dreaming About Tonight
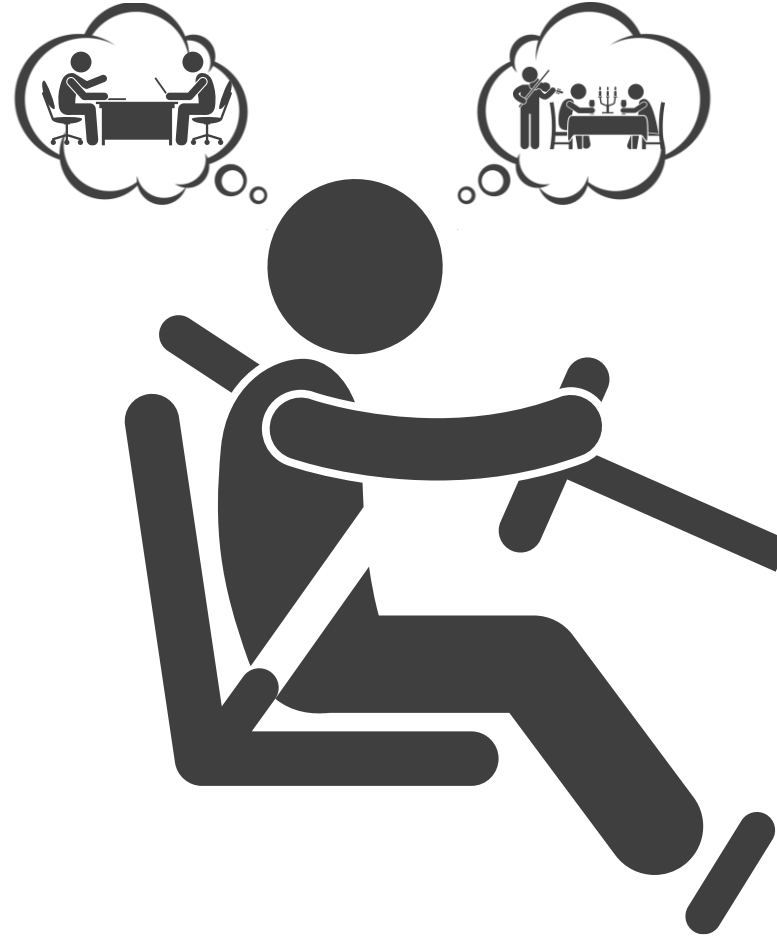
And Reach Your Destination With No Recollection of the Journey You Just Made

Universal Challenges Leading In A Complex World With An Energy-Saving Prediction Machine Brain

It can be hard to
make sense of the world
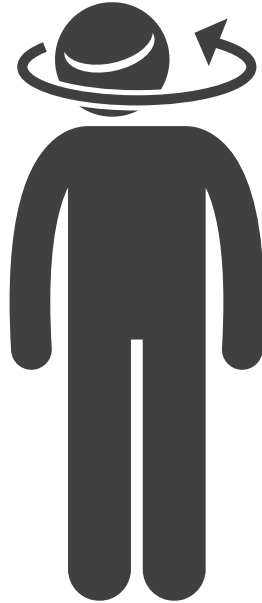
It can be hard to
know what action to take

Know what is **true**
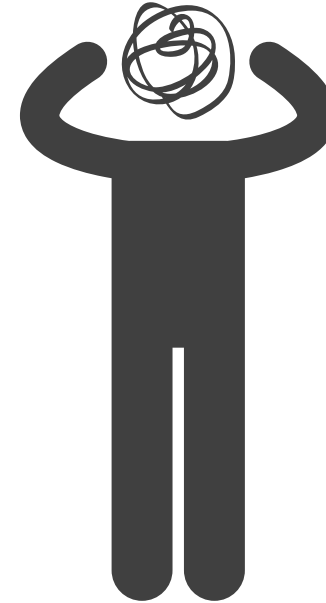
Know what **to do**

We Seek the Thinking Processes for Rationality

Nothing could be more practical or useful for a person's life
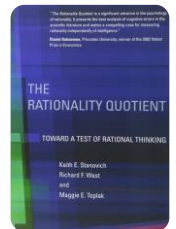
Stanovich, West and Toplak
The Rationality Quotient

We Seek the Thinking Processes for Rationality

Nothing could be more practical or useful for a person's life than the thinking processes that help them **find out what is true** and **what is best to do**
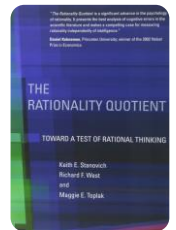
Stanovich, West and Toplak
The Rationality Quotient

Work As A Team

James Thomas
Capricorn Mutual
AUSTRALIA

Kristof Quintyn
P&V
BELGIUM

Nathalie Withofs
P&V
BELGIUM

Sandra Budé
P&V
BELGIUM

Bill Lagopoulos
Wawanesa Mutual Insurance
CANADA

Lauren Mazurkewich
Wawanesa Mutual Insurance
CANADA

Asbjørn Christensen
LB Forsikring
DENMARK

Rikke Smidt Gellert
LB Forsikring
DENMARK

Benoït Ballivet de Regloix
IMA
FRANCE

Christian Simon
R+V
GERMANY

Johannes Speicher
R+V
GERMANY

Philipp Streibel
R+V
GERMANY

Palanisamy Muthusamy
DHAN Foundation
INDIA

Ryosuke Kachi
Zenkyoren
JAPAN

Robert de Ruiter
Coöperatie Univé
NETHERLANDS

Rowena Casinillo
CLIMBS
PHILIPPINES

Ruel Arsua
CLIMBS
PHILIPPINES

Thebe Ramanna
African Risk Capacity
SOUTH AFRICA

Liyoni Muditha
Sanasa Insurance Company
SRI LANKA

Åsa Björklund
Folksam
SWEDEN

Charlotta Carlberg
Folksam
SWEDEN

Mats Davidson
Folksam
SWEDEN

Jamie Vooght
Cornish Mutual
UNITED KINGDOM

Steve Firko
Pennsylvania Lumbermens Mutual
UNITED STATES

Steve Prentice
Thrivent
UNITED STATES

Apply The Essential Mental Models and Tools for Leading With Purpose in A Complex World

Monday	Tuesday	Wednesday	Thursday	Friday
Welcome and introductions	**Leading mutual insurers with purpose**	**Leading teams in a complex world**	**Activating strategy in a complex world**	**Translating learning into value**
18.00 – 18.00	09.00 -17.00	09.00 -17.00	09.00 -17.00	09.00 – 15.00

How we see, think & act Essence of complexity Leading with purpose	**How groups decide** Psychological safety The essence of strategy	**How culture works** Strategy activation Leading with purpose	**Learning systems** How habits work Scaling learning
Many mental models Diagnose before treating 3 Behavioural levers	**Collective intelligence** Strategic framework Tackling your challenges	**Strategy activation plays for leading with purpose** Leading with purpose	**Build a learning culture** Habit canvas Scaling your impact

Break #2 (of 4 today)

Next session starting at

11:20

icmif

Ginger INSIGHTS

Leading in A Complex World
With an Energy-Saving, Predicting Brain

1. People Aren't Rational

"When we think
we think less
than we think we think"

2. Energy-Saving, Predicting Brains

"Your brain's most important job is predicting energy needs so you can efficiently move and survive"

3. The Real World is Complex

"The most common leadership failure stems from applying technical solutions to adaptive challenges"

4. Rules Fail In Complex Worlds
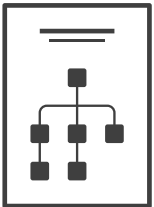
"For every complex problem, there is an answer that is clear, simple and wrong"

Work As A Team

Complex situations require multiple perspectives because each is unique and no-one can see the whole system

Use Models And Tools Not Rules

Single rules fail in complex worlds, but a combination of many models makes complex problems tractable

Leading Mutual Insurers With Purpose in A Complex World

5. The Principal-Agent Problem

"[Without shared purpose], self-interest causes the goals of the principal and agent to diverge"

6. Overlooking Motivating People

"80% of strategies fail, because we forget the most important factor in executing strategy: people"

Lead With a Clear, Shared Purpose

"An authentic purpose delivered with clarity has a positive impact on performance"

ICMIF Advanced Management Course 2024

A Framework for Thinking About Thinking (part 1)

Part 3 (of 6)

Next break (lunch): 12:30

icmif

What Do You See?

We Snap to Very Quick Understandings

Your Return On Investment
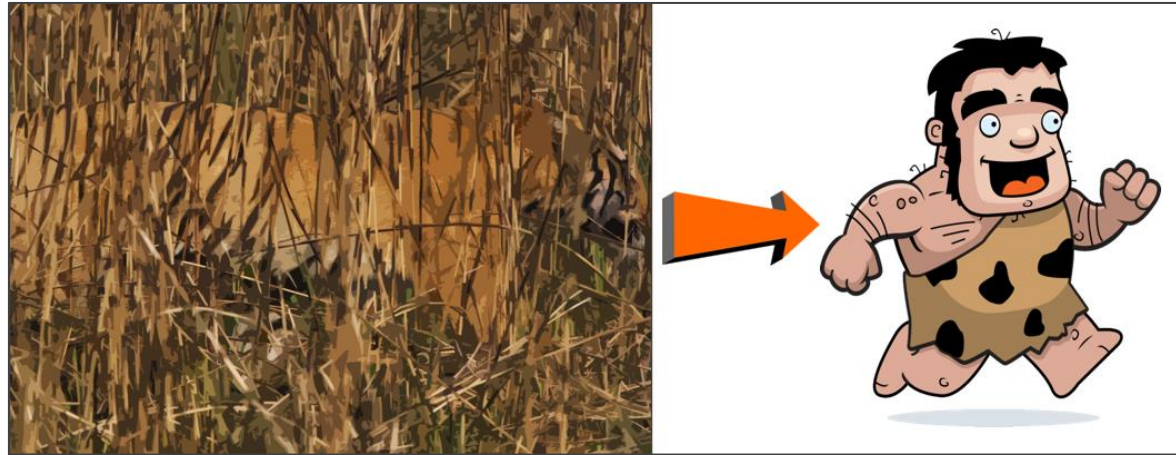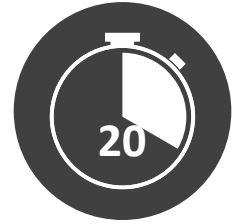
Snap

3. Where does your expertise enable you to exercise snap judgments in your work?

Examples

Snap
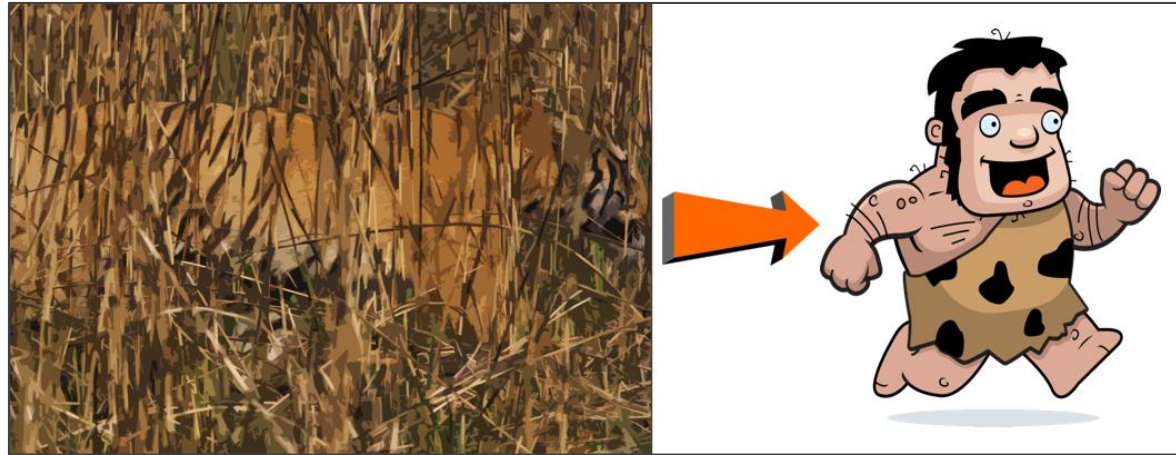
- **Data**: the answer jumps straight out to you from a spreadsheet

- **People**: you can read the mood of a longstanding colleague just by how they say "hello"

The Origin of Expertise

The brain has to **learn what is normal** — that is, what should be **expected** based on past **experience**

Jeff Hawkins
Founder, Numenta

Thank You, Experts

James Thomas
Capricorn Mutual
AUSTRALIA

Kristof Quintyn
P&V
BELGIUM

Nathalie Withofs
P&V
BELGIUM

Sandra Budé
P&V
BELGIUM

Bill Lagopoulos
Wawanesa Mutual Insurance
CANADA

Lauren Mazurkewich
Wawanesa Mutual Insurance
CANADA

Asbjørn Christensen
LB Forsikring
DENMARK

Rikke Smidt Gellert
LB Forsikring
DENMARK

Benoït Ballivet de Regloix
IMA
FRANCE

Christian Simon
R+V
GERMANY

Johannes Speicher
R+V
GERMANY

Philipp Streibel
R+V
GERMANY

Palanisamy Muthusamy
DHAN Foundation
INDIA

Ryosuke Kachi
Zenkyoren
JAPAN

Robert de Ruiter
Coöperatie Univé
NETHERLANDS

Rowena Casinillo
CLIMBS
PHILIPPINES

Ruel Arsua
CLIMBS
PHILIPPINES

Thebe Ramanna
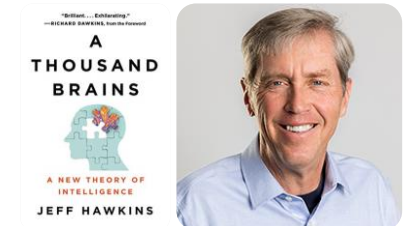African Risk Capacity
SOUTH AFRICA

Liyoni Muditha
Sanasa Insurance Company
SRI LANKA

Åsa Björklund
Folksam
SWEDEN

Charlotta Carlberg
Folksam
SWEDEN

Mats Davidson
Folksam
SWEDEN

Jamie Vooght
Cornish Mutual
UNITED KINGDOM

Steve Firko
Pennsylvania Lumbermens Mutual
UNITED STATES

Steve Prentice
Thrivent
UNITED STATES

The Other Side of the Coin

I'd Like to Say Sorry...

... to any readers who find themselves referencing this book and subsequently losing an argument with a neuroscientist
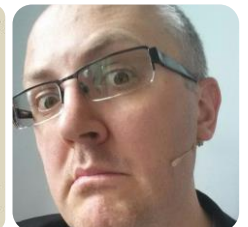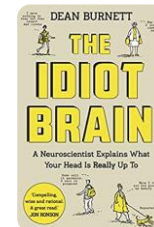
Dr. Dean Burnett
Neuroscientist and comedian

From One Cell to a Fully-formed Organ

Our Brains Developed As Mini Systems

Anatomy and Functional Areas of the Brain
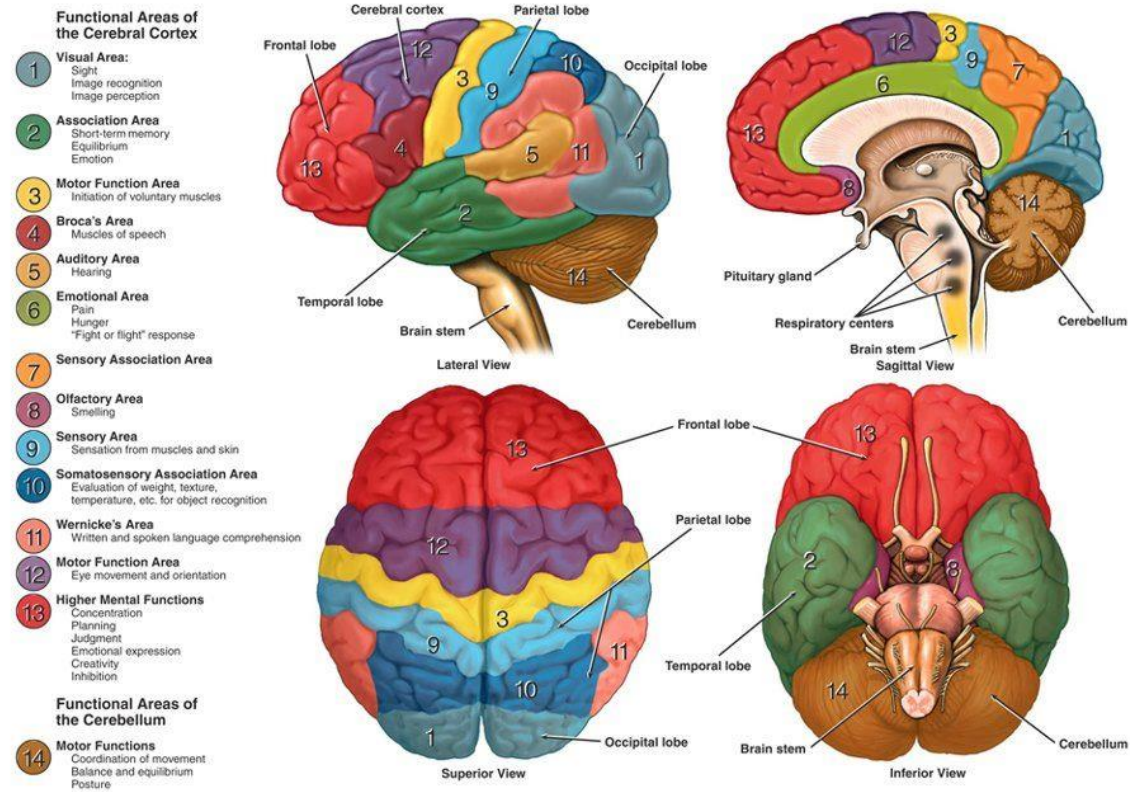
"Neural Parliament"

Anatomy and Functional Areas of the Brain
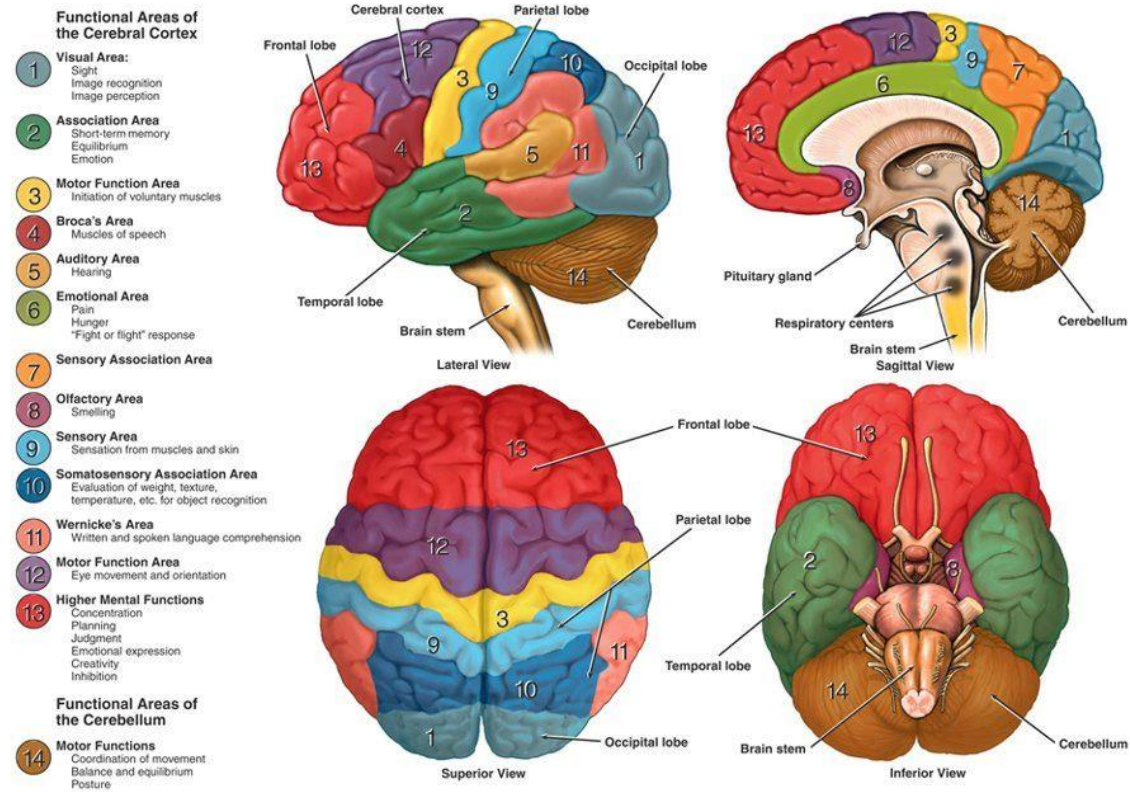
Dr. David Eagleman
Stanford University

There Are Many Models
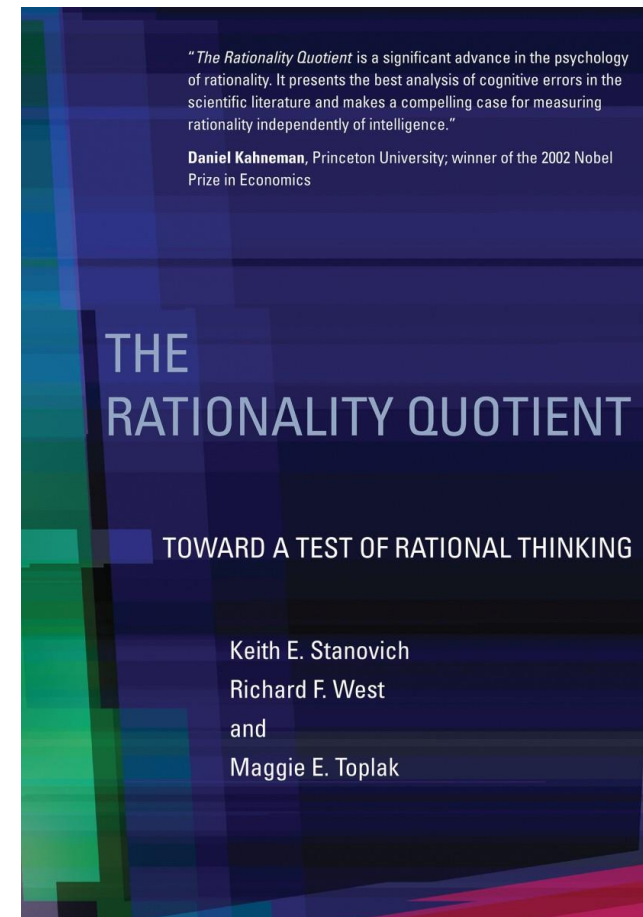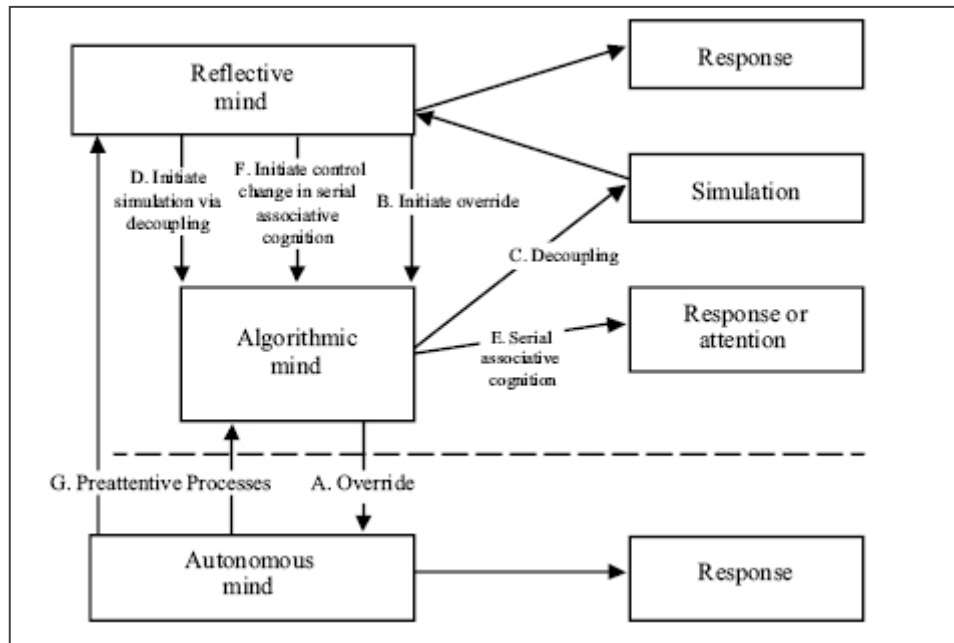
The Purpose of Models Is To …

1. Simplify

2. Define

3. Create spaces within which we can apply logic
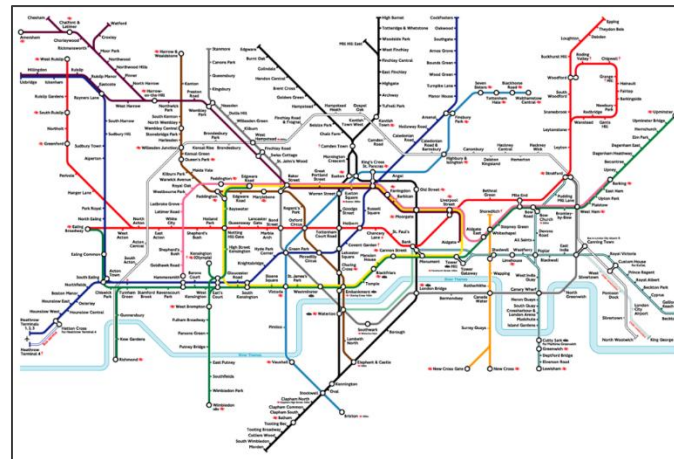
All models are **wrong**, but some are **useful**.

- George Box
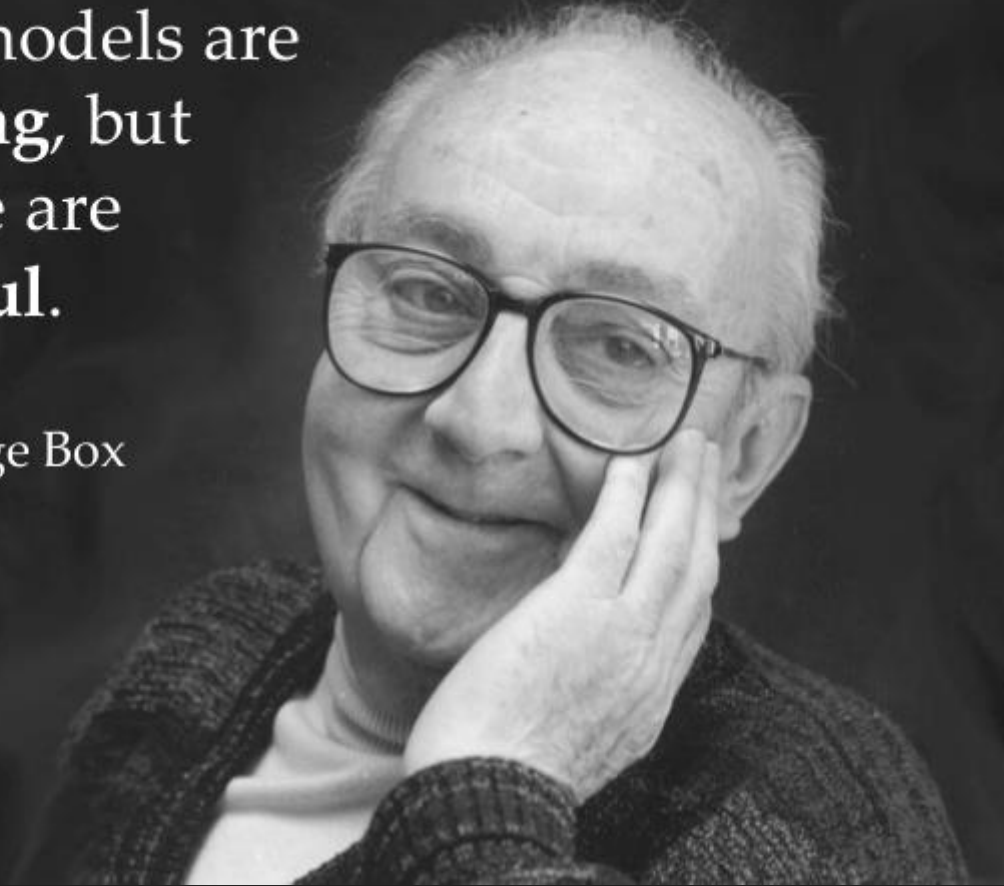
Our Underground Map
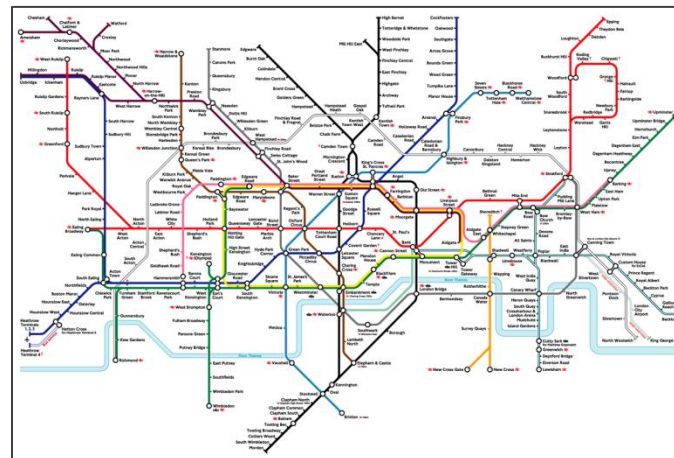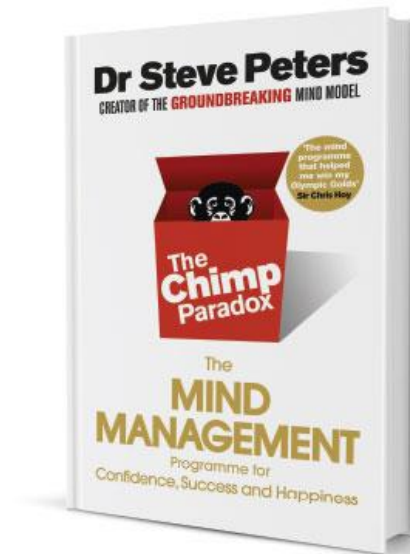
Three Distinct, But Interconnected Teams

1. Subconscious brain

2. Emotional brain

3. Thinking brain

Uncertainty → Judgement → Human Error

Technical ⭐ Complex

Wherever there is uncertainty

there has got to be judgment

and wherever there is judgment

there is an opportunity for human error

Three Teams
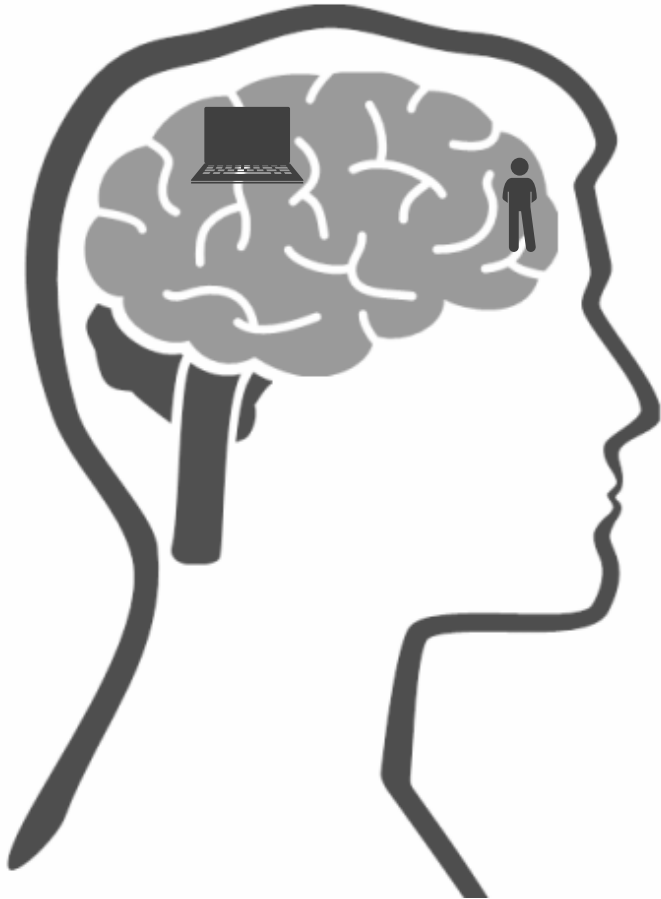
1. Subconscious brain
"The Computer"

Patterns based on experience
Beliefs

20x faster
than the Human

2. Emotional brain

3. Thinking brain
"The Human"

We Snap to Very Quick Understandings

Aoccding to rscheearch at an Elingsh uinervtisy, it deosn't mttaer in what oredr the ltteers in a wrod are, only that the frist and lsat ltteres are at the rghit pcleas. The rset can be a toatl mses and you can sitll raed it wouthit a porbelm. Tihs is bcuseae we do not raed ervey lteter by ilstef, but the word as a wlohe.

A
bird
in the
the hand
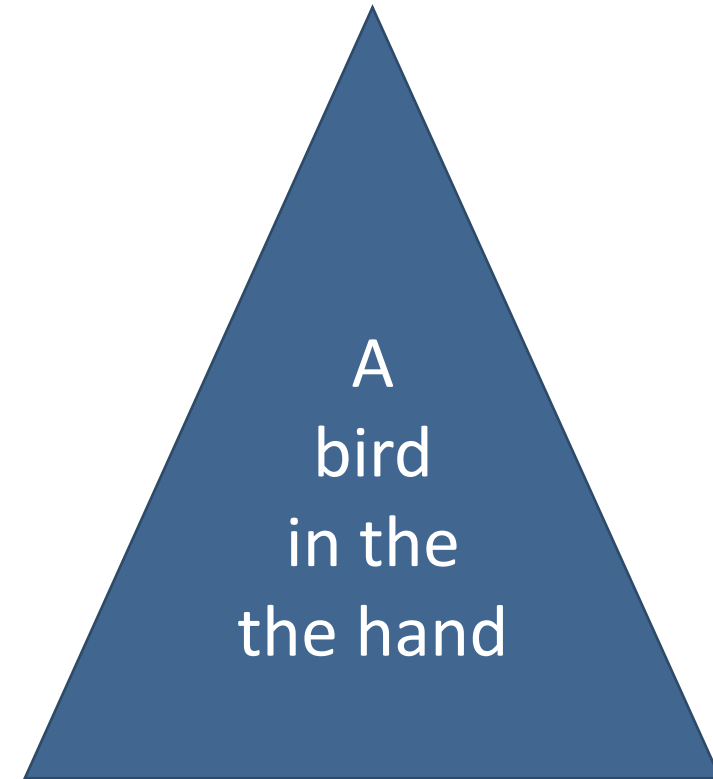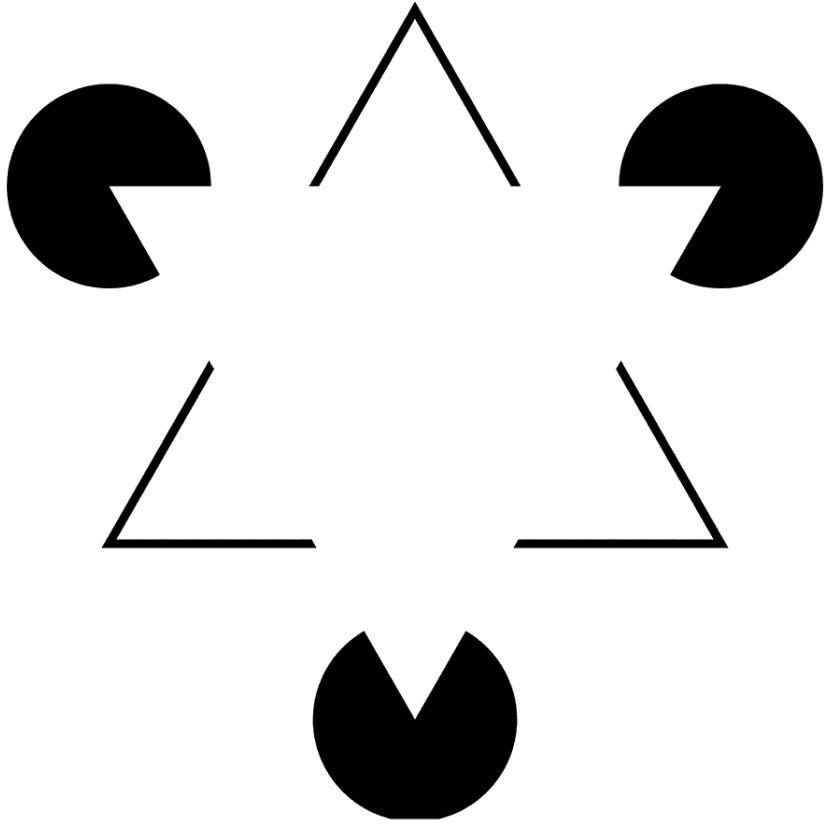
Errors of Perception

Failing to See What Is There

A
bird
in the
the hand
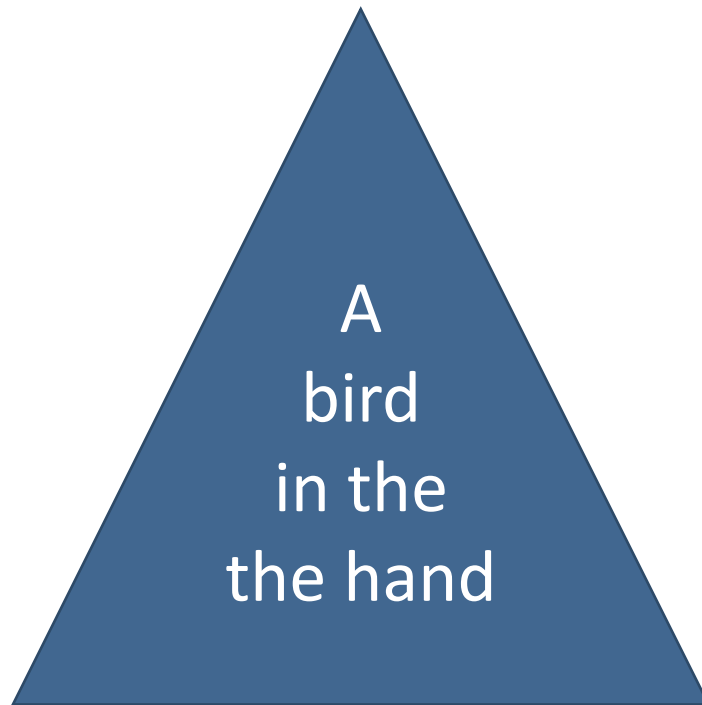
Seeing What Is Not There
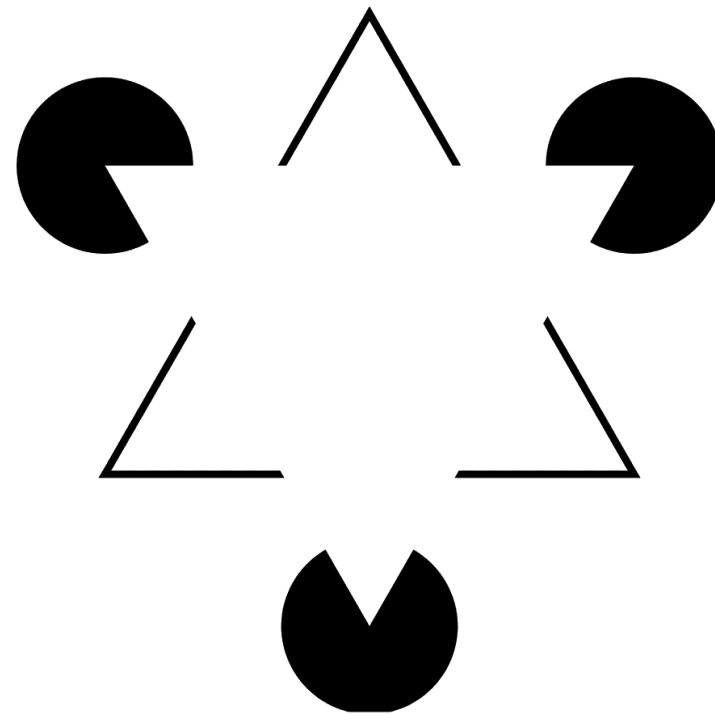
90% of Decision Errors Are Are **Errors of Perception**

And not reason

Prof. David Perkins
Harvard

Source: David Perkins in conversation with Edward de Bono, with permission of Edward de Bono Foundation, UK

You Didn't Evolve to See Reality

www.youtube.com/watch?v=WlEzvdlYRes

You Didn't Evolve to See Reality

You evolved to **survive**
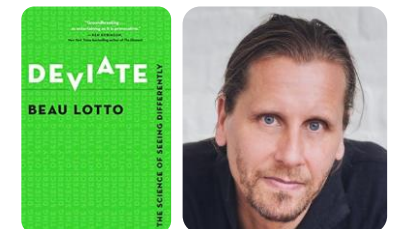
Beau Lotto
University College London

Whenever We Open Our Eyes

We **never see what's there**

We only see what was useful to see in the past
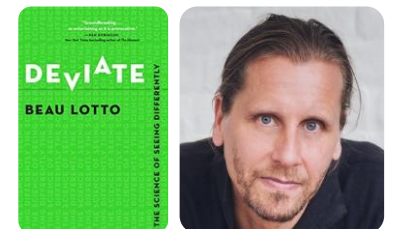
Beau Lotto
University College London

Sources: https://youtu.be/7OAQXg8rAQk ; beaulotto.com
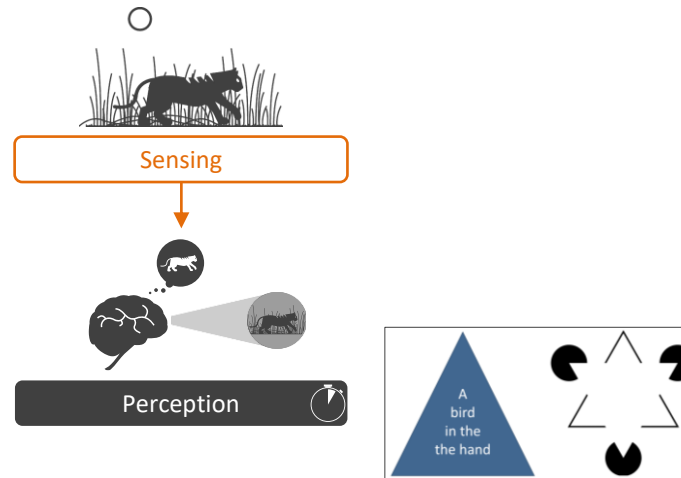
"90% of decision errors are are errors of perception"

Prof. David Perkins
Harvard

We Do Not Perceive Reality

We walk around with these unchallenged beliefs:

1. that we are perceiving reality **accurately**;
2. that our perception is not only accurate but **valid**;
3. that if it's obvious to us, it must be **obvious to others**.

All it takes is a moment of reflection to realise **none of it is true**."

Jeff Hunter
CEO, Talentism

Neuroscientists Like to Say

Your day-to-day experience is a
carefully controlled hallucination

Lisa Feldman Barrett
Northeastern University
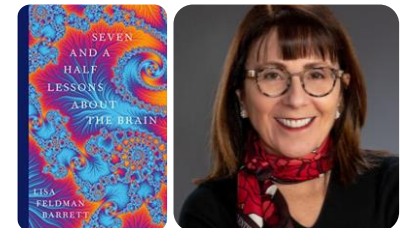
Source: lisafeldmanbarrett.com

Notice Anything Odd?

Without Changing Anything
Let's Rotate the Head

Upside Down
Things Might Look a Little Strange

The Mouth Was Rotated

The Eyes Were Rotated

From the Original Video

To Produce This Effect

Which Looks a Little Strange Right Way Up

But Rotate the Whole Head
With the Eyes and Mouth Upside Down

And Everything Looks Normal Again

What Happened?

Our Brains Construct Reality As Models of Models From Billions of "Dumb" Sensory Inputs

Photons   Lines   Shapes   "Eye"   "Face"
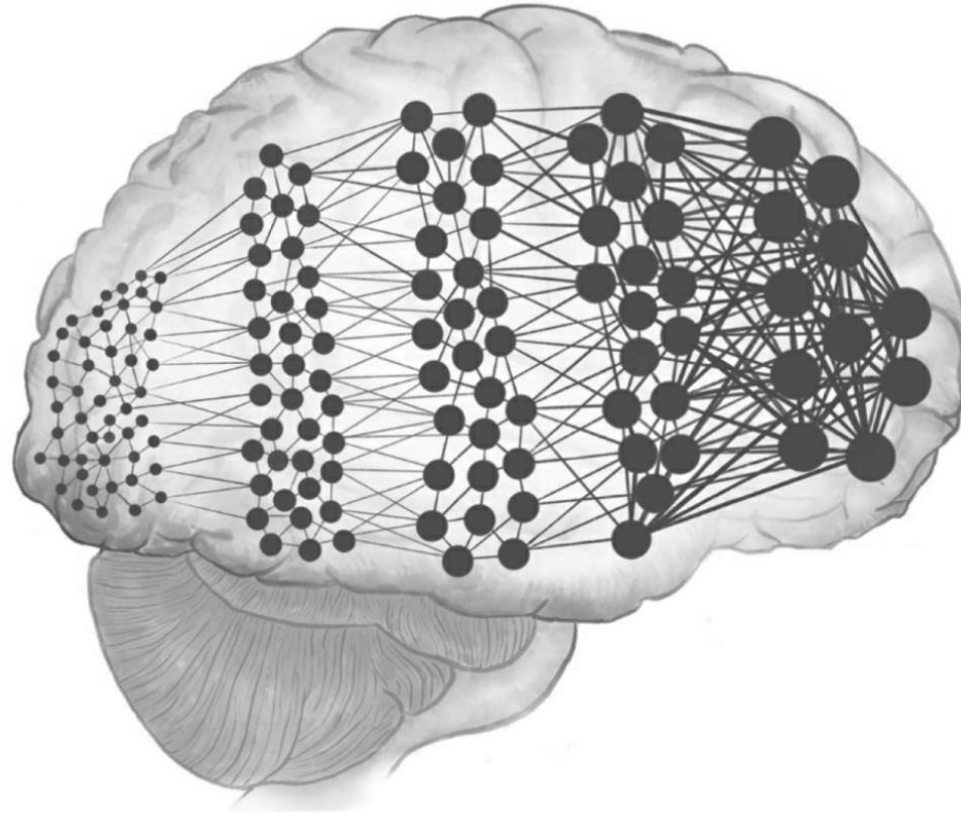
Source: Seven and A Half Lessons About the Brain (Feldman Barrett)

Our Brains Construct Reality As Models of Models From Billions of "Dumb" Sensory Inputs
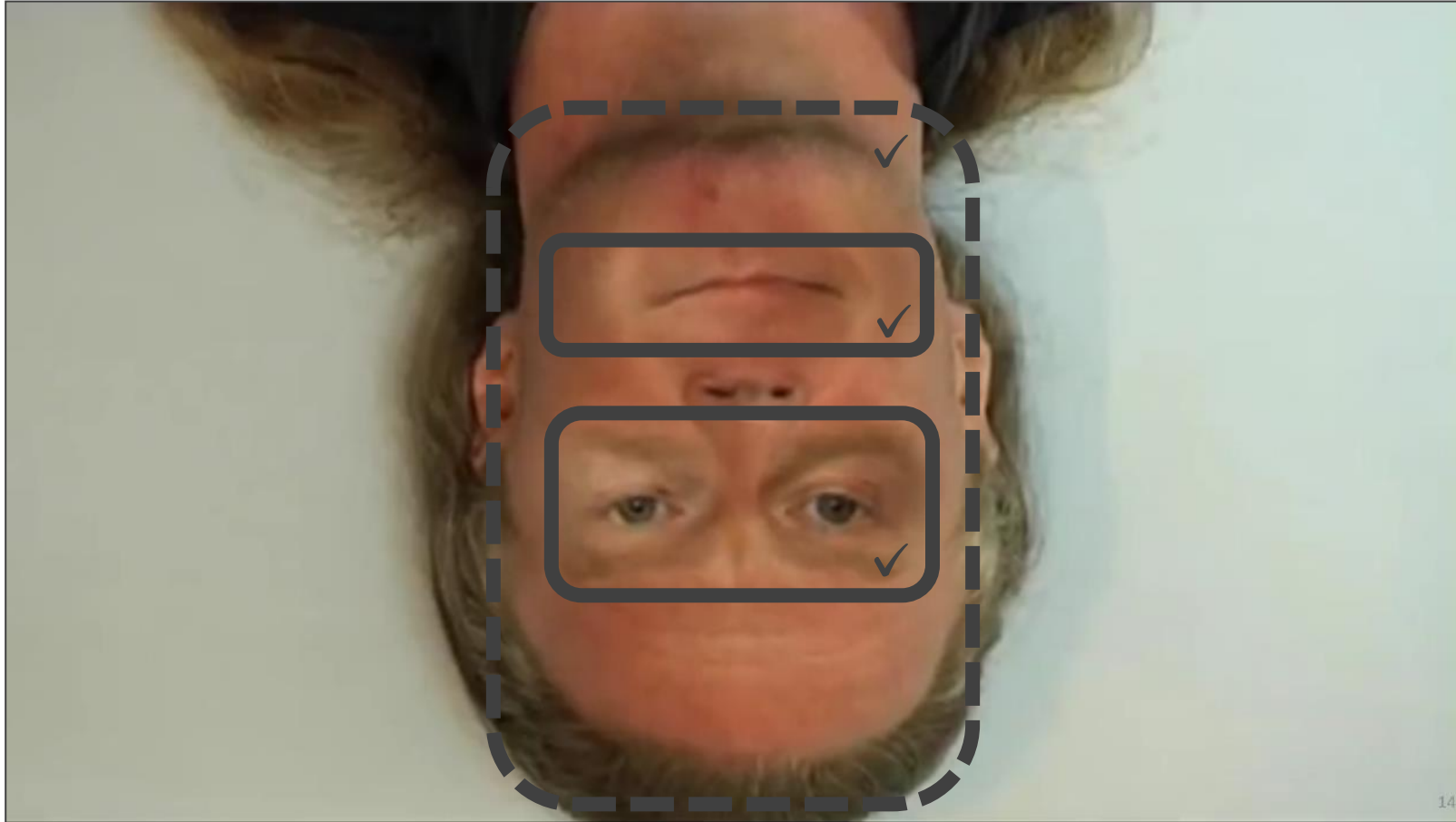
As Our Brains Construct Reality
They Construct a Story Which Fits
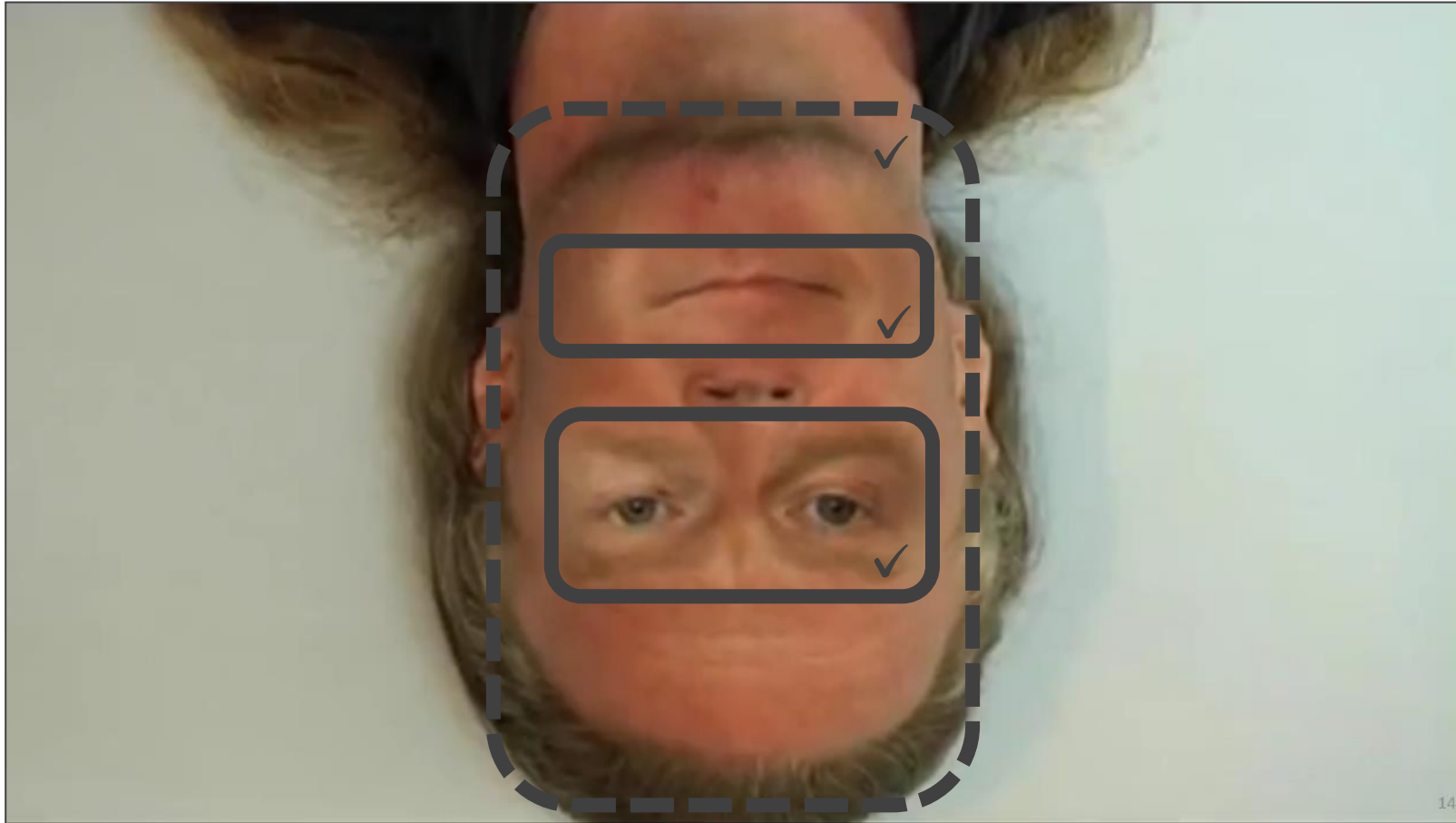
Our Beliefs Dictate What We See

Reality

What We Believe

Our Beliefs Dictate What We See

Source: richardwiseman.wordpress.com/2014/01/29/can-you-spot-whats-wrong

Where Do Our Beliefs Come From?

Source: richardwiseman.wordpress.com/2014/01/29/can-you-spot-whats-wrong

Why Don't Patients Return for a Second Painful Colonoscopy?

Donald Redelmeier
University of Toronto

How Much Pain Are You Feeling?
1 to 10 Scale
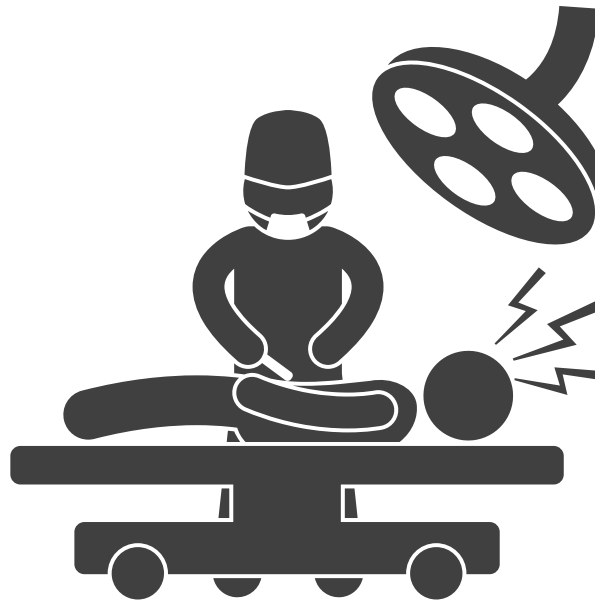
Donald Redelmeier
University of Toronto

How Much Pain Are You Feeling?
1 to 10 Scale
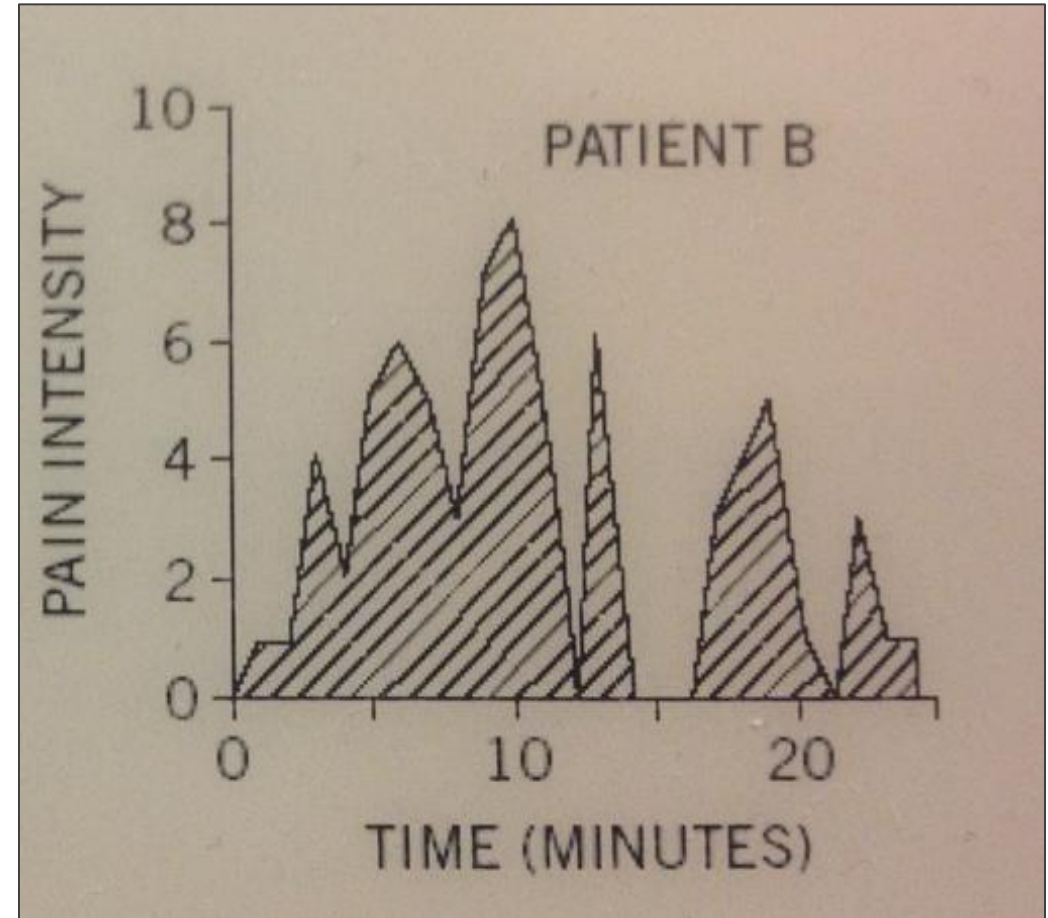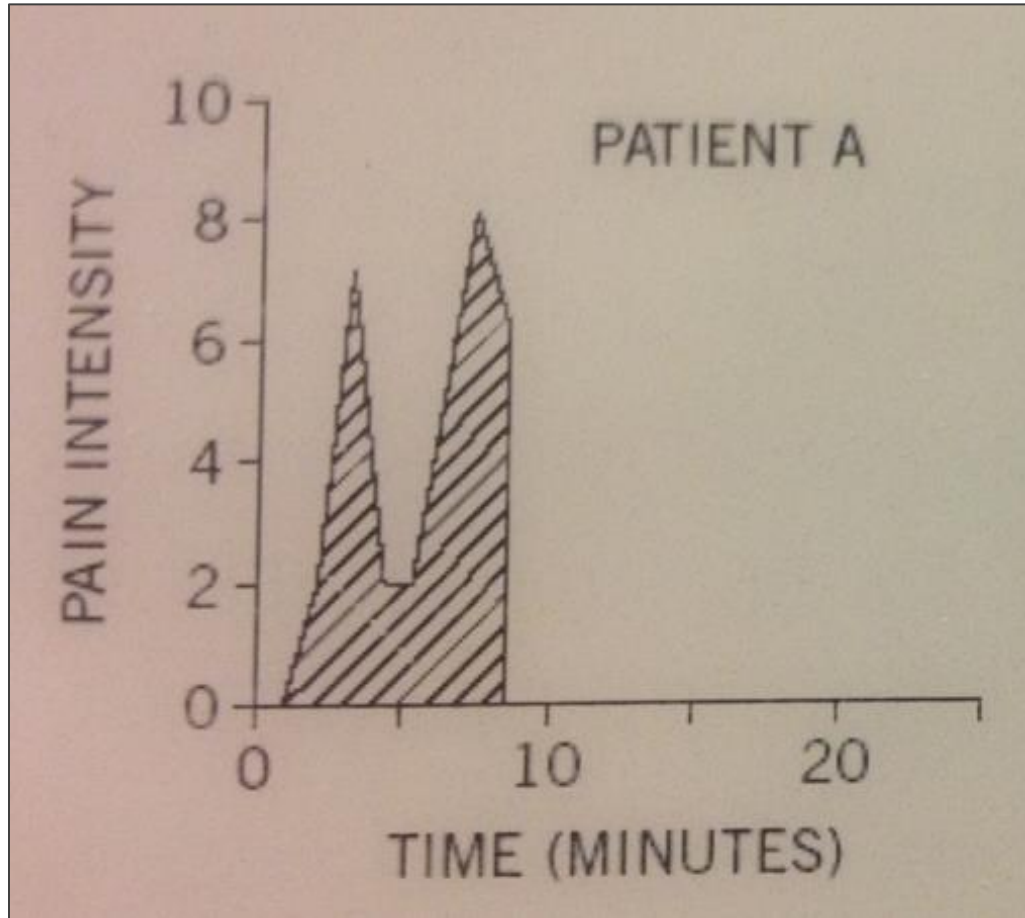
One Week Later
Who Reported Experiencing More Pain?
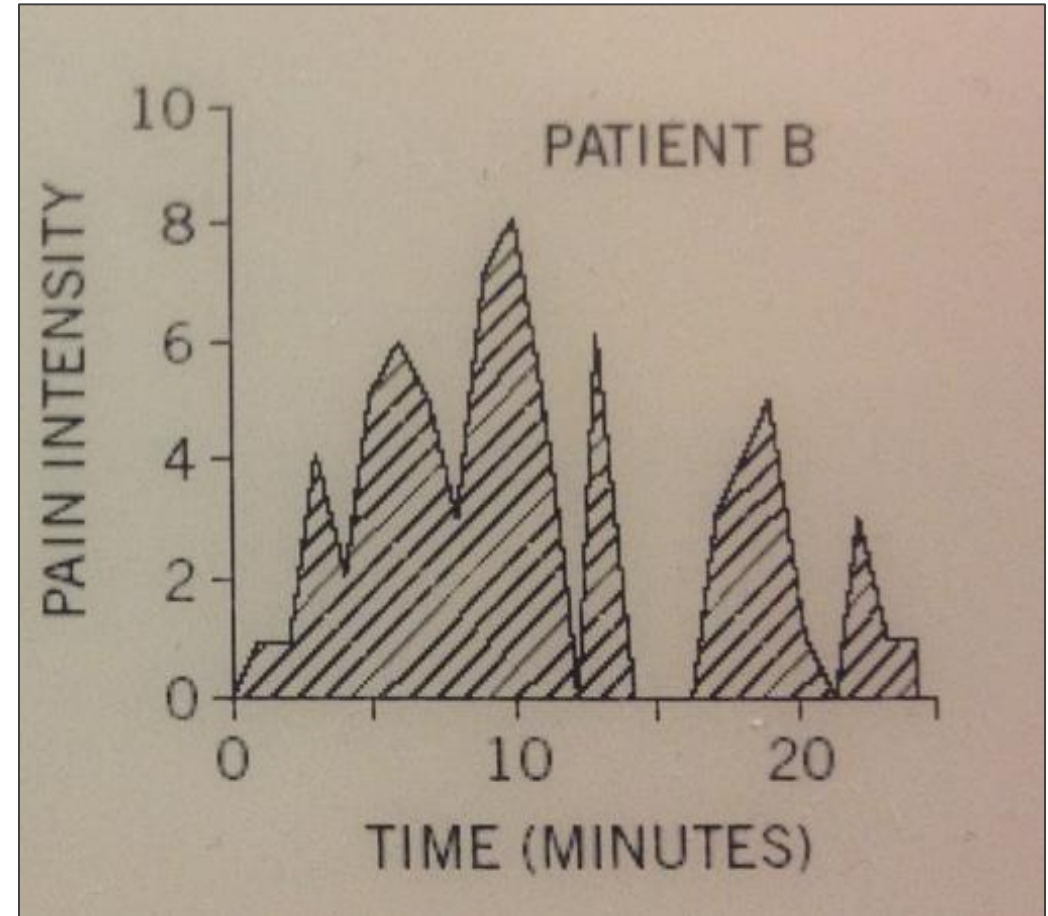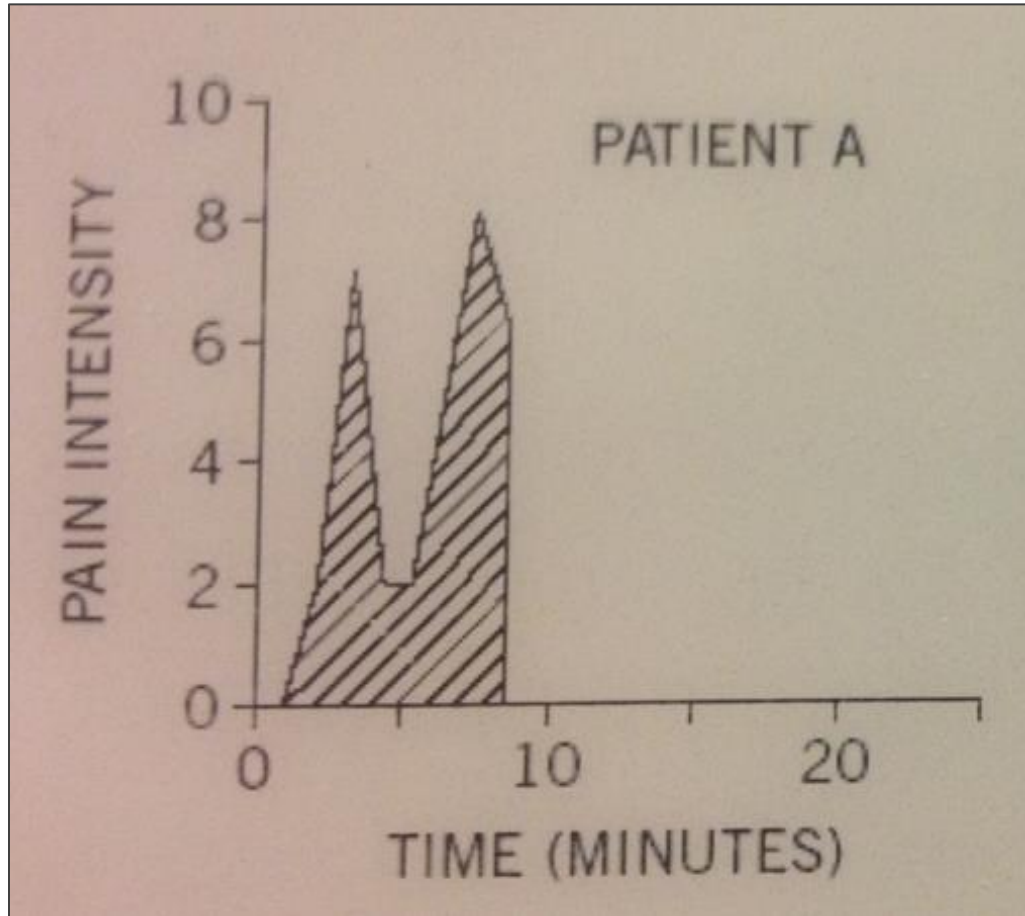
One Week Later
Who Reported Experiencing More Pain?
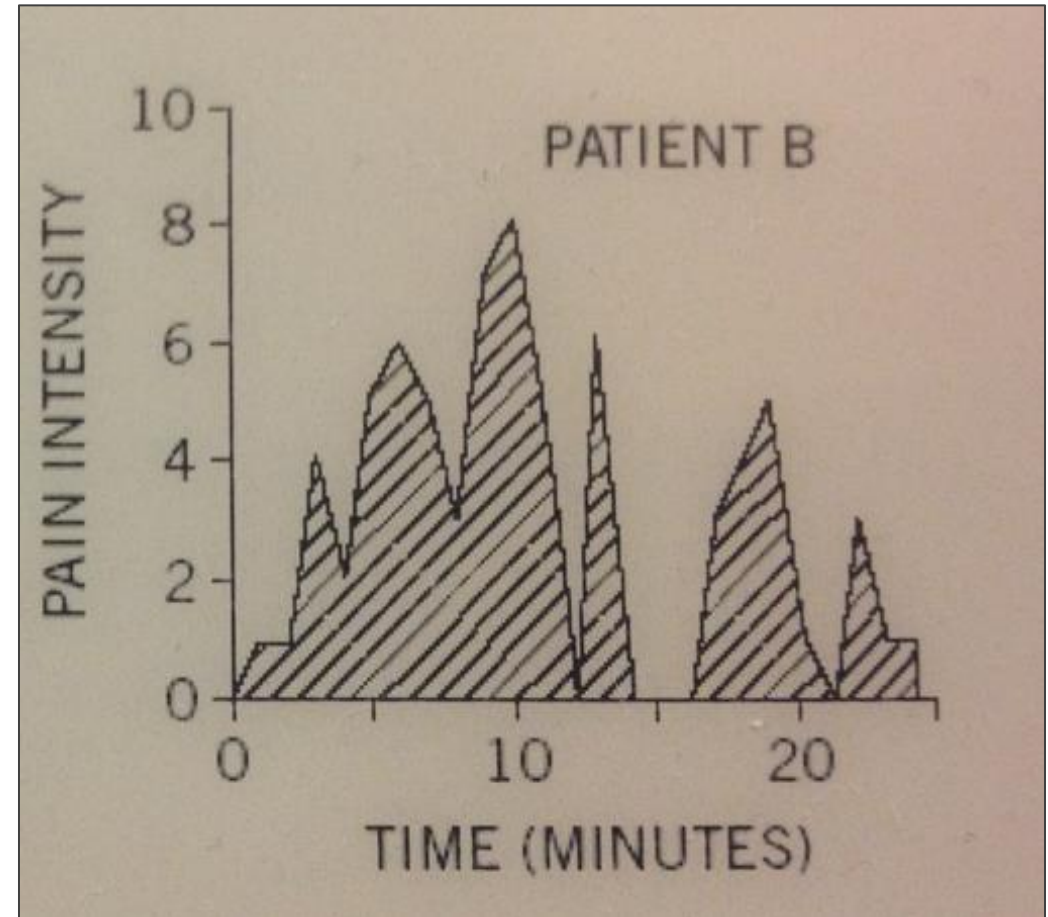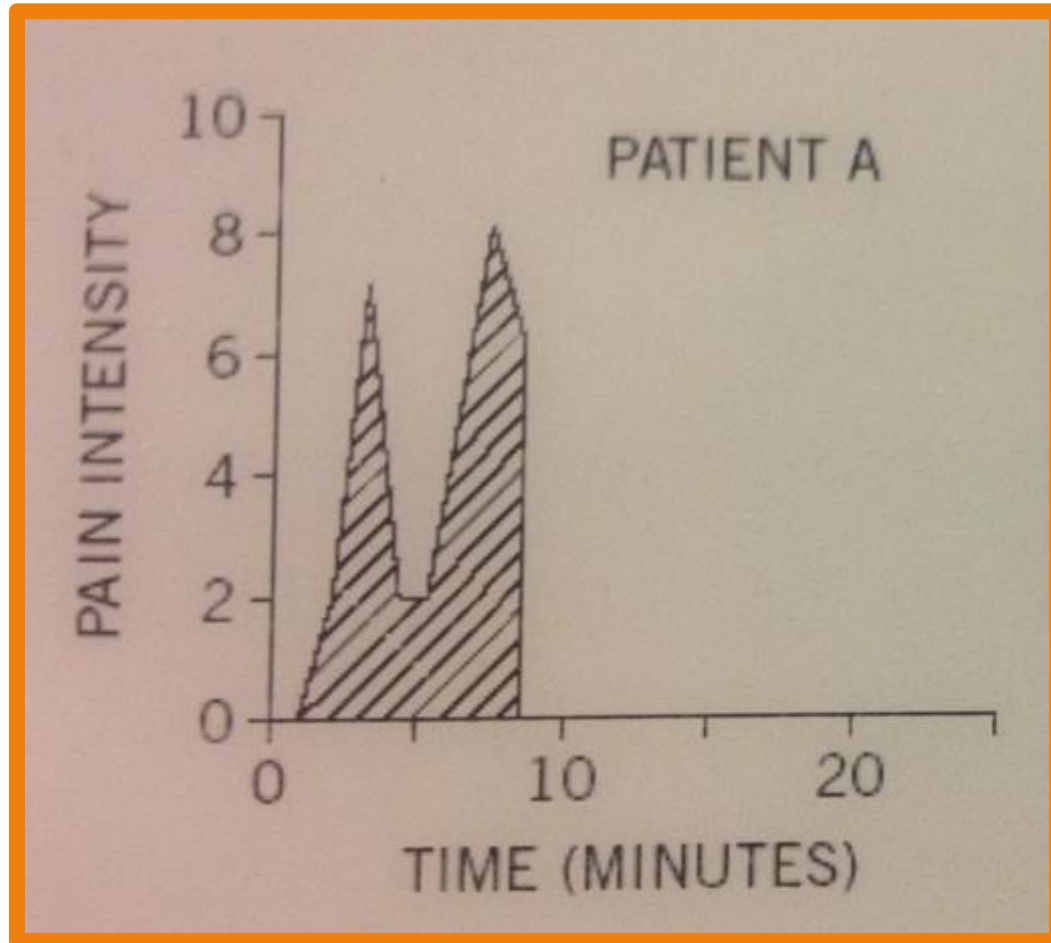
Why Did Patient A Remember Experiencing More Pain Than Patient B?
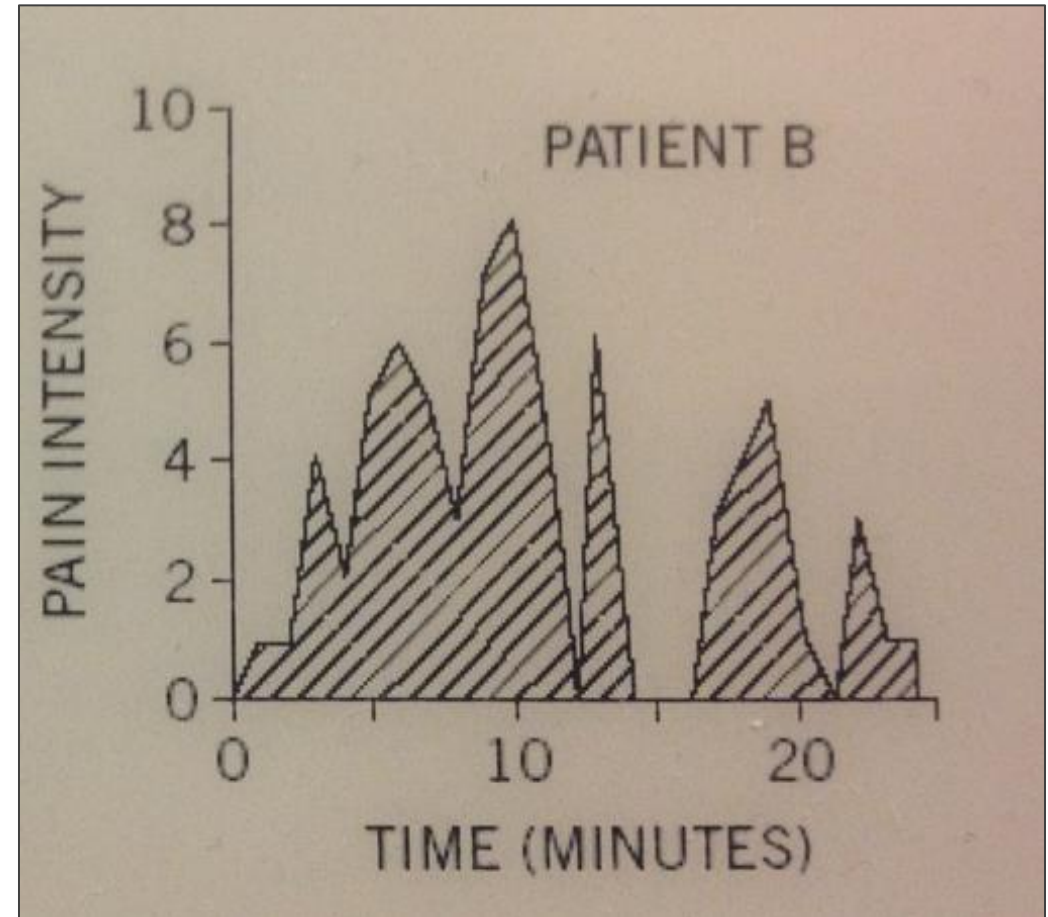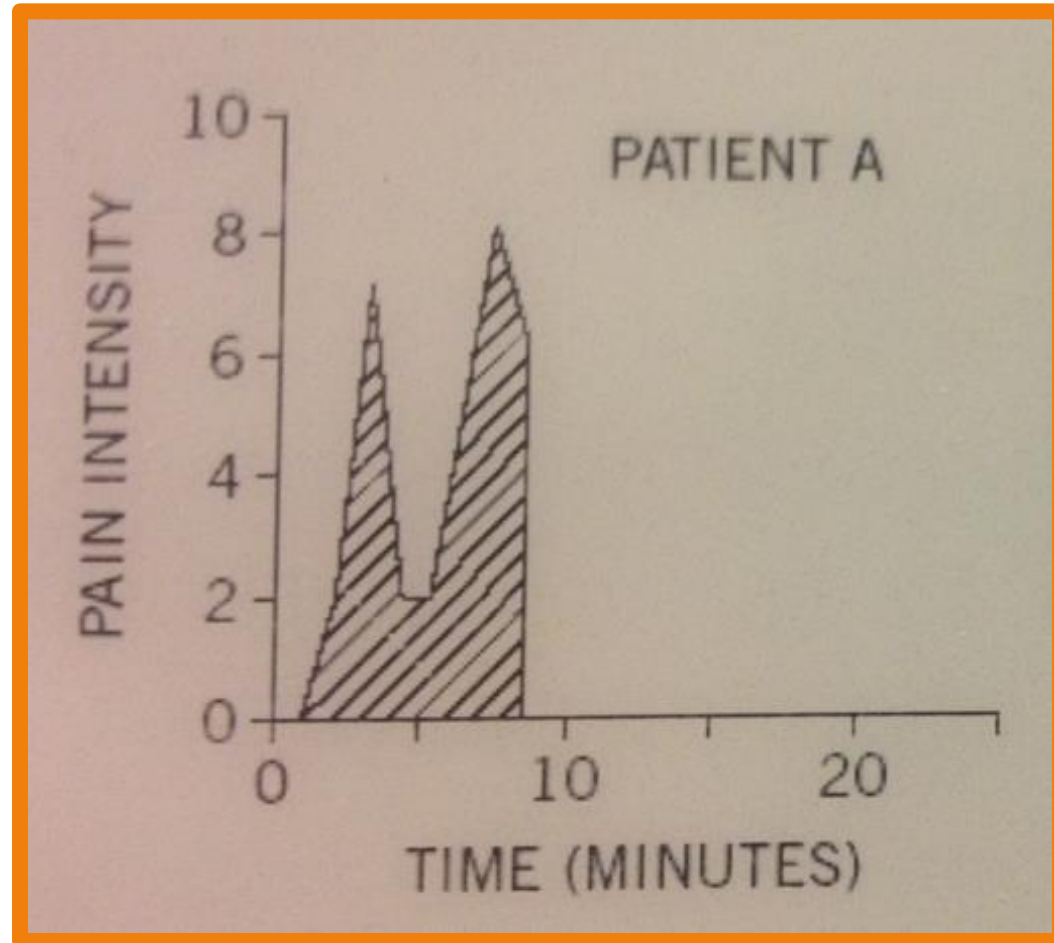
Why Did Patient A Remember Experiencing More Pain Than Patient B?
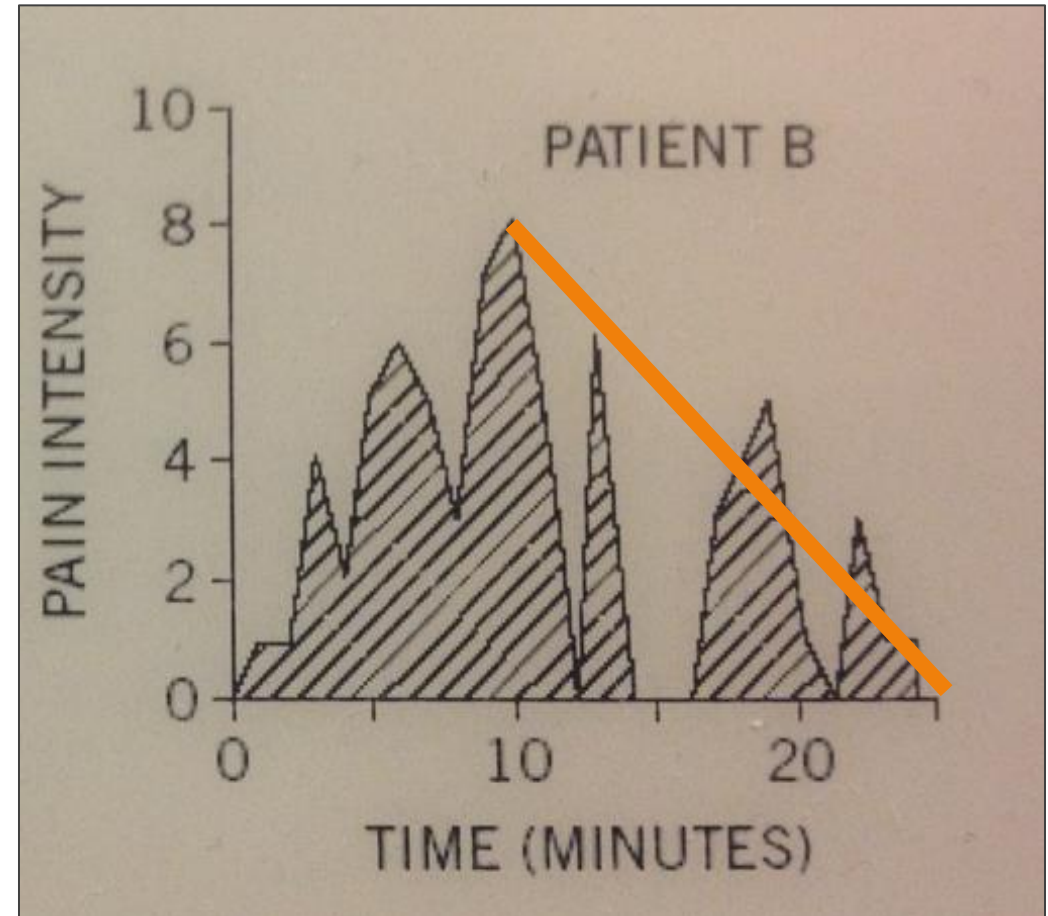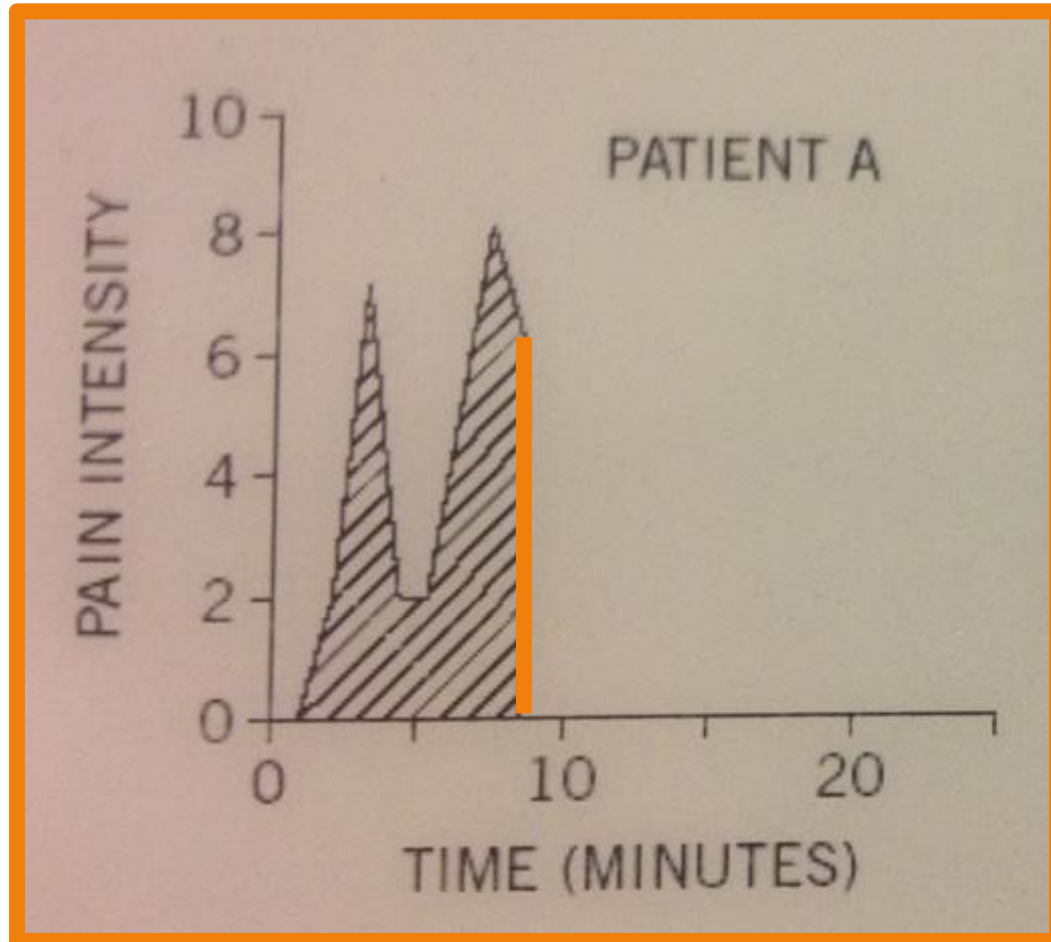
"Last impressions can be lasting impressions."

Donald Redelmeier

One Week Later, Patient A Believes They Experienced More Pain
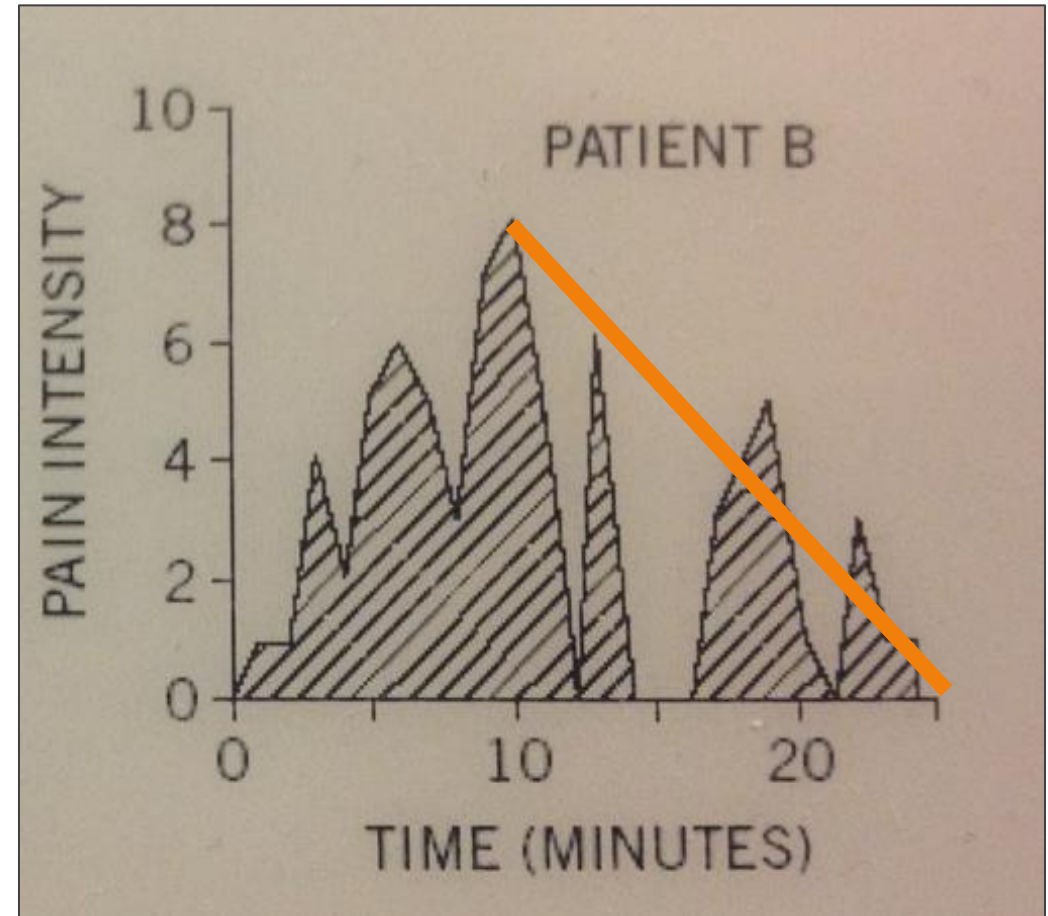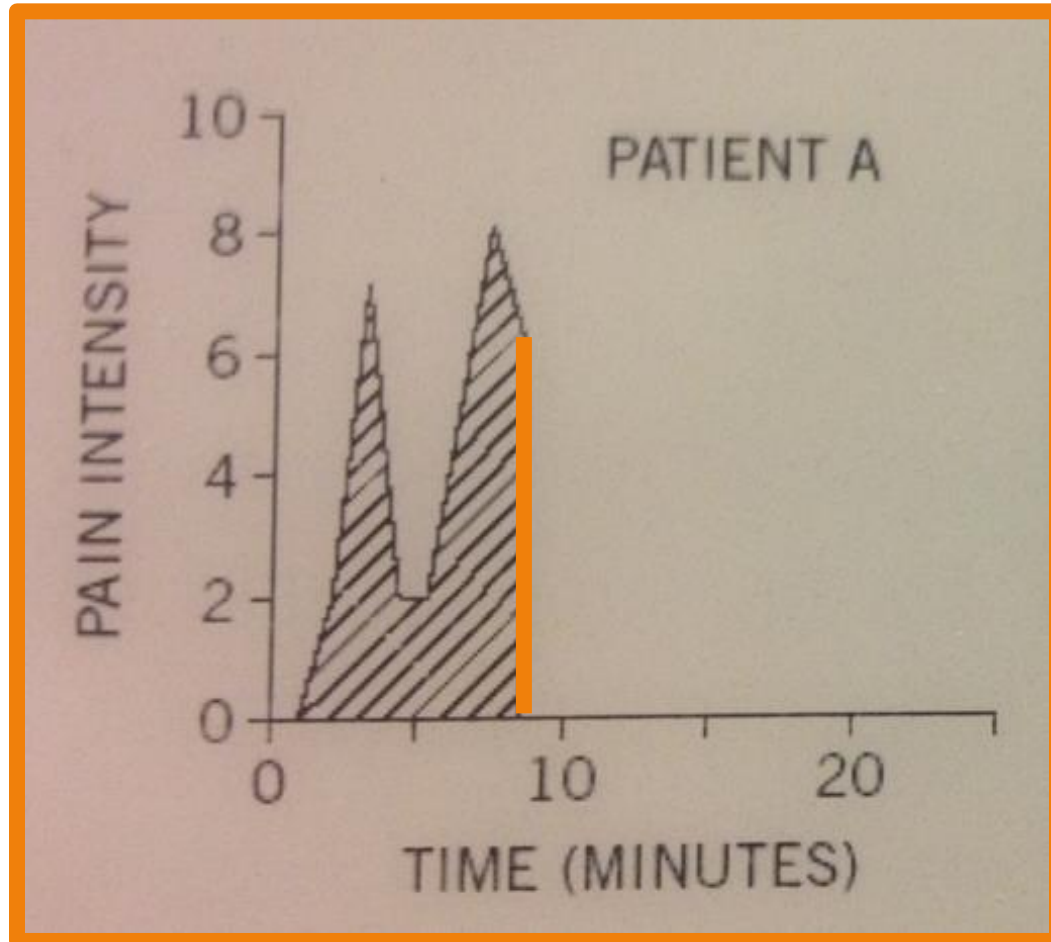
"Last impressions can be lasting impressions."

Donald Redelmeier

The Remembering Self is the Story Teller
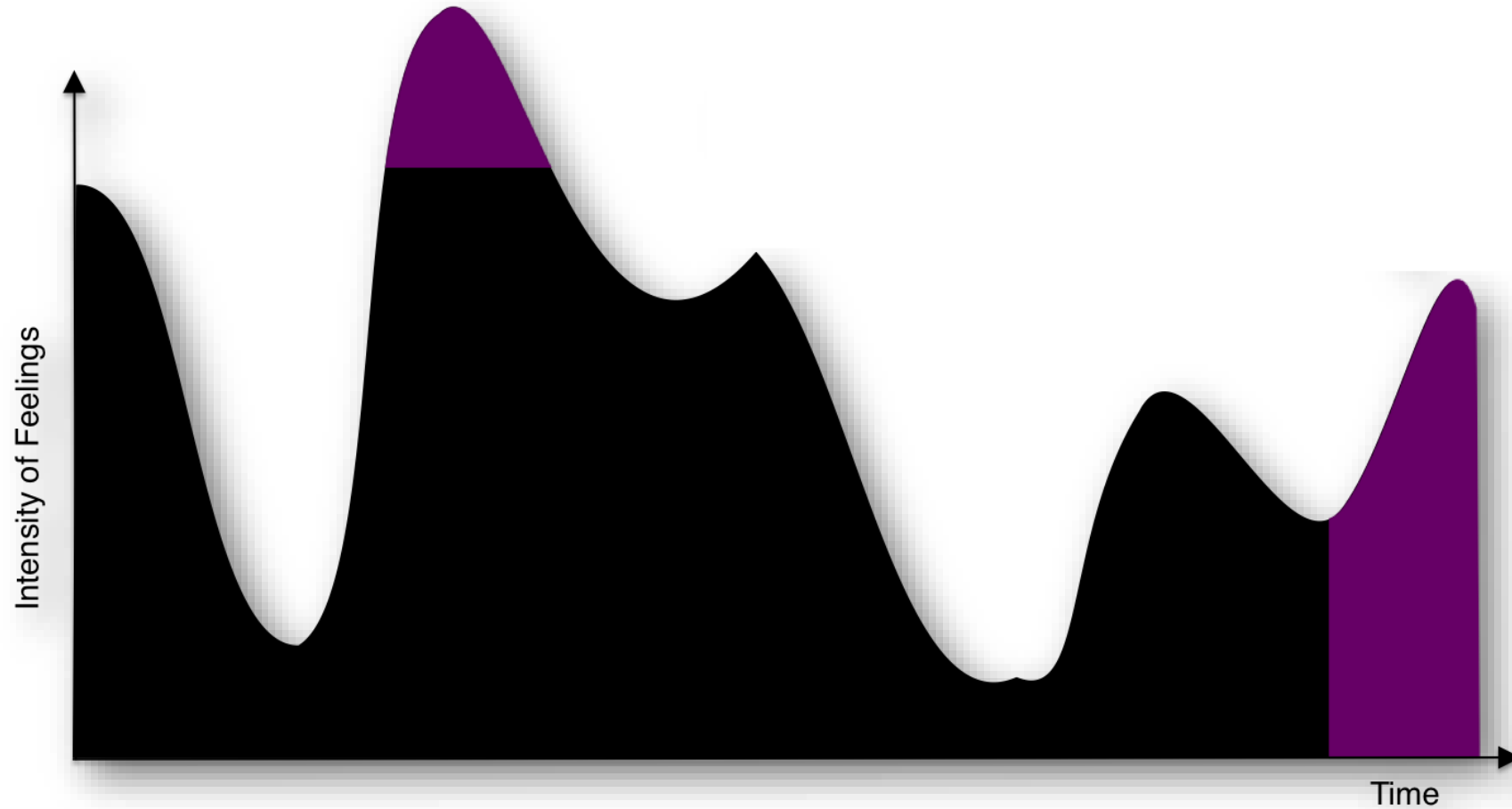
Although Theme Parks Involve Long Queues
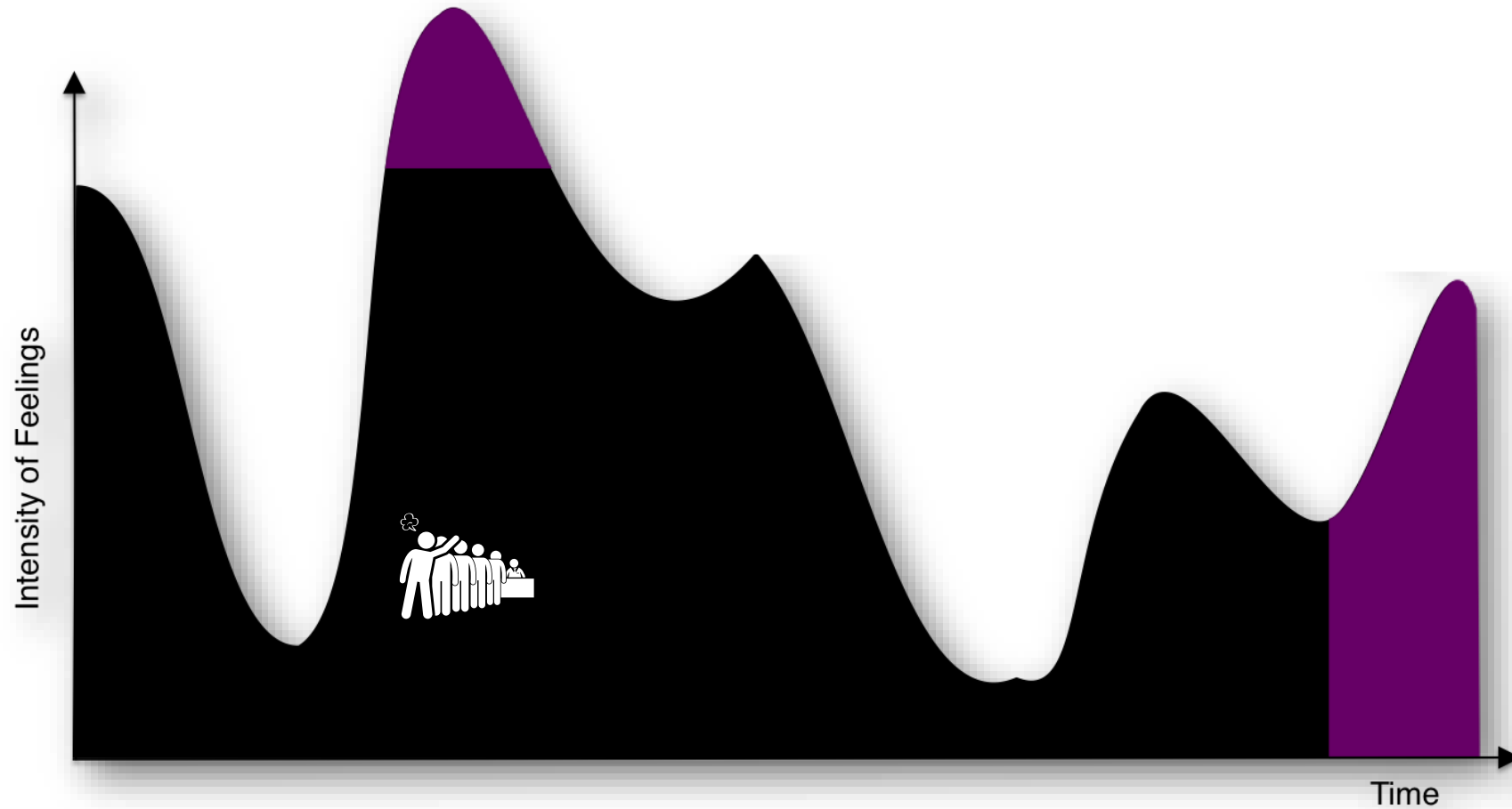
Although Theme Parks Involve Long Queues and Chasing After Over-Excited Kids
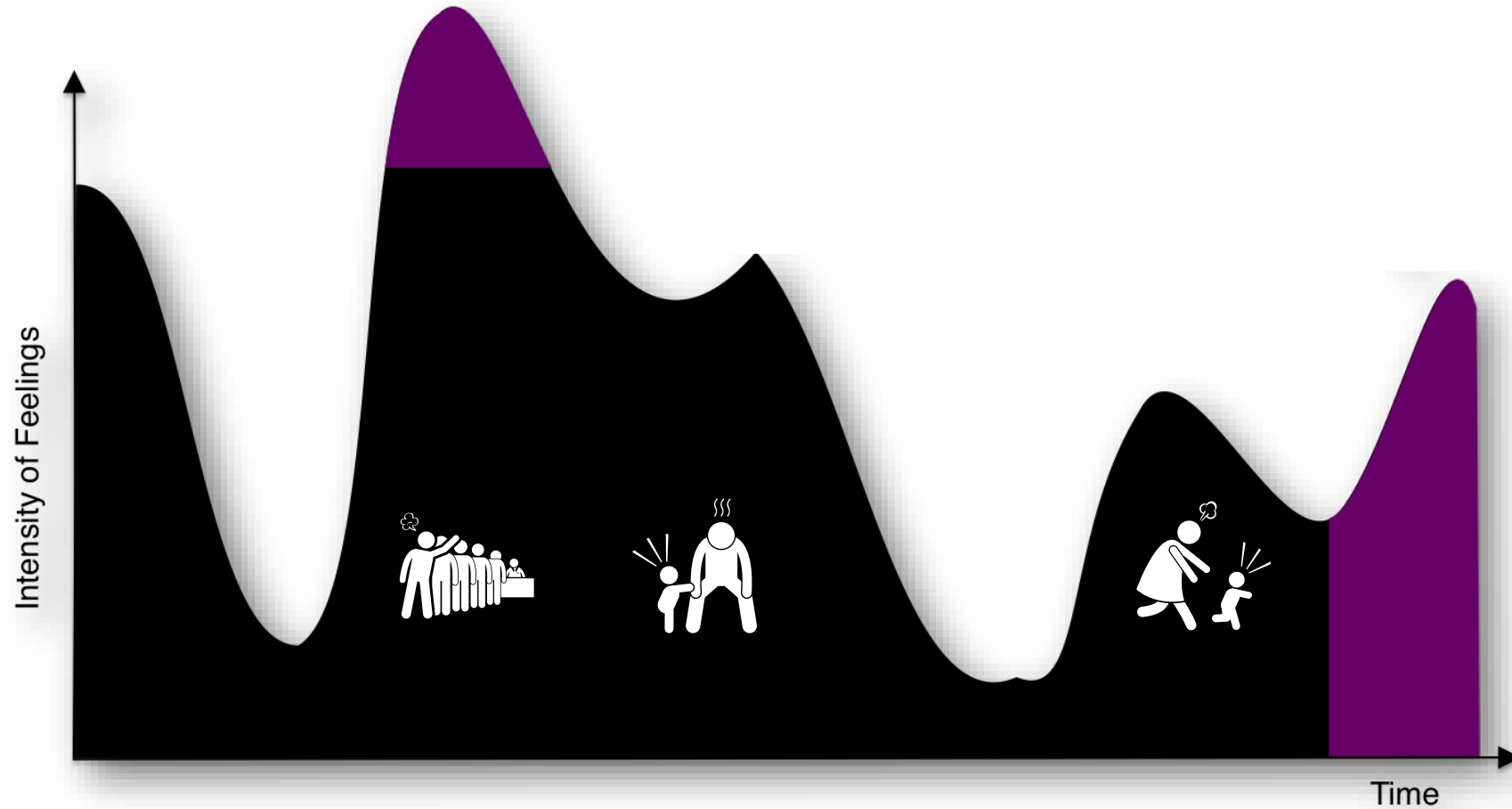
We Only Remember the Peak Experiences
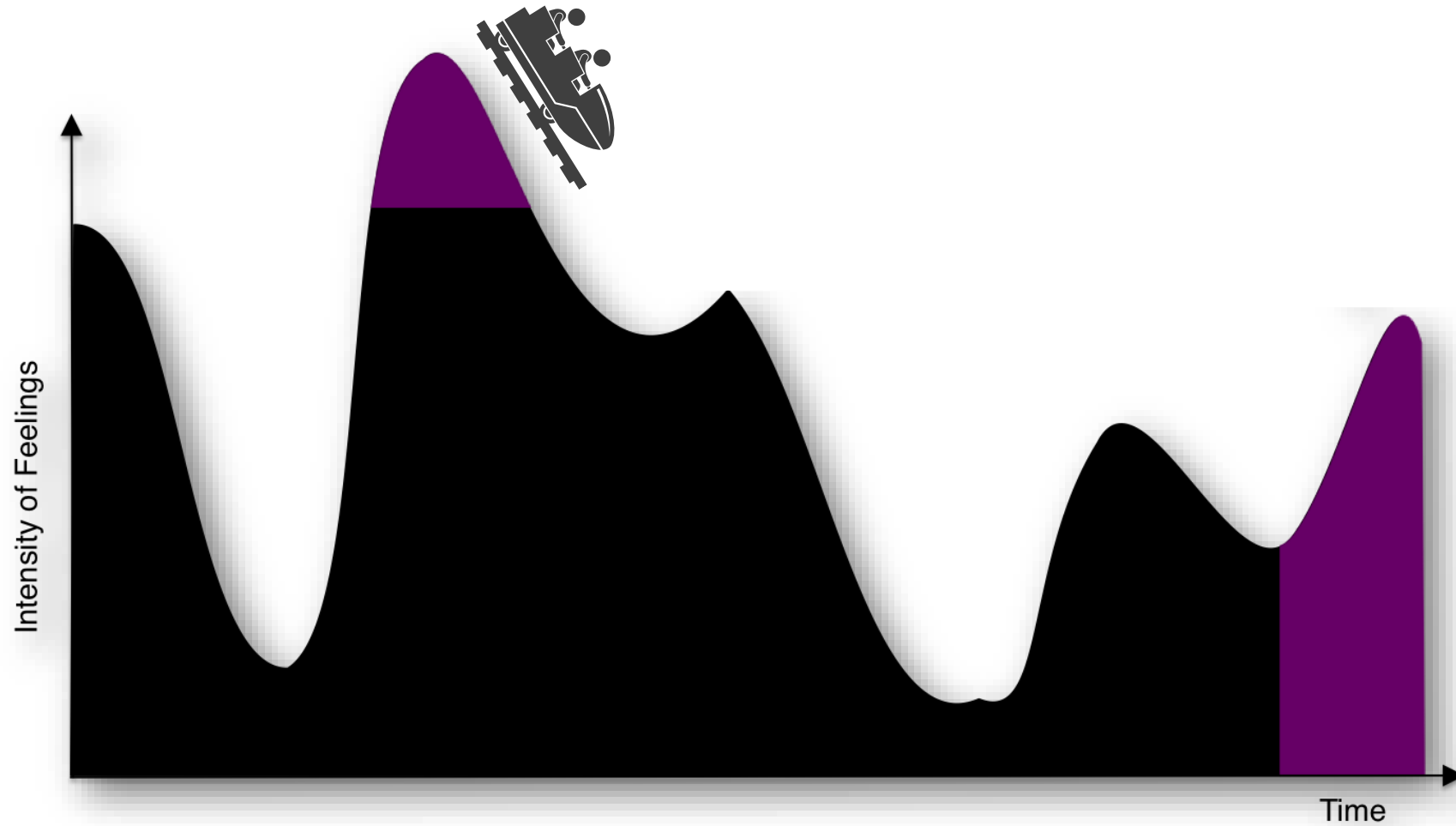
We Only Remember the Peak Experiences
And the End Experiences
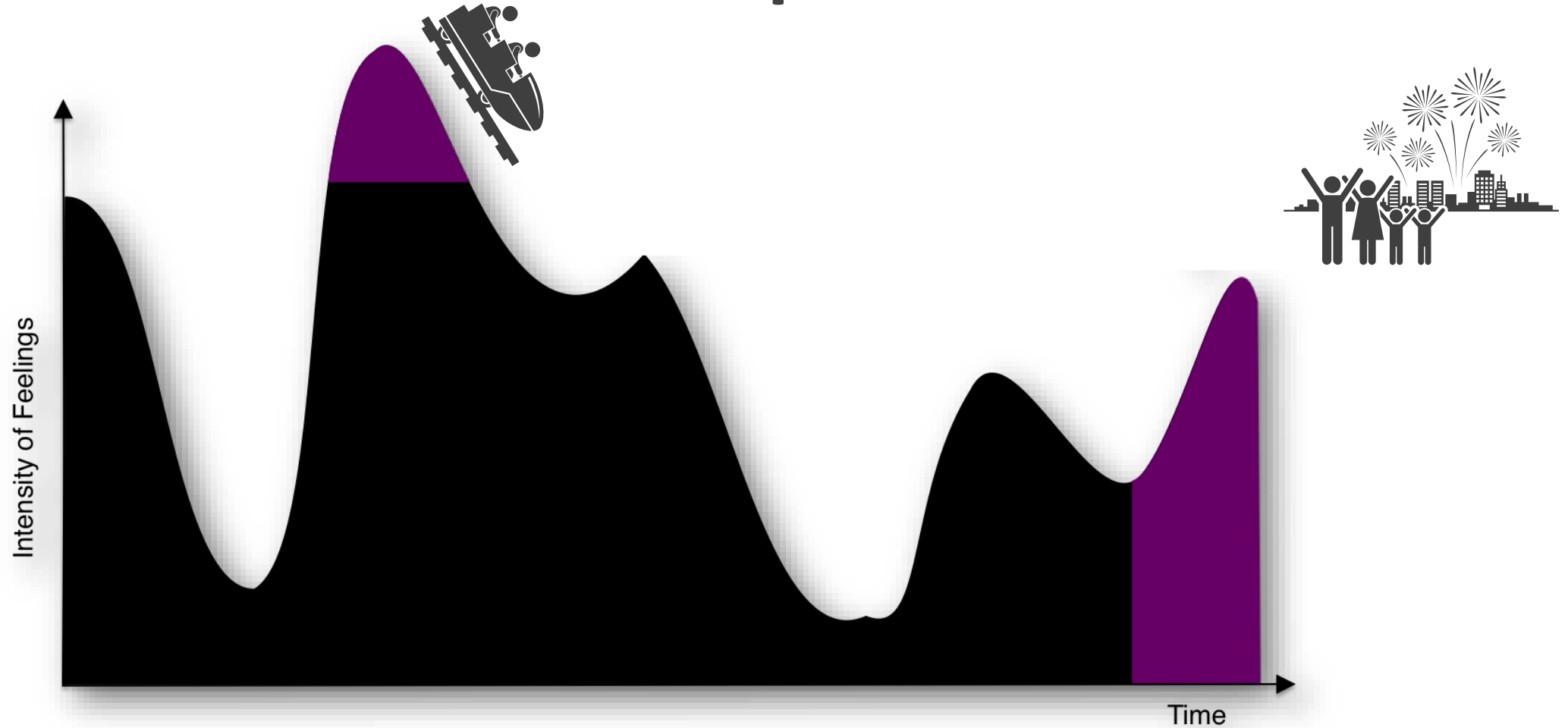
Our Remembered Experiences Form Our Beliefs
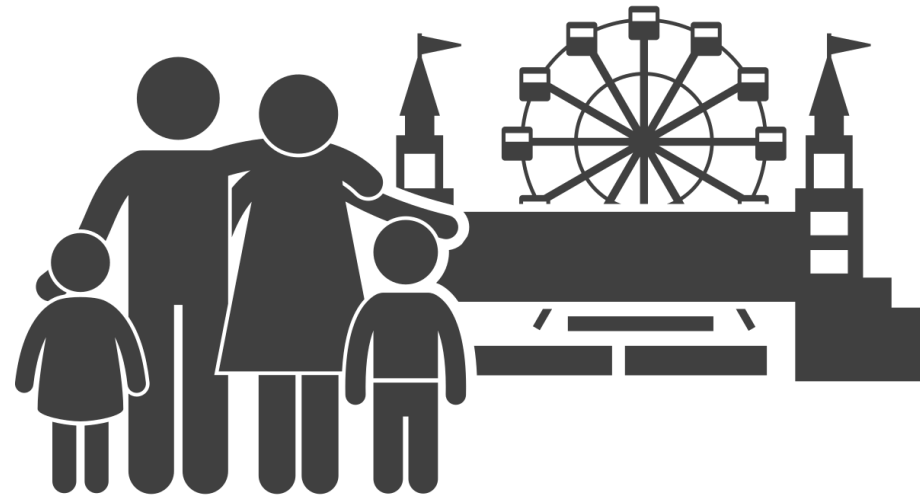
Our Remembered Experiences Form Our Beliefs
"The Happiest Place on Earth"
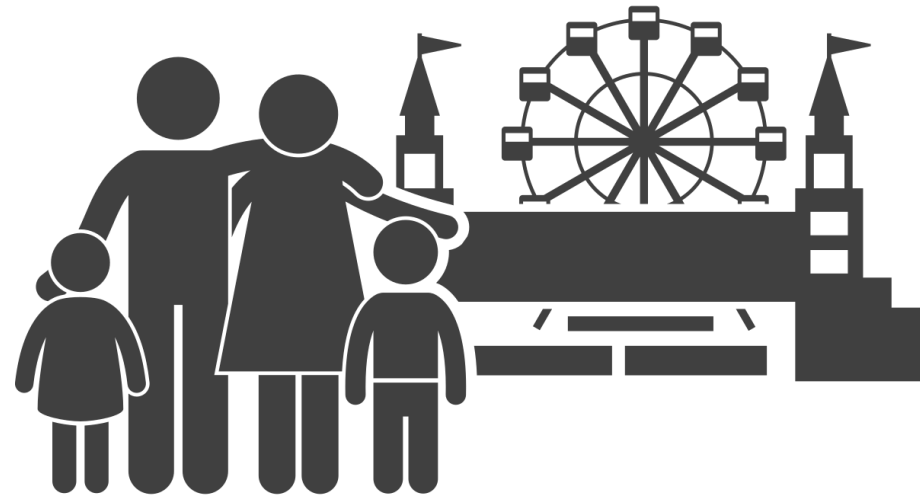
I Am My Remembering Self

The **experiencing self**, who does my living,
is like a stranger to me
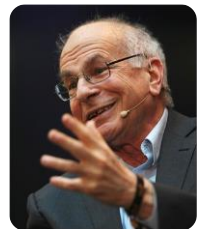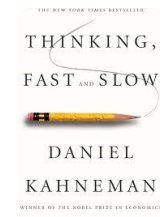
Daniel Kahneman
Princeton University

Our Experiences Shape What We See

Remembered experiences → Beliefs → Perception

Sensing
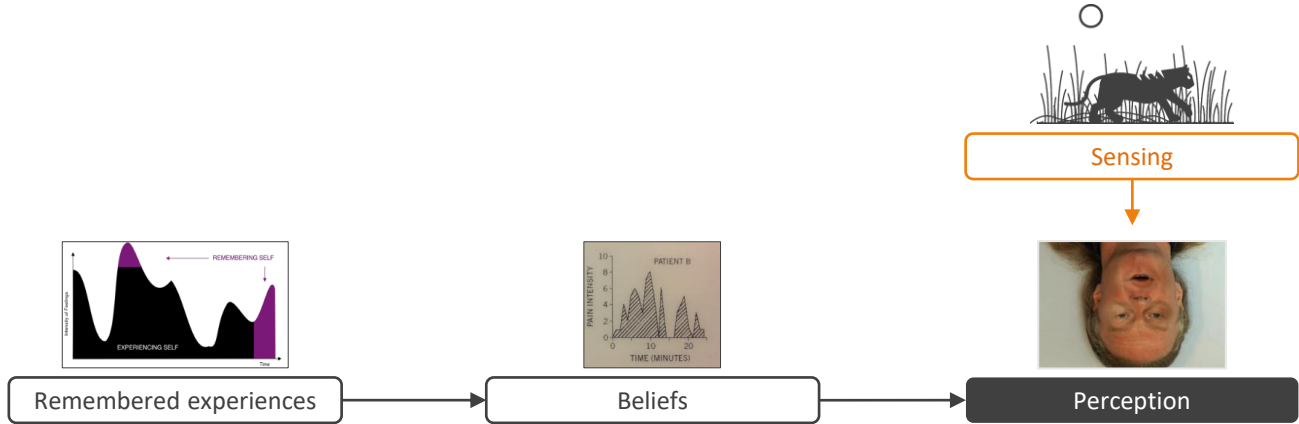
When Your Predicting Brain is Right

It **creates your reality**
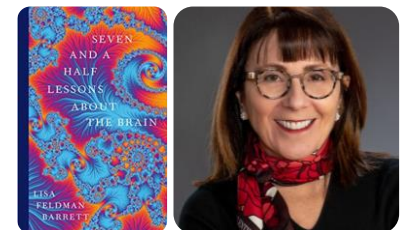
Lisa Feldman Barrett
Northeastern University

When Your Predicting Brain is Wrong

It **still** creates your reality

Lisa Feldman Barrett
Northeastern University

Source: lisafeldmanbarrett.com

When Your Predicting Brain is Wrong

It **still** creates your reality,
and hopefully it **learns from its mistakes**

Lisa Feldman Barrett
Northeastern University

Our Experiences Shape What We See

Remembered experiences → Beliefs → Perception ← Sensing
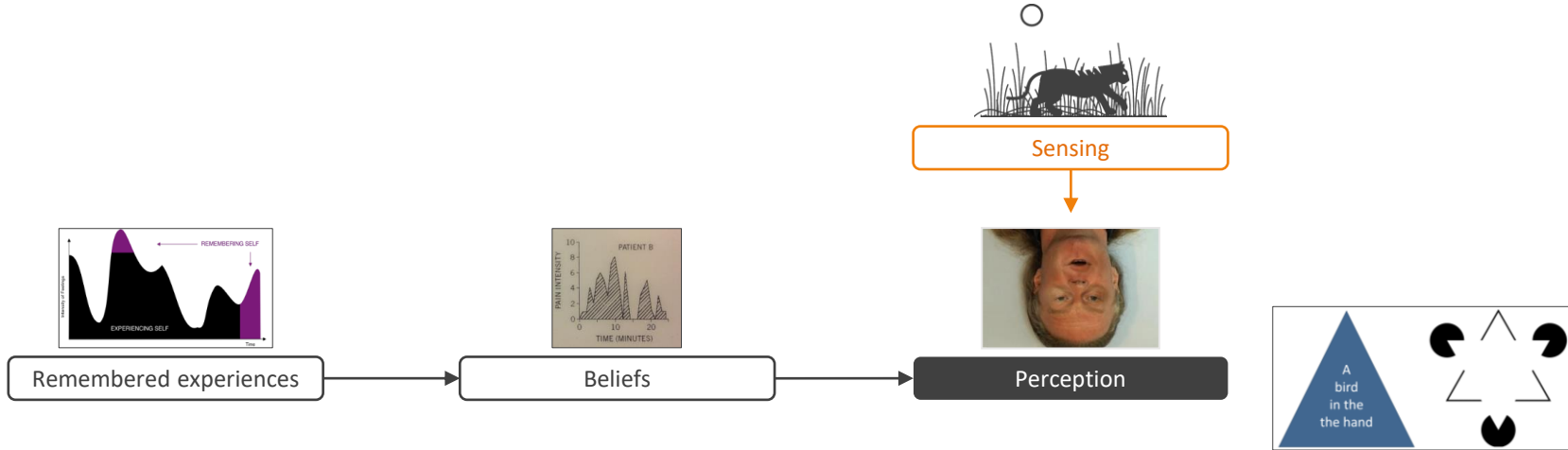
We Are Not Aware

Of the vast majority of **mis-predictions**

Jeff Hawkins
Founder, Numenta

Your Return On Investment

Snap

A
bird
in the
the hand
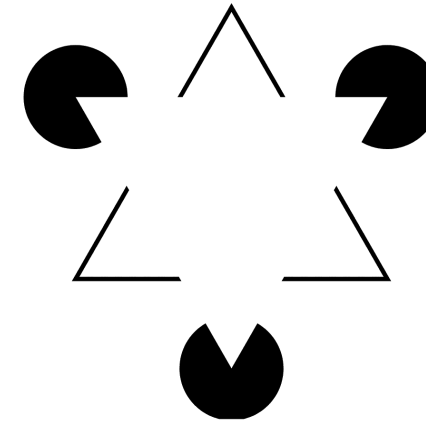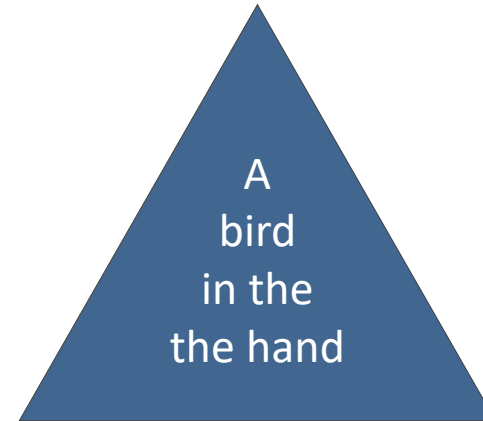
4. Where in your work might you snap to a mistaken perception?

Seeing what you expect to see or failing to see what you should see?

Examples

Snap

A bird in the the hand
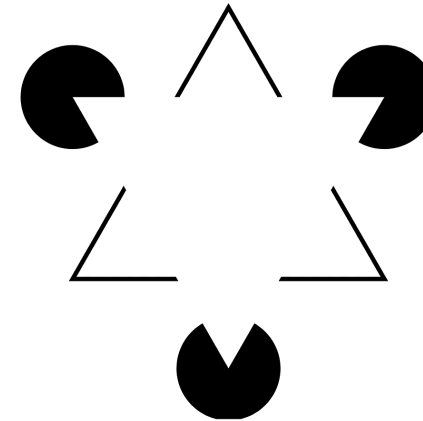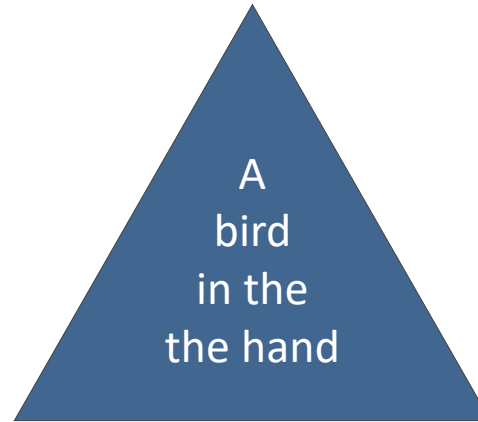
- A non standard risk that we underwrite as a standard risk
- Perceiving demand for a new product for which, in reality, there is little demand

Lunch

Tuesday afternoon groups

Group 1	Group 2	Group 3	Group 4	Group 5
Thebe Ramanna	**Asbjørn** Christensen	**Kristof** Quintyn	**Steve** Firko	**Johannes** Speicher
Rikke Smidt Gellert	**Christian** Simon	**Ruel** Arsua	**Ryosuke** Kachi	**Charlotta** Carlberg
Philipp Streibel	**Liyoni** Muditha	**Åsa** Björklund	**Robert** de Ruiter	**Palanisamy** Muthusamy
James Thomas	**Benoït** Ballivet de Regloix	**Bill** Lagopoulos	**Mats** Davidson	**Nathalie** Withofs
Sandra Budé	**Rowena** Casinillo	**Jamie** Vooght	**Steve** Prentice	**Lauren** Mazurkewich

Next session starting at

13:30

icmif

Ginger INSIGHTS

219

ICMIF Advanced Management Course 2024

A Framework for Thinking About Thinking (part 2)

Part 4 (of 6)

Next break: 14:35

icmif

Ginger INSIGHTS

Your Brain's Most Important Job
Is Not Thinking

It's **predicting** energy needs before they arise

Lisa Feldman Barrett
Northeastern University
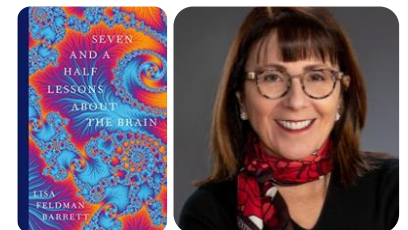
Source: lisafeldmanbarrett.com

Your Brain's Most Important Job
Is Not Thinking

It's **predicting** energy needs before they arise so you can **efficiently** make worthwhile movements and survive

Lisa Feldman Barrett
Northeastern University

Source: lisafeldmanbarrett.com
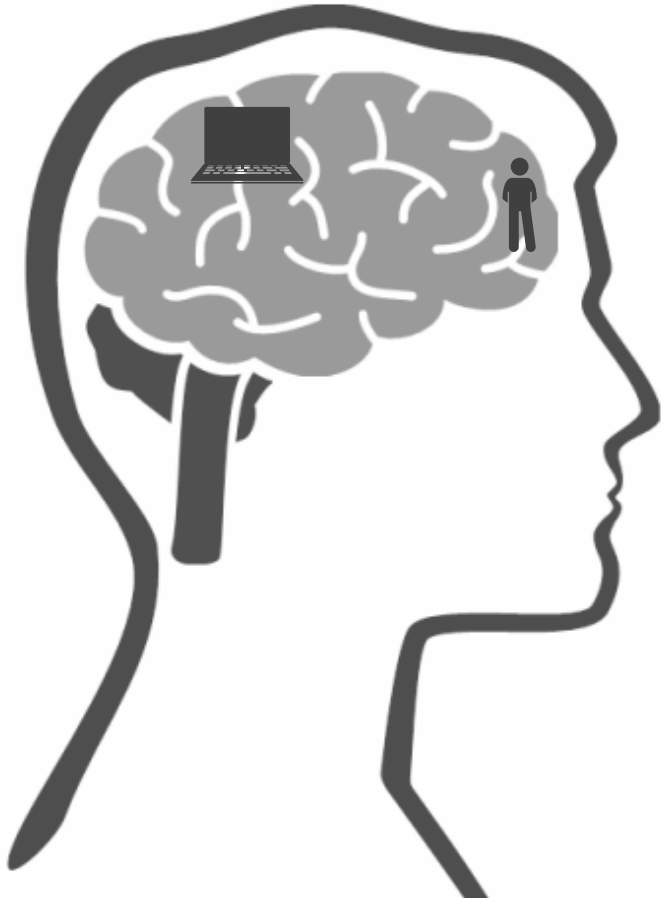
How Can Animals Predict Their Bodies' Future Needs?

The **best source** of information comes from their **past**
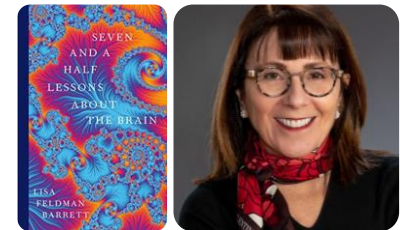
Lisa Feldman Barrett
Northeastern University

Source: lisafeldmanbarrett.com

Three Teams

1. Subconscious brain
"The Computer"

Patterns based on experience
Beliefs

20x faster
than the Human

2. Emotional brain

3. Thinking brain
"The Human"

We Snap to Very Quick Understandings

Mum: "Watch Out Sean"

Source: youtu.be/C3fGJ12n1ok

Mum: "Because He is Hunting"

Source: youtu.be/C3fGJ12n1ok

Dad: "Sean, Stay"

Dad: "Stay"

Source: youtu.be/C3fGJ12n1ok

Mum: "Look. Oh!"

Source: youtu.be/C3fGJ12n1ok

Mum and Dad: "Woooaaahhhhhh!"

Source: youtu.be/C3fGJ12n1ok

Mum and Dad: "Woooaaahhhhhh!"

Source: youtu.be/C3fGJ12n1ok

Mum and Dad: "Woooaaahhhhhh!"

Source: youtu.be/C3fGJ12n1ok

Our Experiences Shape What We See
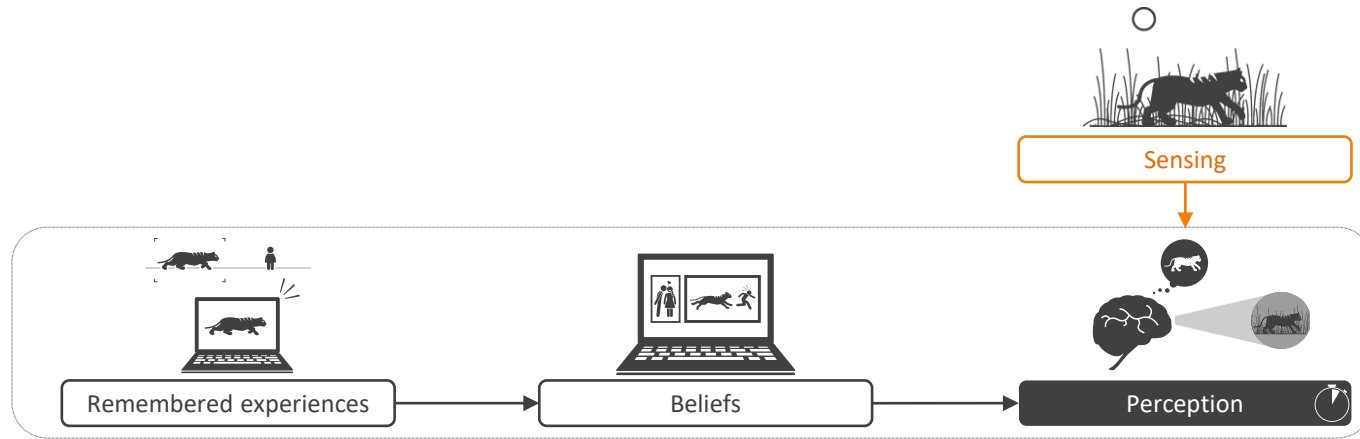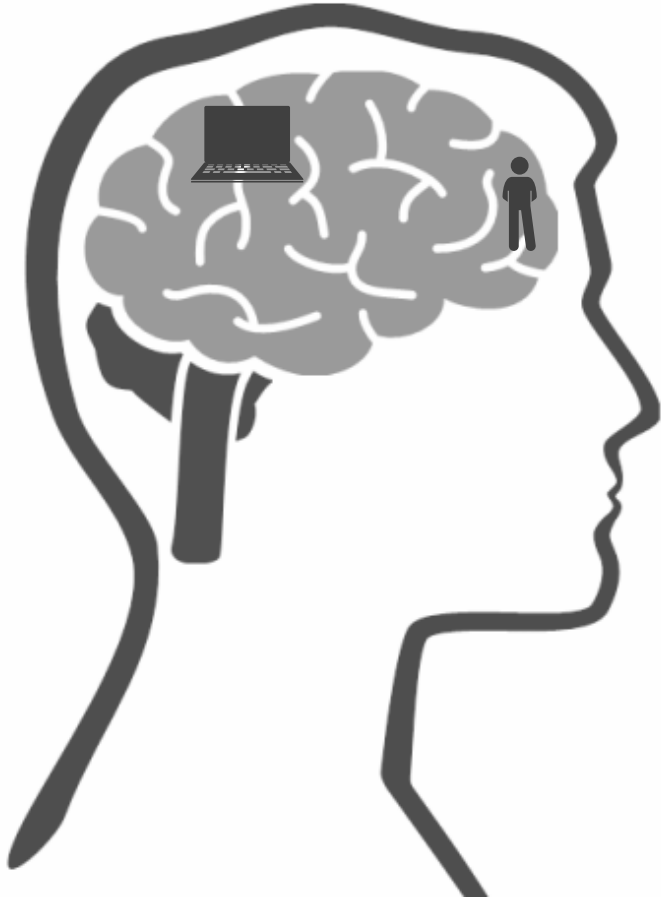
Sensing

Remembered experiences → Beliefs → Perception

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Three Teams

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2. Emotional brain

Approach or avoid
Feelings

3. Thinking brain
"The Human"

Why Emotions Are Critical

Emotions Prompt Us To Act

Say Hello To Your Chimp
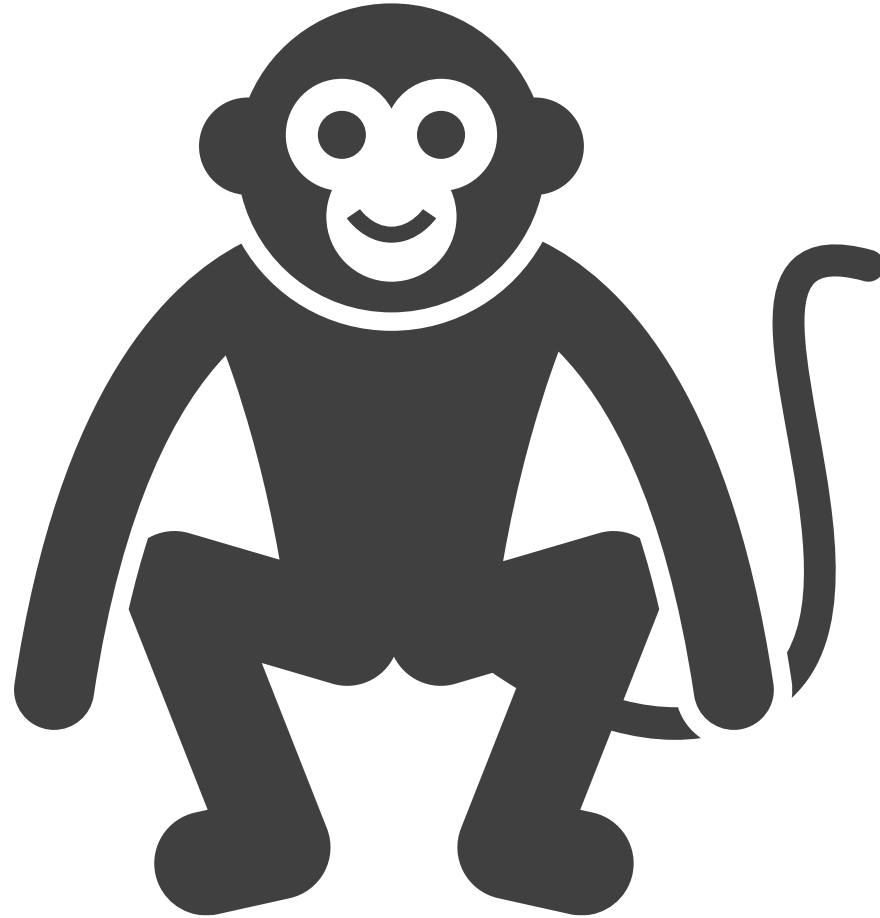
Our Chimps Run Most of Our Lives
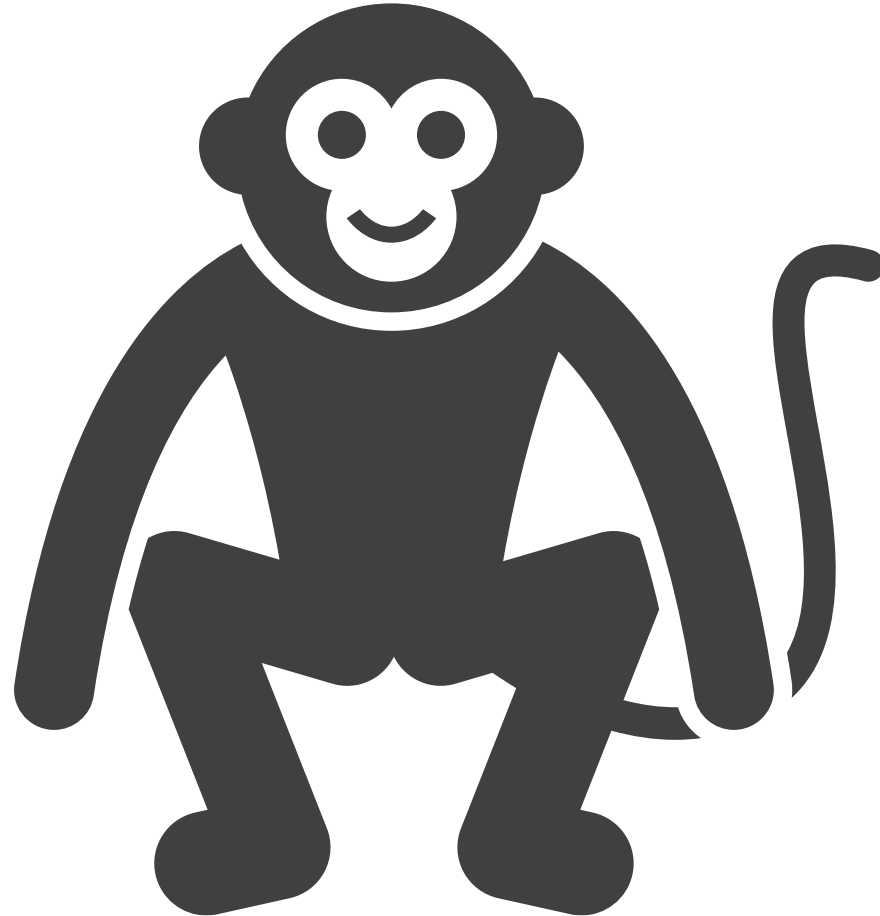
Our Chimps

Constant alert
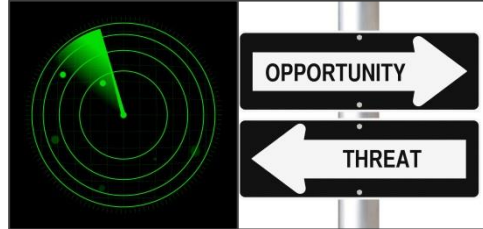
Have no time to ponder

Predict instantly

Demand simplicity

Do not think statistically

What <u>might</u> be

$$E(r) = \sum_{s=1}^{s} p(s)r(s)$$

$E(r) = expected\ return$

$p(s) = probability\ of\ scenario$

$r(s) = return\ of\ scenario$

Sleep if needs & concerns satisfied

45 min decision without Chimp

Propose action based on *feelings*
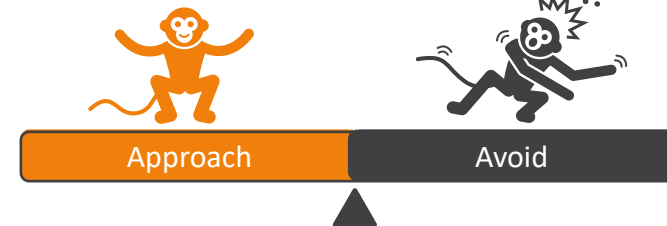
Approach   Avoid

Chimp is 5x Faster and Stronger than Human
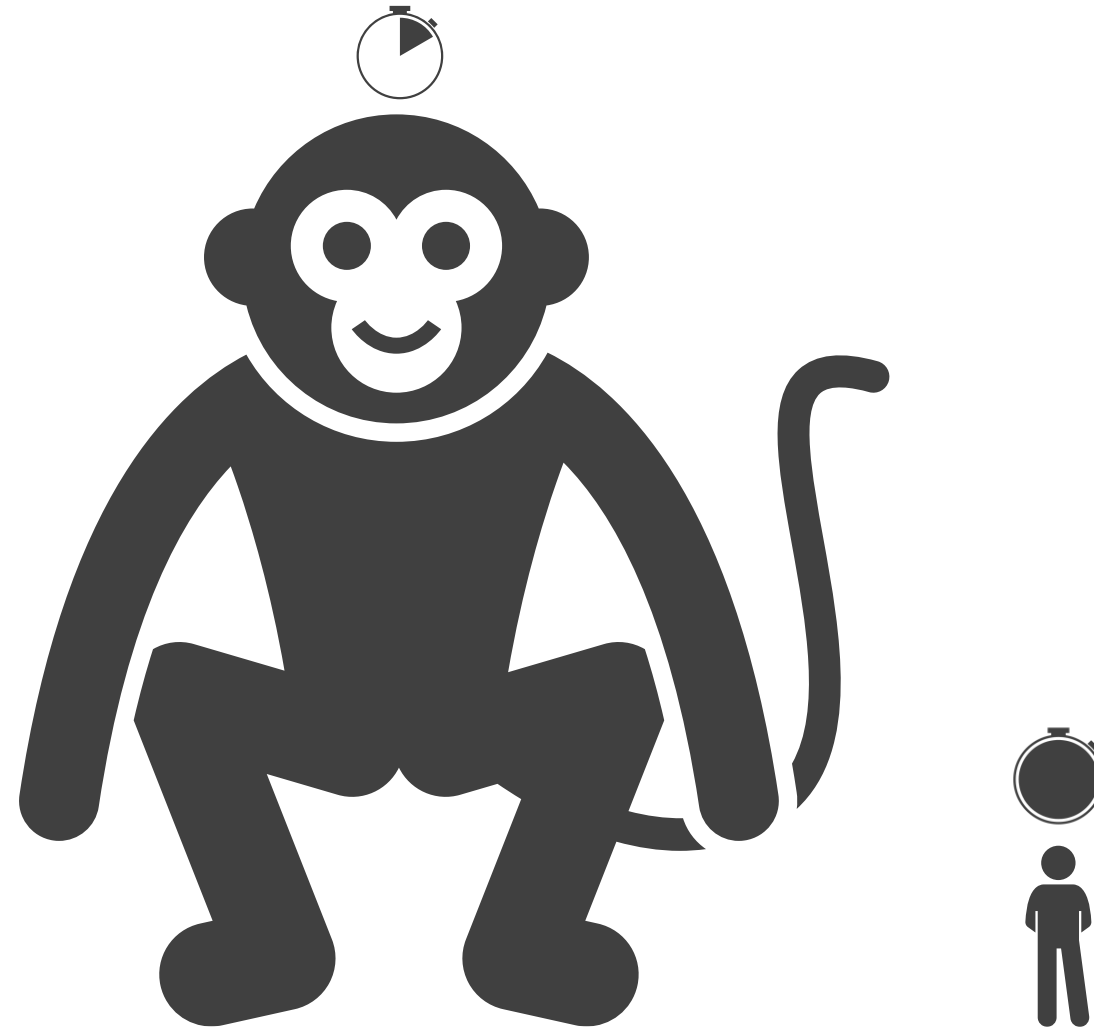
"Do I Wish To Feel This Way?"
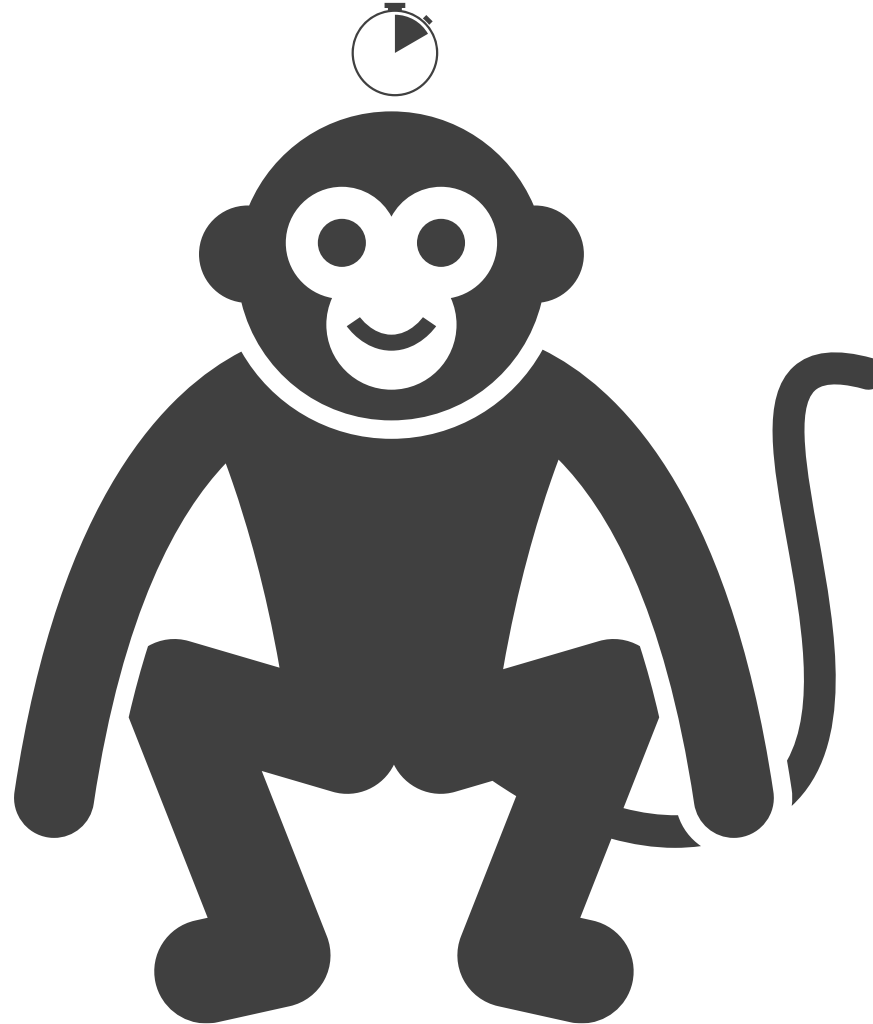
Give Your Chimp A Name
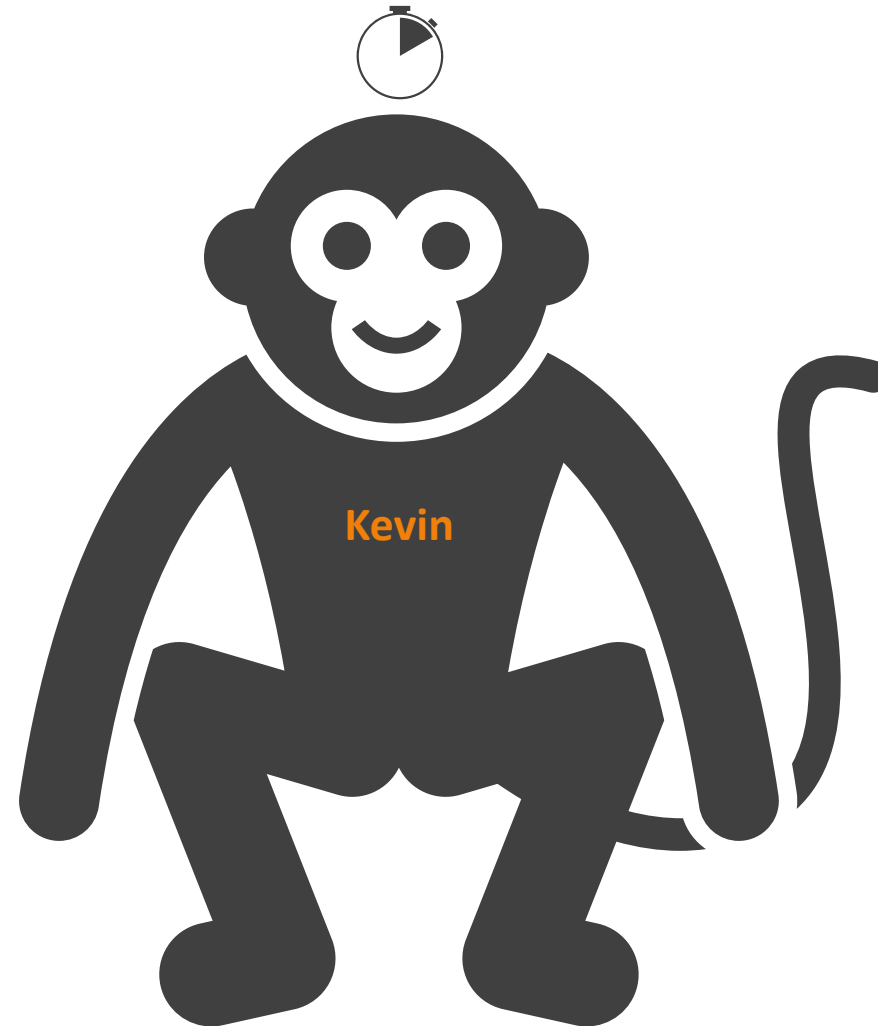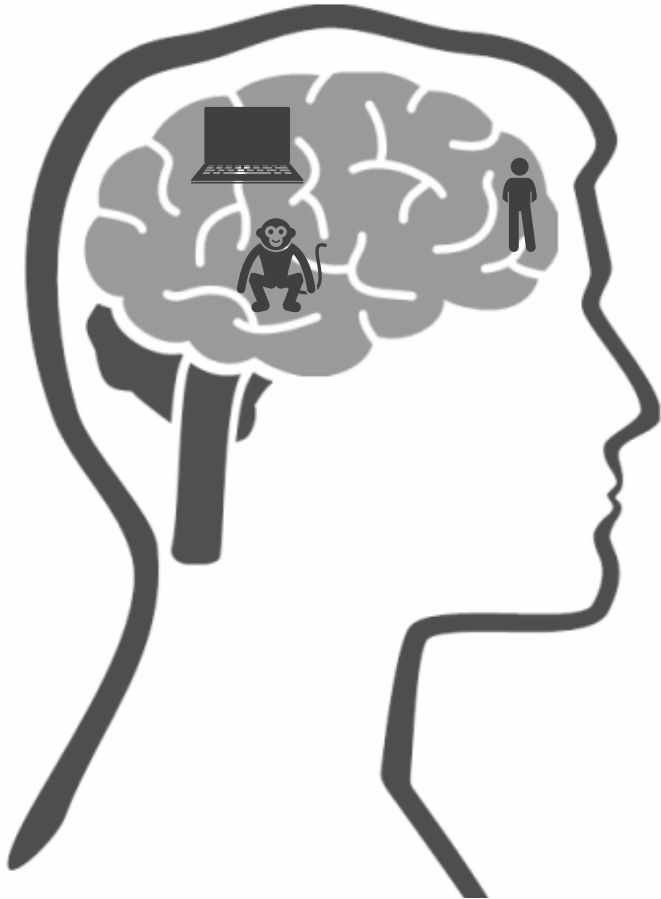
Kevin

Three Teams

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"The Computer"

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Beliefs

20x faster
than the Human

2. Emotional brain
"The Chimp"

Approach or avoid
Feelings

3. Thinking brain
"The Human"

Three Teams
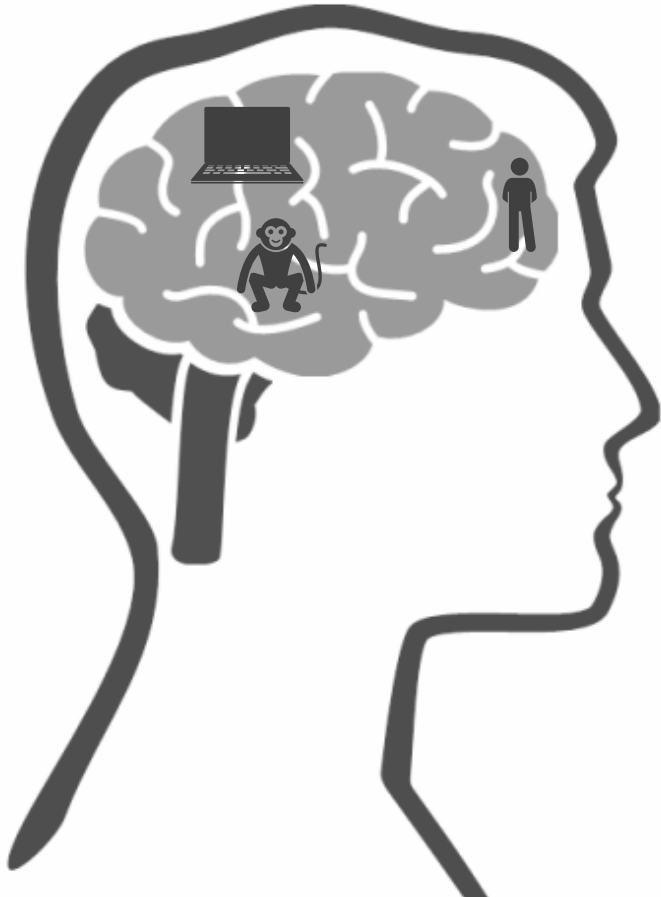
1. Subconscious brain
"The Computer"

Patterns based on experience
Beliefs

20x faster
than the Human

2. Emotional brain
"The Chimp"

Approach or avoid
Feelings

5x faster
than the Human

3. Thinking brain
"The Human"

How Good Is This Keyboard?

How Good Is This Keyboard?

1. Pen Held Between Teeth

2. Pen Held Between Lips

Which Group Rated the Keyboard More Favourably?

1. Pen Held Between Teeth

2. Pen Held Between Lips

Which Group Rated the Keyboard More Favourably?

1. Pen Held Between Teeth

2. Pen Held Between Lips

Which Group Rated the Keyboard More Favourably?

1. Pen Held Between Teeth

2. Pen Held Between Lips

The Slow Human Invents A Story That Is Coherent With What the Chimp Already Feels

How We Feel Becomes What We Think

How We Feel Becomes What We Think
... Without Us Ever Realising

Chimps Prompt Us to Approach or Avoid

Sensing

Perception

Emotional Decision
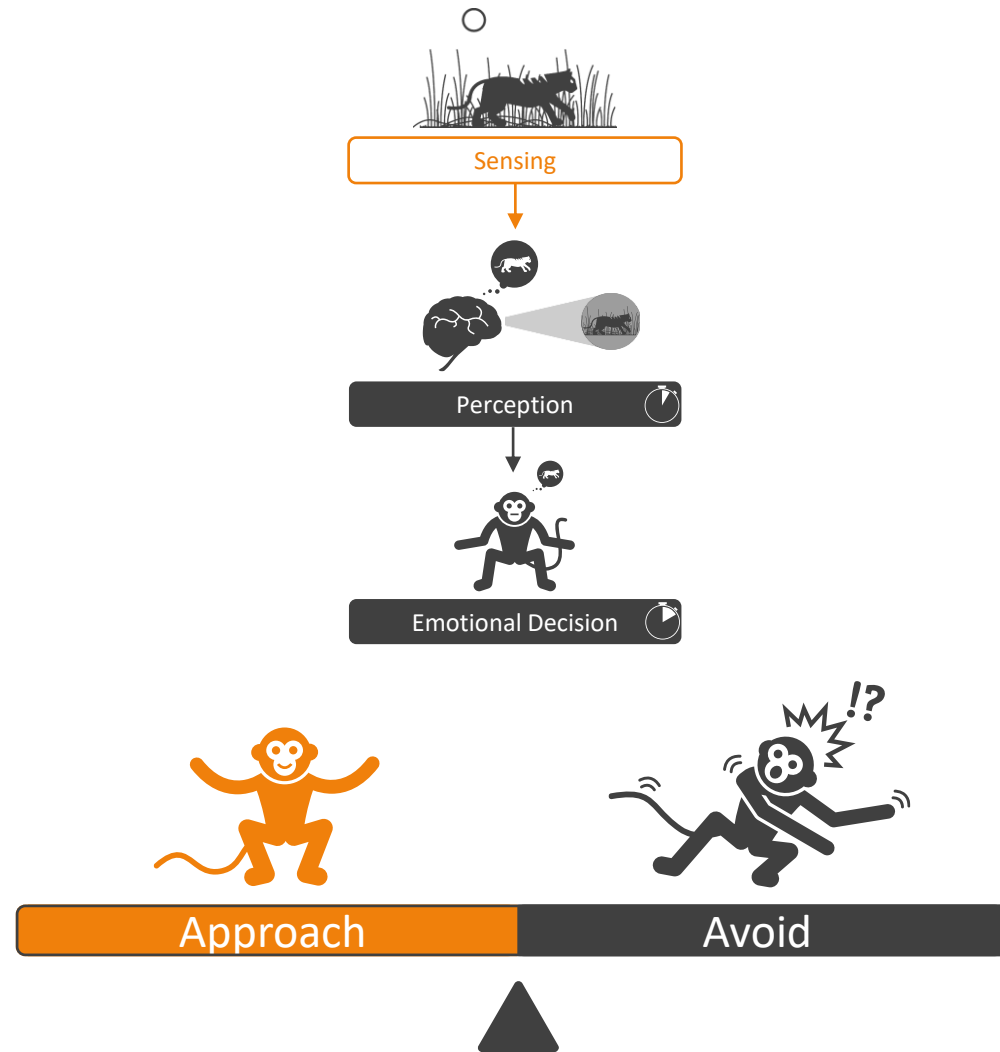
Approach | Avoid

Your Return On Investment
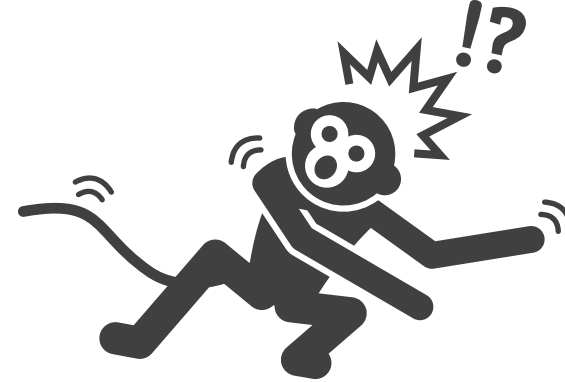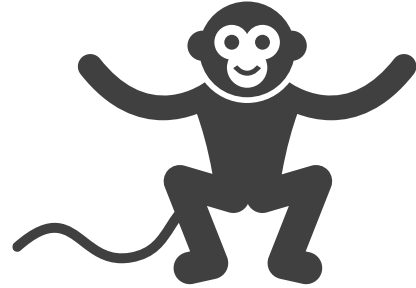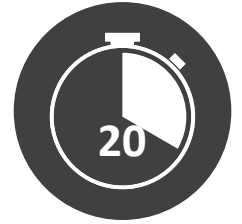
Feeling as Thinking	
Our emotional brains tell us how they feel about the patterns our subconscious brains deem relevant, and encourage us to either approach or avoid the object of our attention on that basis.	**How we feel** about the object of our attention frequently turns into what we **think about it**.

5. Where in your work does your Chimp influence your judgment?

Examples
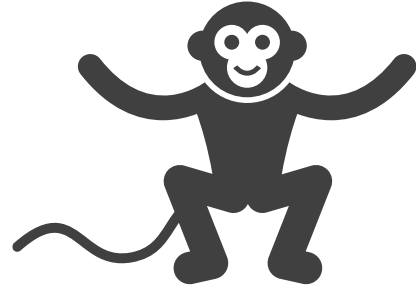
- How we feel about a client becomes what we think of the risk
- A prior experience with a colleague forever influences my instinctive interpretation of what they say

Three Teams
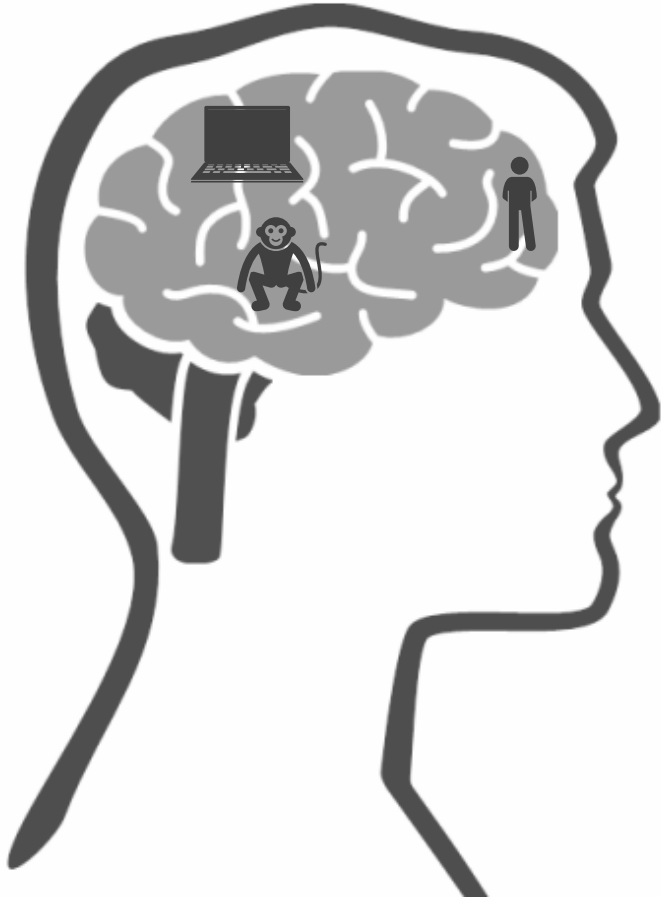
1. Subconscious brain
"The Computer"

Patterns based on experience
Beliefs

20x faster
than the Human

2. Emotional brain
"The Chimp"

Approach or avoid
Feelings

5x faster
than the Human

3. Thinking brain
"The Human"

Logic and analysis
Facts

Three Teams
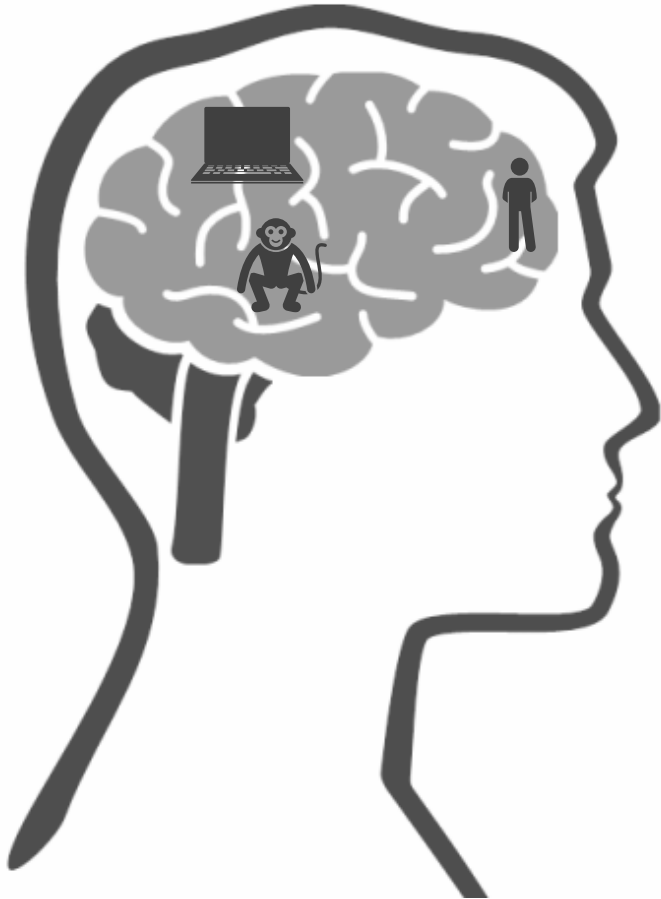
1. Subconscious brain
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Approach or avoid
Feelings

5x faster
than the Human

3. Thinking brain
"The Human"

Logic and analysis
Facts

What do we mean by "decision bias"?

Which Monster is the Taller of the Two?
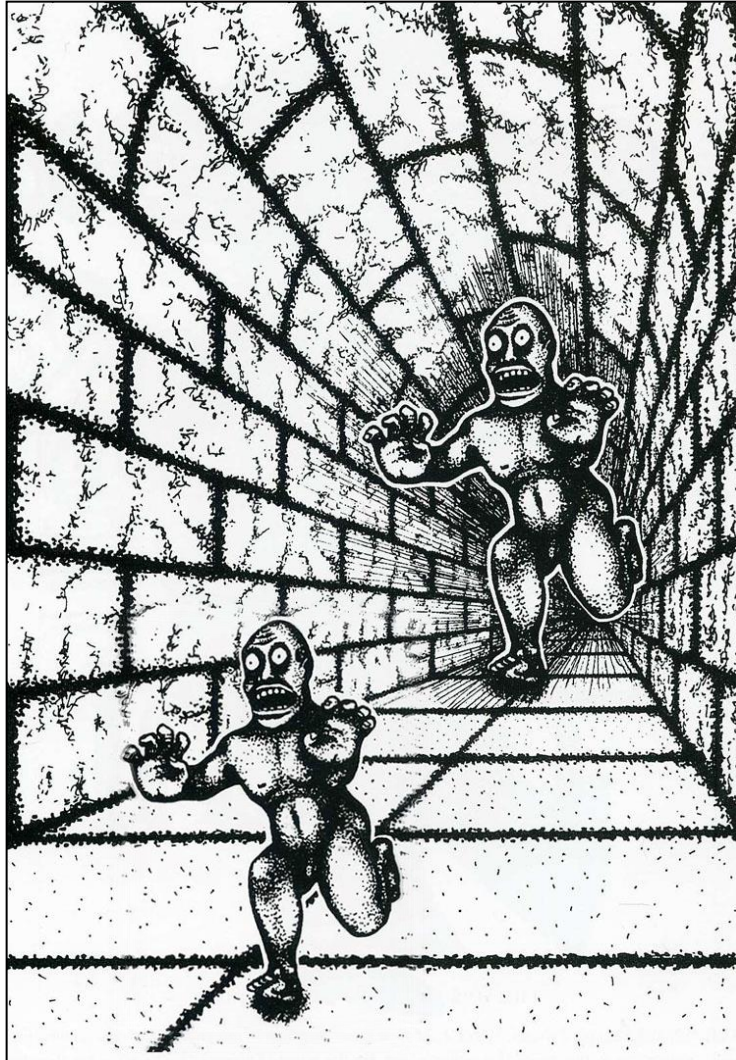
Decision Bias = Energy Saving Shortcut

"Rule of Thumb" = heuristics
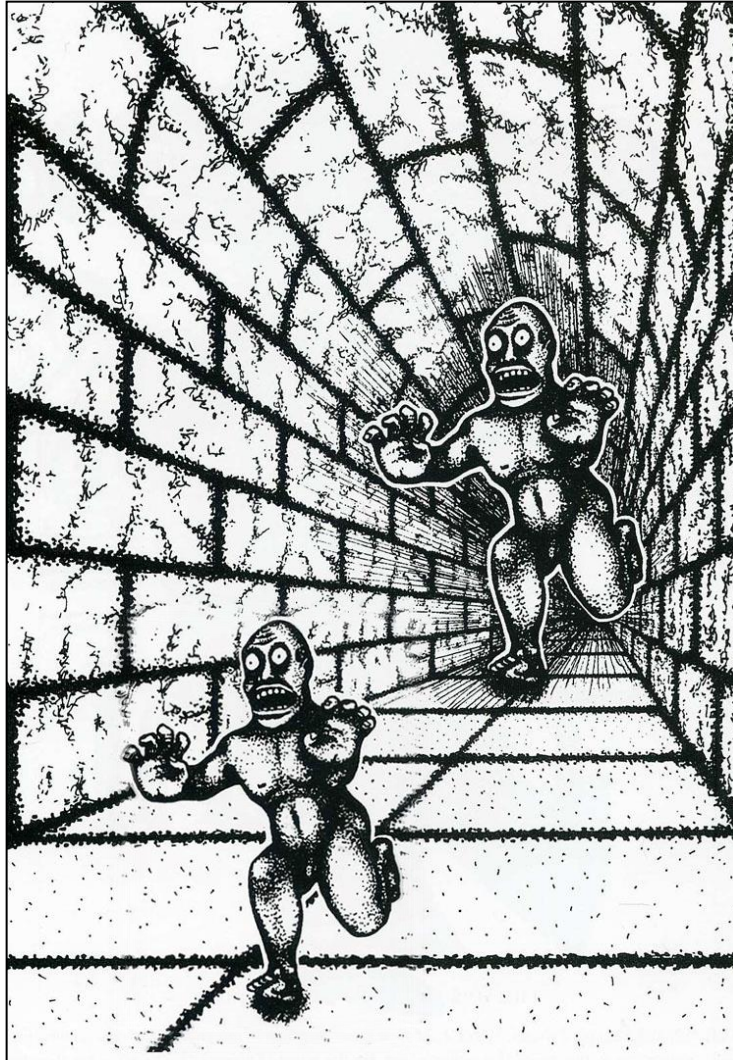
Researchers Have Identified Lots of 'Biases'

- **Action Bias** Why do we prefer doing something to doing nothing?
- **Affect Heuristic** Why do we rely on our current emotions when making quick decisions?
- **Ambiguity Effect** Why we prefer options that are known to us
- **Anchoring Bias** Why we tend to rely heavily upon the first piece of information we receive
- **Attentional Bias** Why do we focus more on some things than others?
- **Availability Heuristic** Why do we tend to think that things that happened recently are more likely to happen again?
- **Bandwagon Effect** Why do we support opinions as they become more popular?
- **Barnum Effect** Why do we believe our horoscopes?
- **Base Rate Fallacy** Why do we rely on specific information over statistics?
- **Bikeshedding** Why do we focus on trivial things?
- **Bottom-Dollar Effect** Why do we transfer negative emotions about being broke on items that we purchase?
- **Bounded Rationality** Why are we satisfied by "good enough"?
- **Bundling Bias** Why do we value items purchased in a bundle less than those purchased individually?
- **Cashless Effect** Why does paying without physical cash increase the likelihood that we purchase something?
- **Category Size Bias** Why do we think we're more likely to win at the big casino versus the small one?
- **Choice Overload** Why do we have a harder time choosing when we have more options?
- **Cognitive Dissonance** Why is it so hard to change someone's beliefs?
- **Commitment Bias** Why do people support their past ideas, even when presented with evidence that they're wrong?
- **Confirmation Bias** Why do we favour our existing beliefs?
- **Decision Fatigue** Why do we make worse decisions at the end of the day?
- **Declinism** Why we feel the past is better compared to what the future holds
- **Decoy Effect** Why do we feel more strongly about one option after a third one is added?
- **Disposition Effect** Why do we tend to hold on to losing investments?
- **Distinction Bias** Why we tend to view two options as more distinctive when evaluating them simultaneously than separately.
- **Dunning–Kruger Effect** Why can we not perceive our own abilities?
- **Empathy Gap** Why do we mis-predict how much our emotions influence our behaviour?
- **Endowment Effect** Why do we value items more if they belong to us?
- **Extrinsic Incentive Bias** Why do we think others are in it for the money, but we're in it for the experience?
- **Framing Effect** Why do our decisions depend on how options are presented to us?
- **Functional Fixedness** Why do we have trouble thinking outside the box?
- **Fundamental Attribution Error** Why do we underestimate the influence of the situation on people's behaviour?
- **Gambler's Fallacy** Why do we think a random event is more or less likely to occur if it happened several times in the past?
- **Google Effect** Why do we forget information that we just looked up?
- **Halo Effect** Why do positive impressions produced in one area positively influence our opinions in another area?
- **Hard-easy effect** Why is our confidence disproportionate to the difficulty of a task?
- **Heuristics** Why do we take mental shortcuts?
- **Hindsight Bias** Why do we see unpredictable events as predictable after they occur?
- **Hot-hand Fallacy** Why do we expect previous successful performance to lead to future successful performance?
- **Hyperbolic Discounting** Why do we value immediate rewards more than long-term rewards?
- **IKEA Effect** Why do we place disproportionately high value on things we helped to create?
- **Identifiable Victim Effect** Why are we more likely to offer help to a specific individual than a vague group?
- **Illusion of Control** Why we believe we have more control over the world than we actually do
- **Illusion of Validity** Why are we overconfident in our predictions?
- **Illusory Correlation** Why do we think some things are related when they aren't?
- **Illusory Truth Effect** Why do we believe misinformation more easily when it's repeated many times?
- **In-group Bias** Why do we treat our in-group better than we do our out-group?
- **Incentivization** Why do we work harder when we are promised a reward?
- **Just-World Hypothesis** Why do we believe that we get what we deserve?
- **Lag Effect** Why does spacing out the repetition of information make one more likely to remember it?
- **Law of the Instrument** Why do we use the same skills everywhere?
- **Less-is-Better Effect** Why do our preferences change depending on whether we judge our options together or separately?
- **Leveling and Sharpening** Why do we exaggerate some details of a story, but minimize others?
- **Levels of Processing** Why do we remember information that we attach significance to better than information we repeat?
- **Look-elsewhere Effect** Why do scientists keep looking for a statistically significant result after failing to find one initially?
- **Loss Aversion** Why do we buy insurance?
- **Mental Accounting** Why do we think less about some purchases than others?
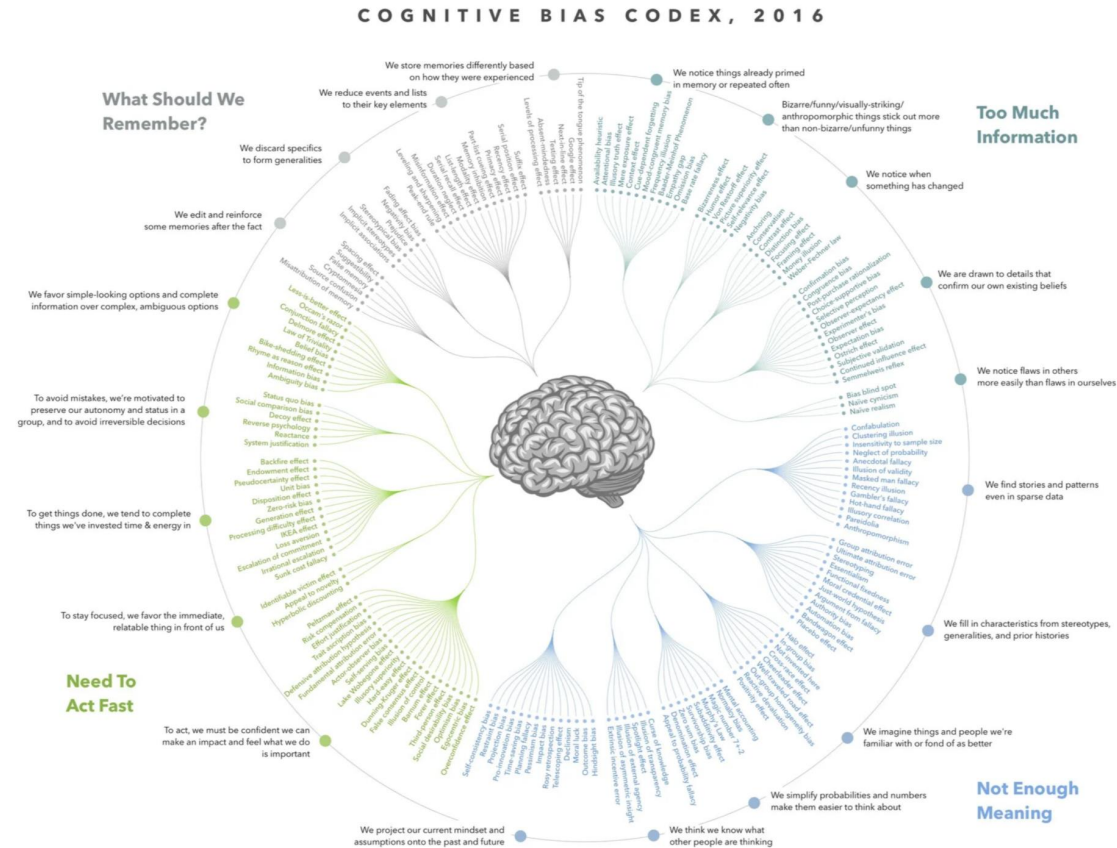- **Mere Exposure Effect** Why do we prefer things that we are familiar with?
- **Motivating Uncertainty Effect** Why rewards of unknown sizes tend to motivate us more than known rewards
- **Naive Allocation** Why we tend to prefer spreading limited resources evenly across options.
- **Naive Realism** Why do we believe we have an objective understanding of the world?
- **Negativity Bias** Why is the news always so depressing?
- **Noble Edge Effect** Why do we tend to favour brands that show care for societal issues?
- **Nostalgia Effect** How do our sentimental feelings for the past influence our actions in the present?
- **Observer Expectancy Effect** Why do we change our behaviour when we're being watched?
- **Omission Bias** Why don't we pull the trolley lever?
- **Optimism Bias** Why do we overestimate the probability of success?
- **Ostrich Effect** Why do we prefer to ignore negative information?
- **Over-justification Effect** Why do we lose interest in an activity after we are rewarded for it?
- **Peak-end Rule** How do our memories differ from our experiences?
- **Pessimism bias** Why do we think we're destined to fail?
- **Planning Fallacy** Why do we underestimate how long it will take to complete a task?
- **Primacy Effect** Why do we only remember the first things on our grocery list?
- **Priming** Why do some ideas prompt other ideas later on without our conscious awareness?
- **Projection Bias** Why do we think our current preferences will remain the same in the future?
- **Reactive devaluation** Why is negotiation so difficult?
- **Regret Aversion** Why do we anticipate regret before we make a decision?
- **Representativeness Heuristic** Why do we use similarity to gauge statistical probability?
- **Response Bias** Why responses to a survey or experiment can be inaccurate due to the nature of the survey or experiment
- **Restraint Bias** Why do we overestimate our self-control?
- **Rosy Retrospection** Why do we think the good old days were so good?
- **Salience Bias** Why do we focus on items or information that are more prominent and ignore those that are not?
- **Self-serving Bias** Why do we blame external factors for our own mistakes?
- **Serial Position Effect** Why do we better remember items at the beginning or end of a list?
- **Social Norms** Why do we follow the behaviour of others?
- **Source Confusion** Why we forget where our memories come from, and thereby lose our ability to distinguish the reality or likelihood of each memory.
- **Spacing Effect** Why do we retain information better when we learn it over a long time period?
- **Spotlight Effect** Why do we feel like we stand out more than we really do?
- **Status Quo Bias** Why do we tend to leave things as they are?
- **Suggestibility** Why is yawning contagious?
- **Survivorship Bias** Why do we misjudge groups by only looking at specific group members?
- **Take-the-best Heuristic** Why do we focus on one characteristic to compare when choosing between alternatives?
- **Telescoping Effect** Why do some things "seem like they just happened yesterday?"
- **The Illusion of Explanatory Depth** Why do we think we understand the world more than we actually do?
- **The Pygmalion Effect** Why do we perform better when someone has high expectations of us?
- **The Sunk Cost Fallacy** Why are we likely to continue with an investment even if it would be rational to give it up?
- **Zero Risk Bias** Why do we seek certainty in risky situations?

COGNITIVE BIAS CODEX, 2016

What Should We Remember?

Too Much Information

Need To Act Fast

Not Enough Meaning

We store memories differently based on how they were experienced

We notice things already primed in memory or repeated often

We reduce events and lists to their key elements

Bizarre/funny/visually-striking/anthropomorphic things stick out more than non-bizarre/unfunny things

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To get things done, we tend to complete things we've invested time & energy in

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We project our current mindset and assumptions onto the past and future

We think we know what other people are thinking

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188 Different Biases
In One Conceptual Model

COGNITIVE BIAS CODEX, 2016

To order: https://www.designhacks.co/products/cognitive-bias-codex-poster
Source: https://betterhumans.pub/cognitive-bias-cheat-sheet-55a472476b18

Buster Benson
Author and entrepreneur

We Snap to Very Quick Understandings

A Twist in the Tale
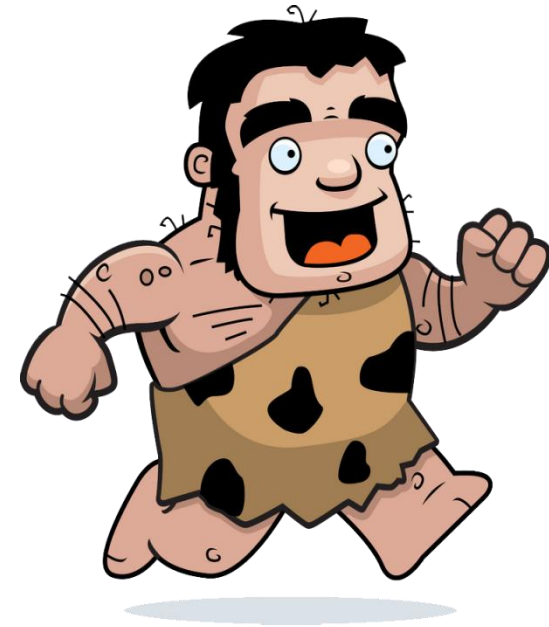
A Friend Was Deciding Which Car To Buy

Sarah

Jim

A Friend Was Deciding Which Car To Buy

Safe

Sporty

Decision Made: Volvo 480

What Did Jim's Brain Tell Him Once He Realised There Were Not Many Volvo 480s on the Road?

Made decision   Paid for car   Took delivery of car

"Not many Volvo 480s on the road"

Not Many Volvo 480s = Rubbish Car

Made decision   Paid for car   Took delivery of car

"Not many Volvo 480s on the road"

~~Not Many Volvo 480s = Rubbish Car~~
Not Many Volvo 480s = I'm Special

Made decision   Paid for car   Took delivery of car

"Not many Volvo 480s on the road"

We Snap - Then We Stick

Made decision   Paid for car   Took delivery of car

"Not many Volvo 480s on the road"

We Snap - Then We Stick
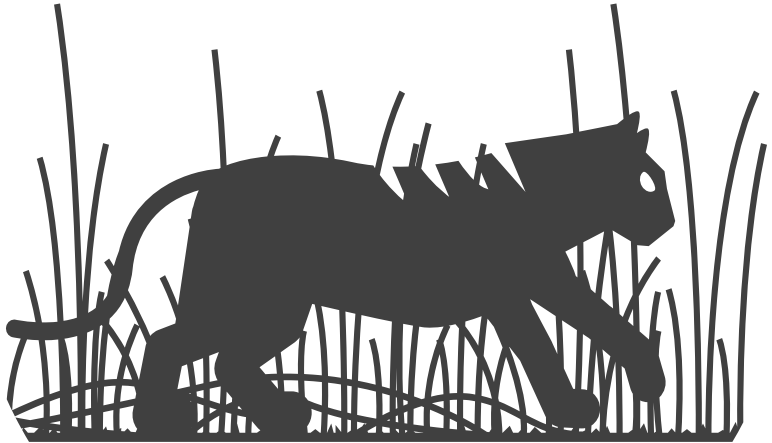
1ˢᵗ Conclusion Bias

1st Conclusion Bias Saves Mental Energy
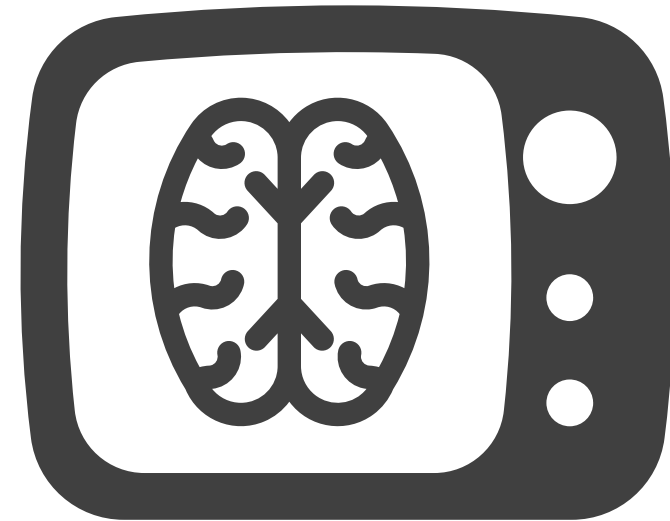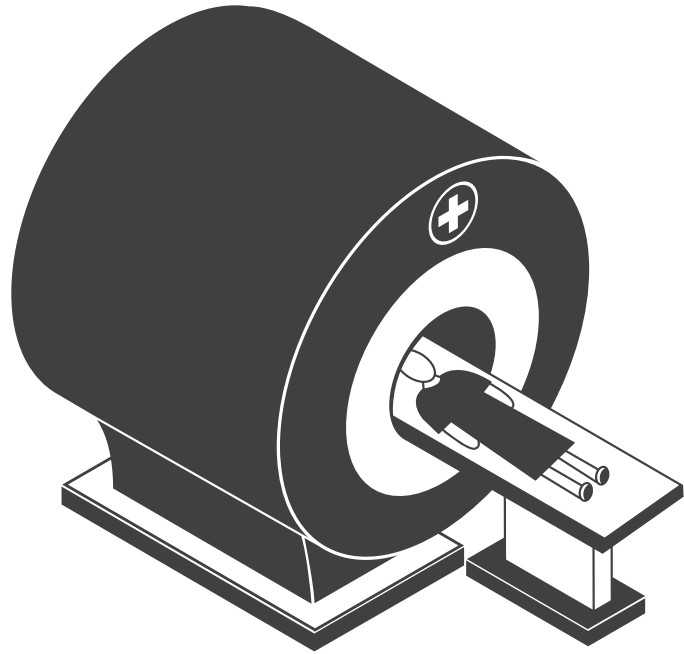
1ˢᵗ Conclusion Bias Saves Mental Energy

The Joseph Kidd Case

Joseph Kidd

Stage 1   **Stage 2**   **Stage 3**   **Stage 4**
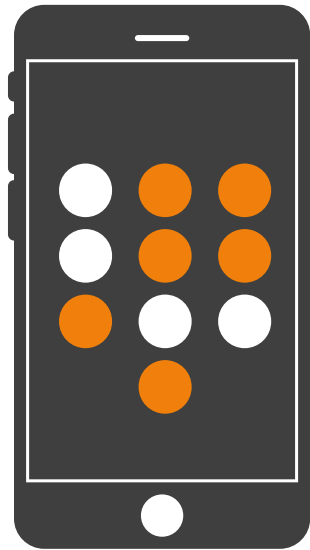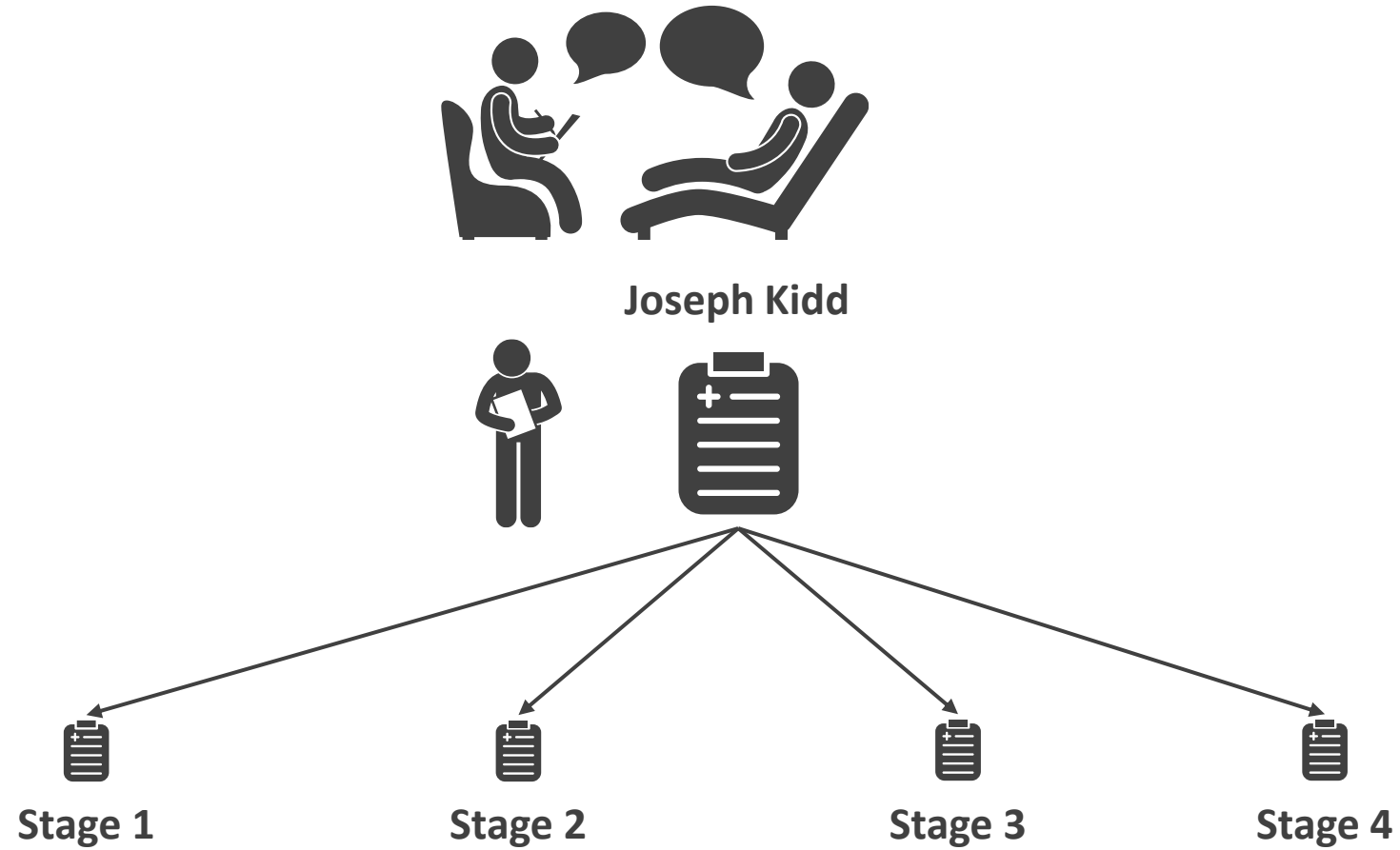
At Stage 1 The Doctors Are Asked

1. What is your **diagnosis**?

At Stages 2, 3 and 4 The Doctors Are Asked

1. How **confident** are you in your diagnosis?

2. Do you wish to **change** your diagnosis?

Accuracy and Confidence at Stage 1
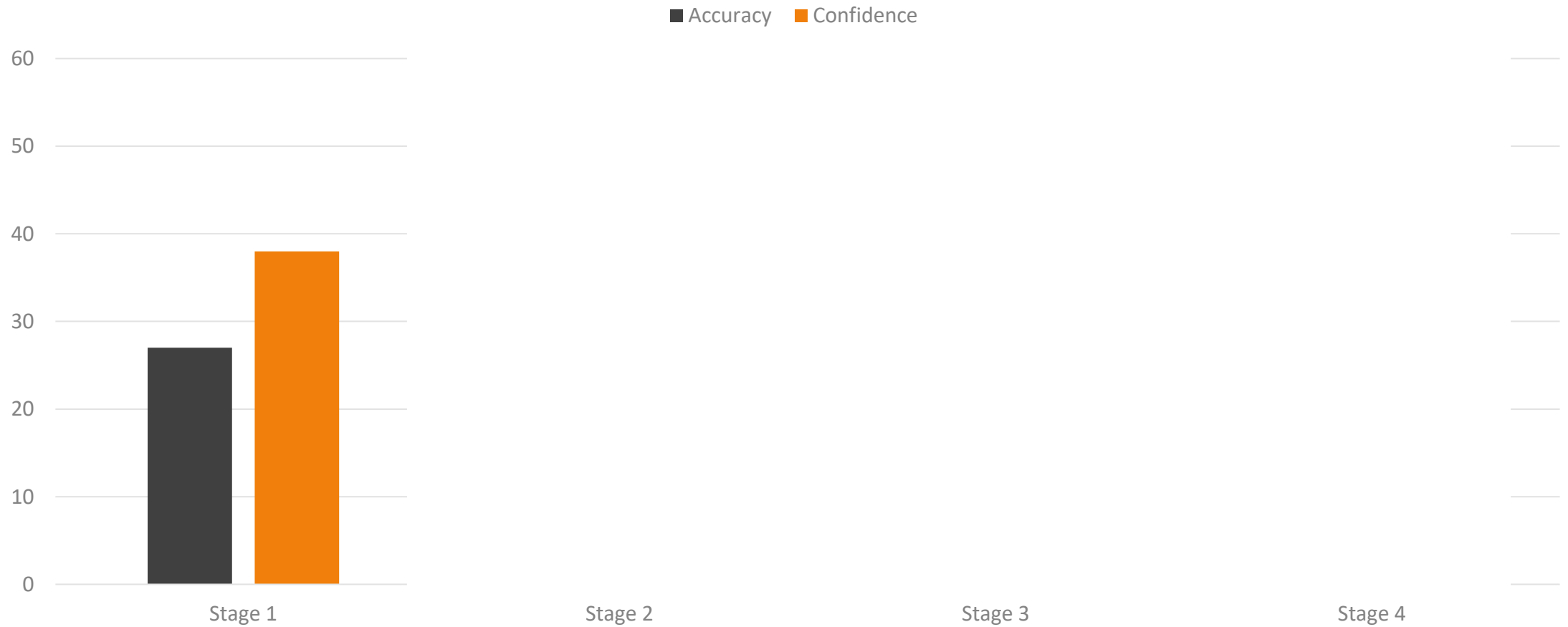
What Happens as the Doctors Receive More Information?

The Accuracy of the Doctors' Diagnoses

1. Accuracy decreases

2. Accuracy increases

3. Accuracy stays the same

The Doctors' Confidence in their Diagnosis

1. Confidence decreases

2. Confidence increases

3. Confidence stays the same

1ˢᵗ Conclusion Effects
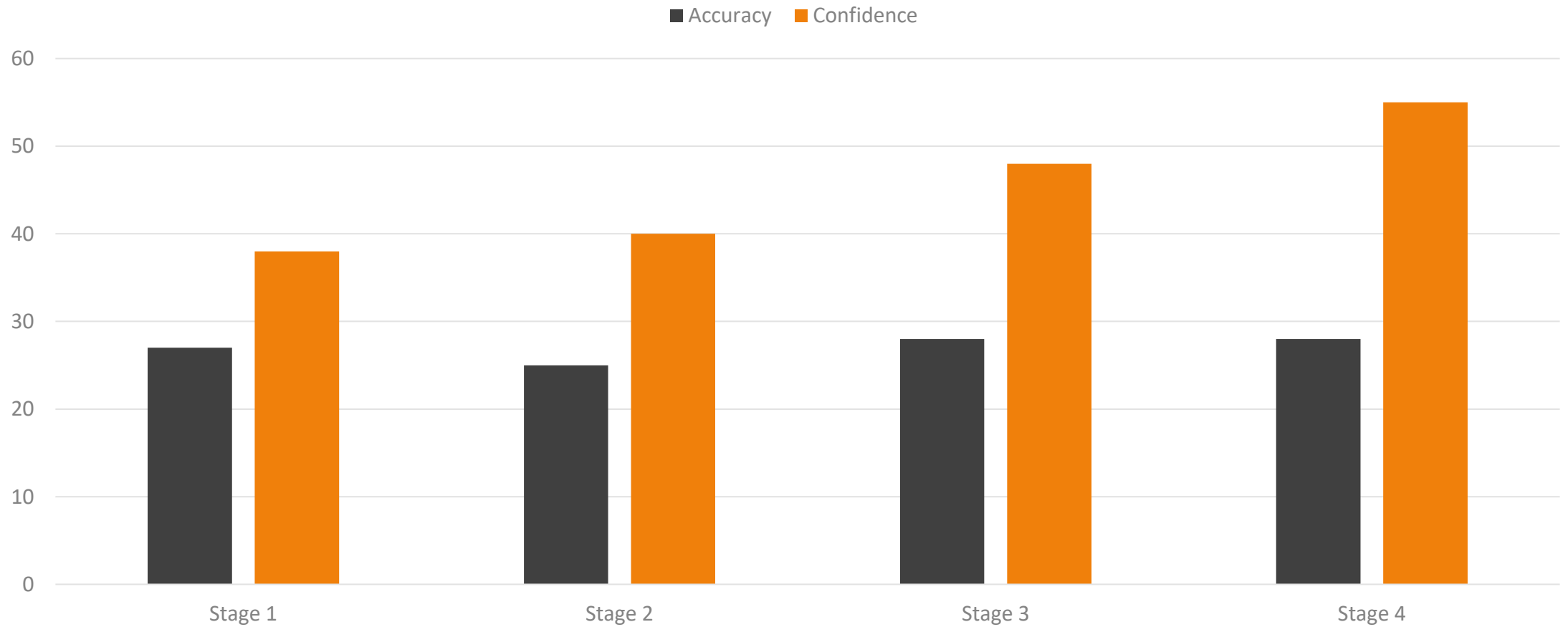
More Information = Better Decision
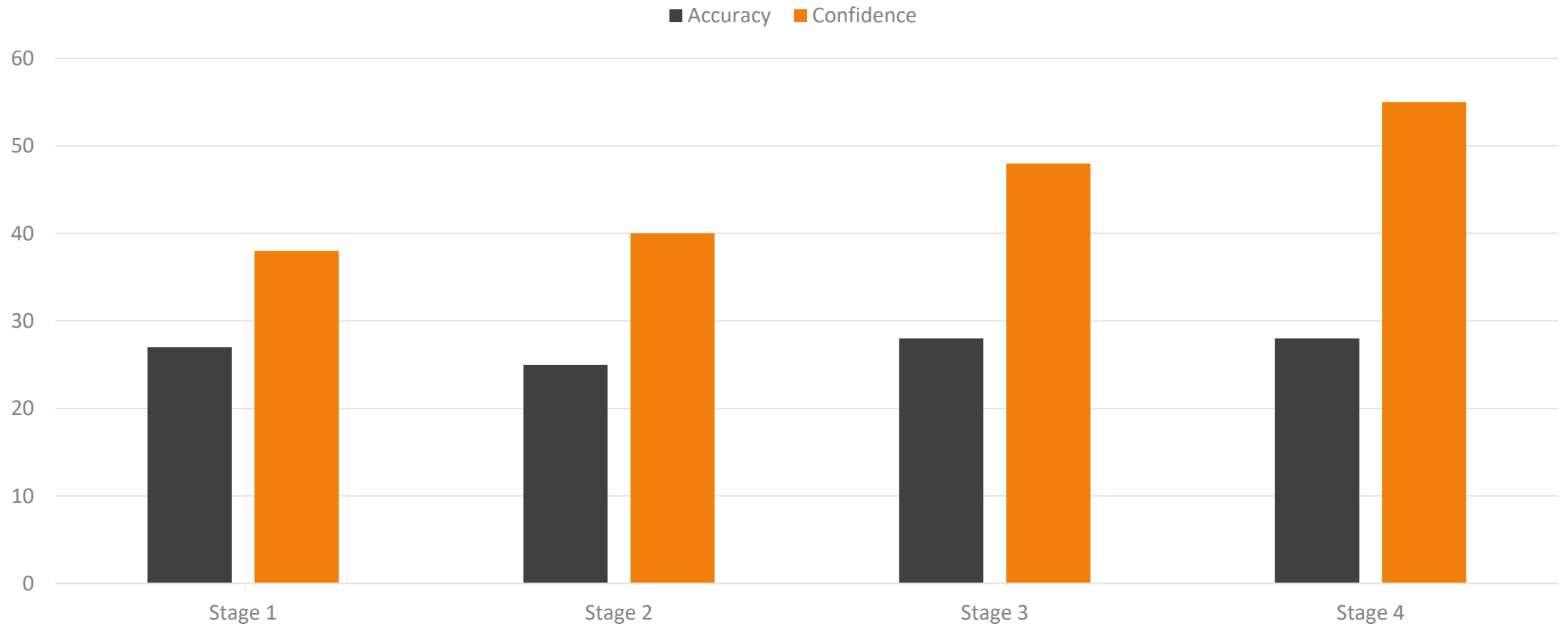
~~More Information = Better Decision~~
More Information = **More <u>Selective</u> Confirmation**
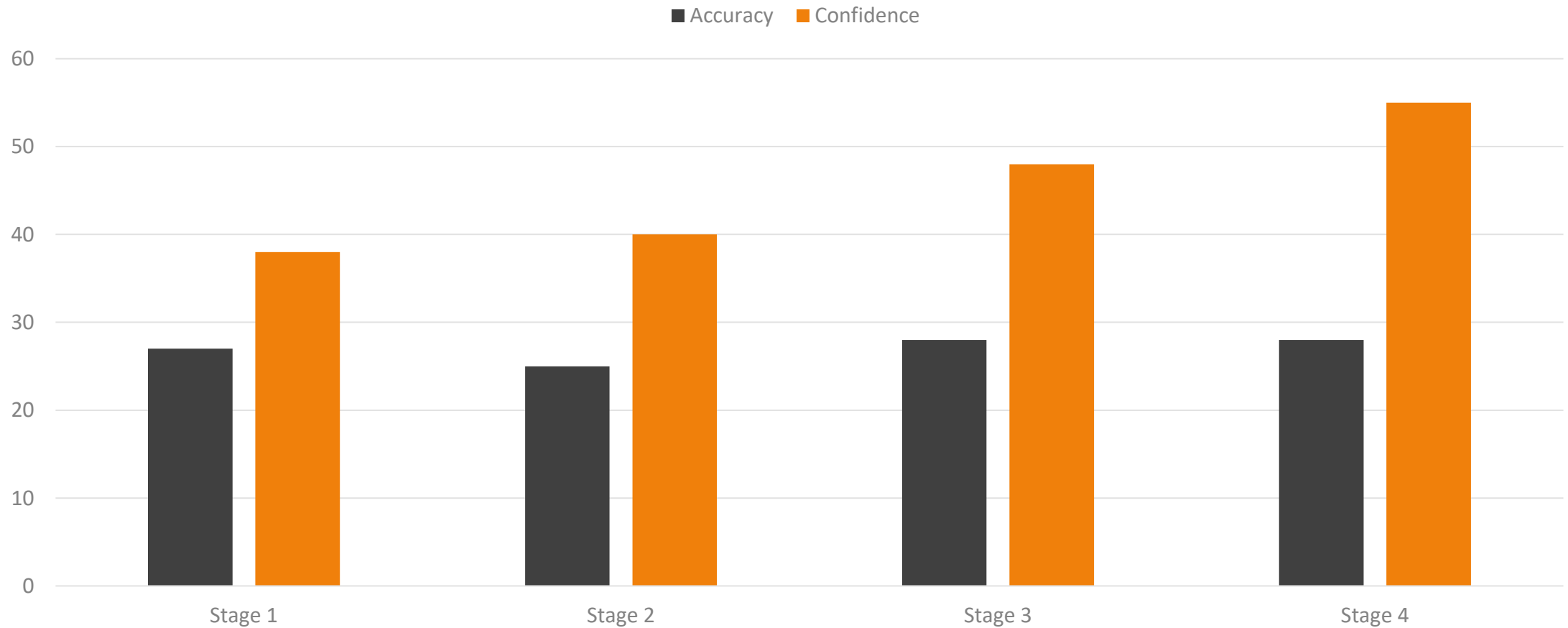
Your Return On Investment
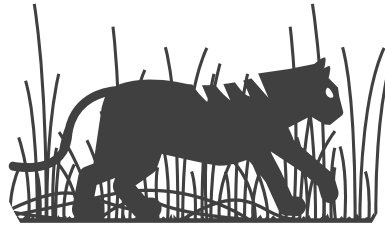
Snap	& Stick
We have a tendency to **jump** to very **quick understandings** of complex propositions.	We become **anchored** to our initial diagnoses by seeking out **data that confirms** them.

6. In your work, where have you seen people stick with a first conclusion even in the face of conflicting evidence?

COGNITIVE BIAS CODEX, 2016

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ALGORITHMIC LAYOUT + DESIGN BY JM3 · JOHN MANOOGIAN III // CONCEPT + METICULOUS CATEGORIZATION BY BUSTER BENSON // DEEP RESEARCH BY WIKIPEDIANS FAR + WIDE

Many So-called "Biases"

Are in fact **beneficial to success** in the real world, even if they are sometimes **misleading in the small worlds** created for the modelling and experimental psychology
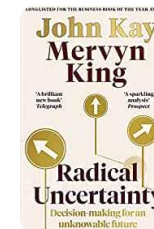
Sir John Kay and Lord Mervyn King
Former Dean of Oxford Said Business School and former Governor of the Bank of England

Break #3 (of 4 today)

Next session starting at

14:50

icmif

"It's Just the Way We Are Wired"
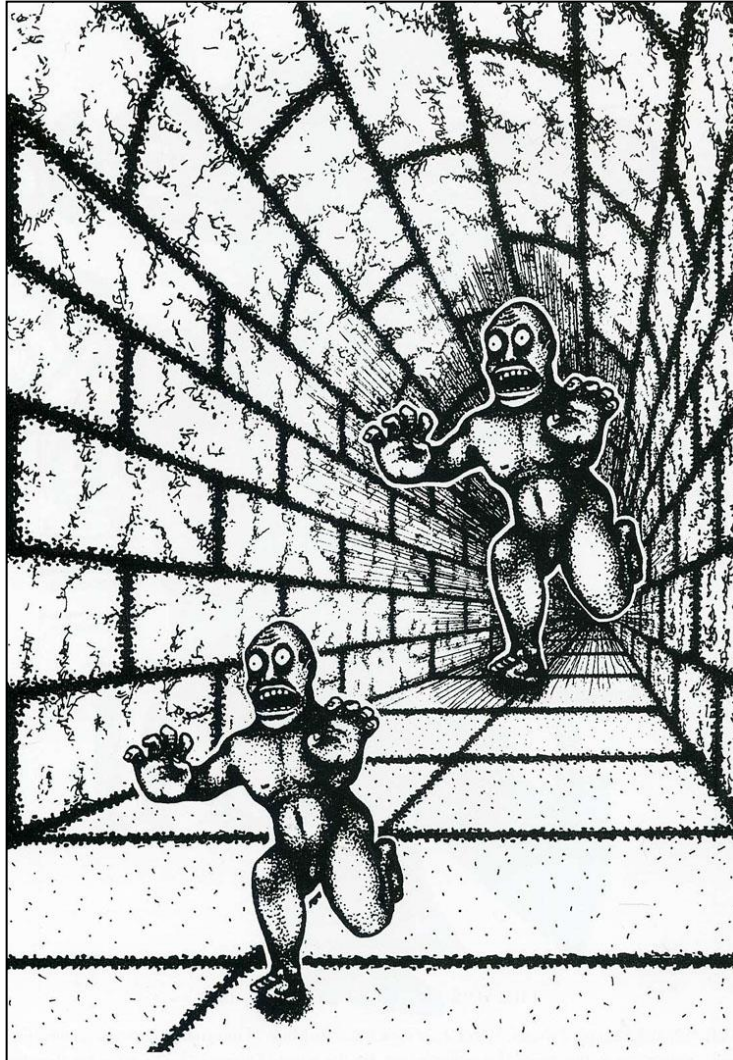
A Shared Vocabulary Helps Objectivity

Two Principal Types of Bias

Action   **Inaction**

Biases of Action
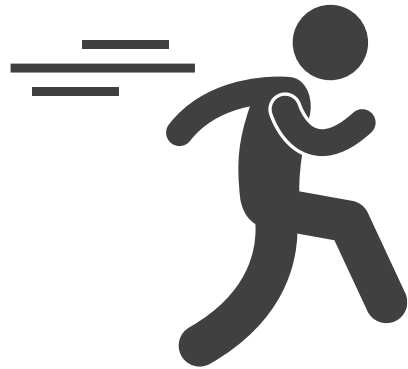
Overconfidence

Base rate neglect

Most Of Us Are Overconfident

Record Whether The Answer
Lies Between Your High and Low Estimates

Answer

Low   High

90% confident
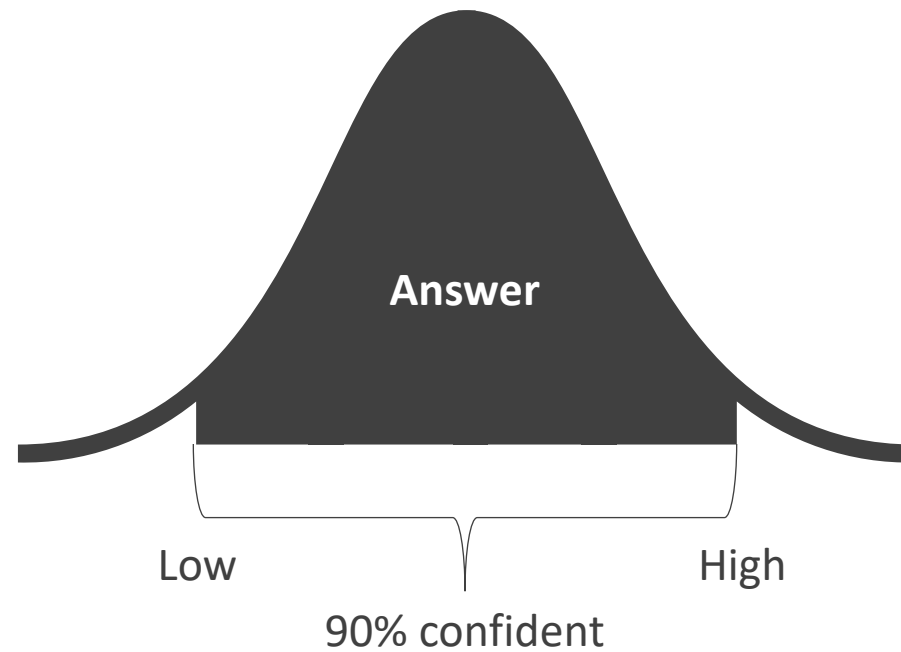
1. What is the total daily growth in the length of all the hairs on an average man's body?

22 Metres (72 feet)

2. What is the value of a one mile high pile of £5 notes?

£70 Million

3. How long is the Nile river?

6,738 Kilometres (4,187 miles)

4. How long can a cockroach live without its head?

168 Hours (1 week)

5. What is the total length of the coastline of Japan?

29,750 Kilometres (18,486 miles)

6. What is the world record for the most one arm push-ups completed in one hour?

1,868

7. What is the length of the longest recorded tapeworm found in a human body?

33 metres (108 feet)
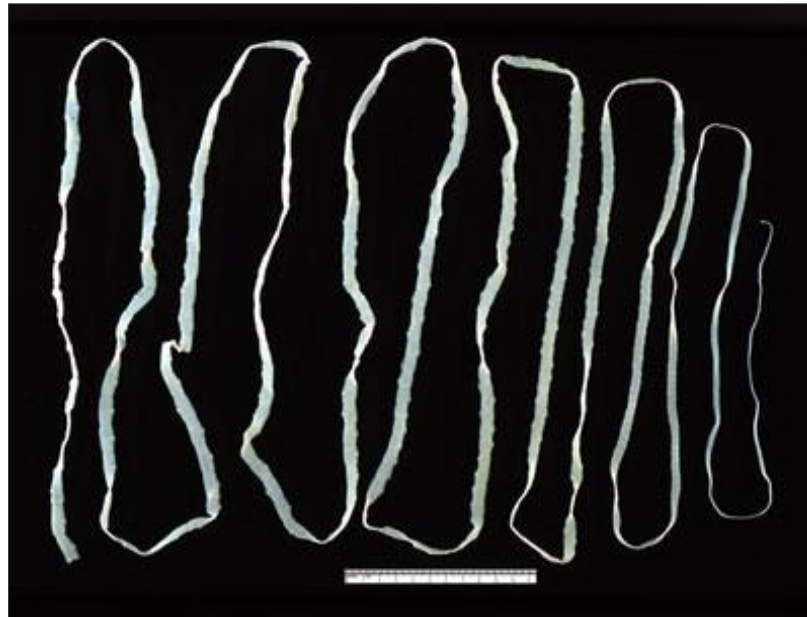
8. What is the weight of an empty Boeing 747?

179 Tonnes (395,000 pounds)

9. How long is the gestation period of the Asian elephant?

645 Days (21 months)

10. What is the average air speed of a common house fly?

7 km/h (4.5 mph)

How Did We Do?

Answer

Low   High
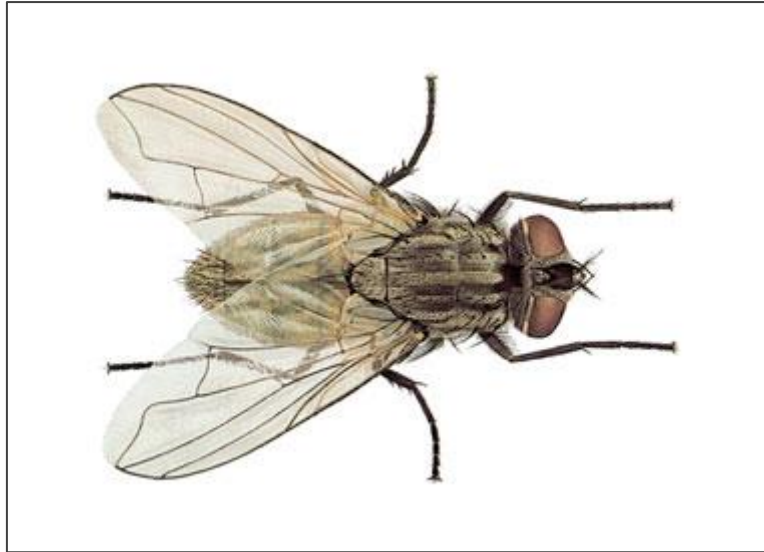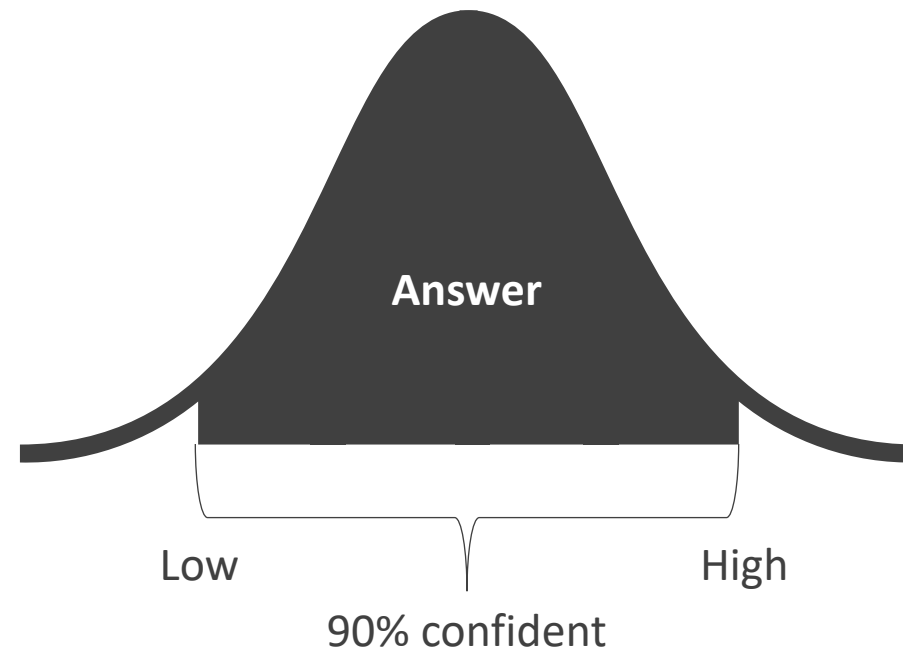
90% confident

How Did We Do?

**Response expected
as the question was framed**
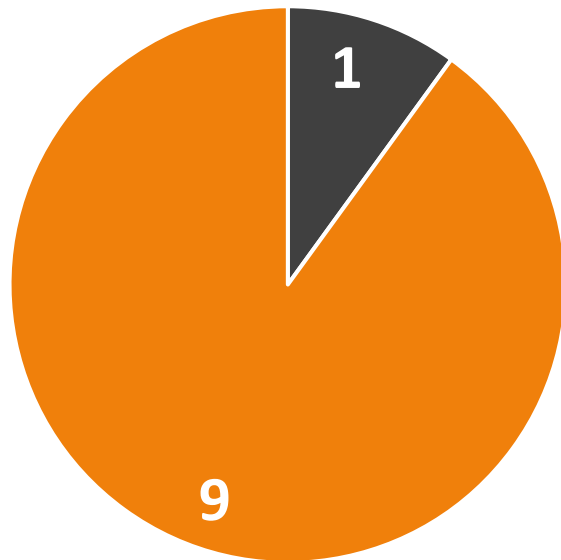
Typical response

■ Outside range   ■ Within range
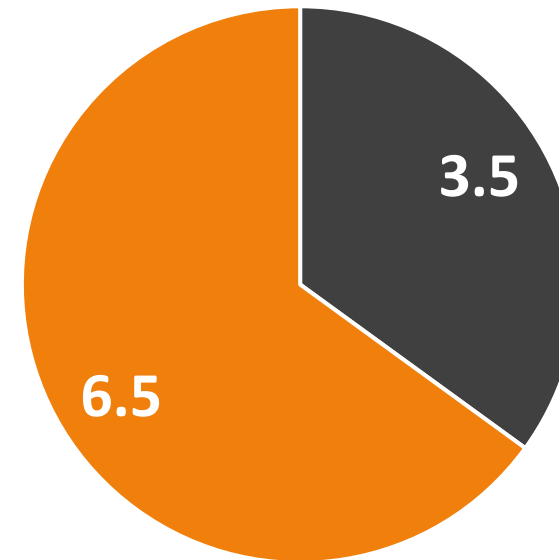
■ Outside range   ■ Within range

When we say we're 90% confident of something...

... we're actually 65% confident of it

Most Of Us Are Overconfident

Biases of Action
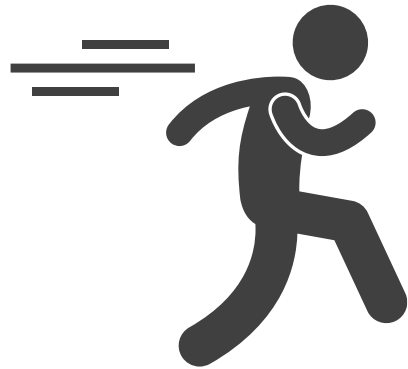
Overconfidence

Base rate neglect

Base Rate Neglect
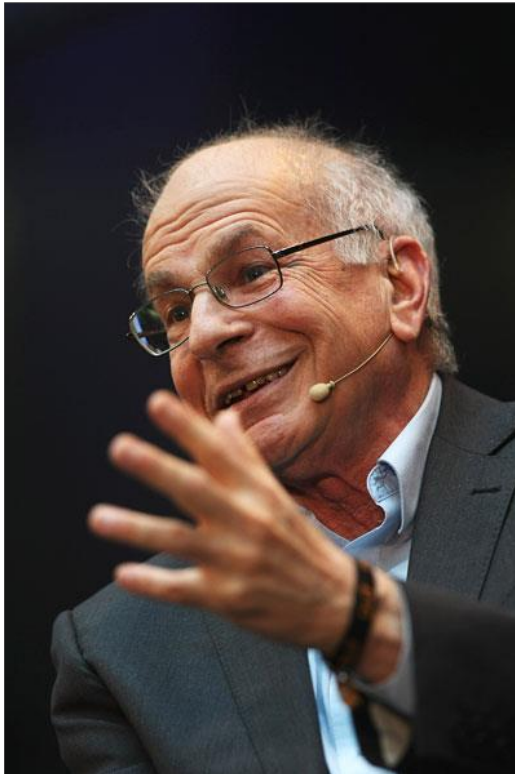
- Project started: 1976
- 1 year
- Estimate: 18 to 30 months
- Seymour
- 40% never finish
- **Base rate: 7 to 10 years**
- "Let's press on"
- Project finished: 1985

Base Rate Neglect

**Inside View: We Overweight
The Specifics of The Case**

**We Underweight The Evidence
From A Large Sample of Similar Cases**
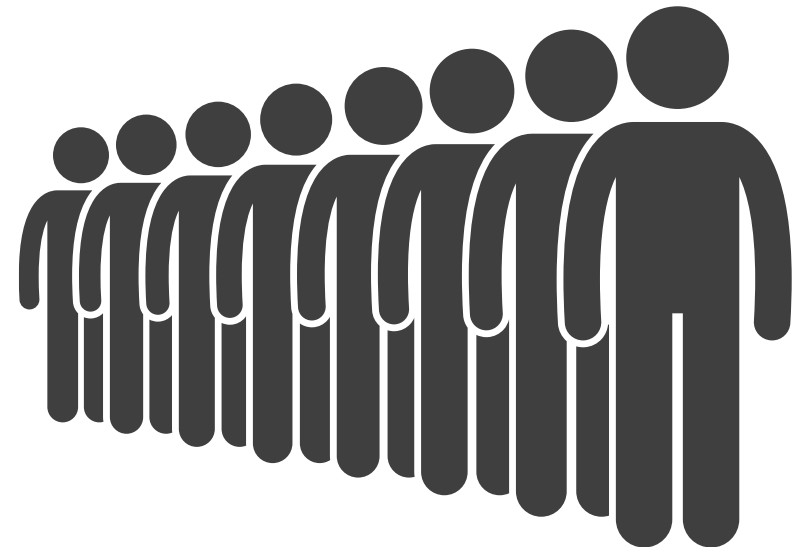
The Four Most Costly Words
in the Annals of Investing

This time is **different**
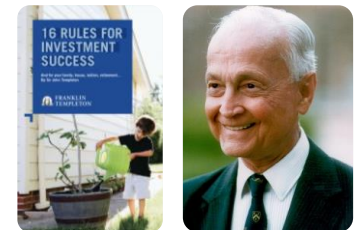
Sir John Templeton
Founder, Templeton Growth Fund

Source: 16 Rules for Investment Success www.franklintempleton.com/forms-literature/download/TL-R16

Two Principal Types of Bias

Action   **Inaction**

Biases of Inaction

Loss Aversion

Familiarity bias

Which Asset Would You **Most** Like to Own?
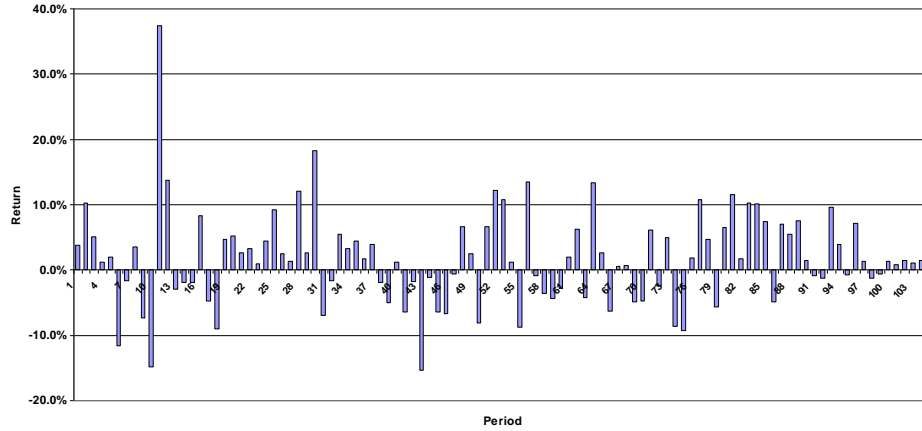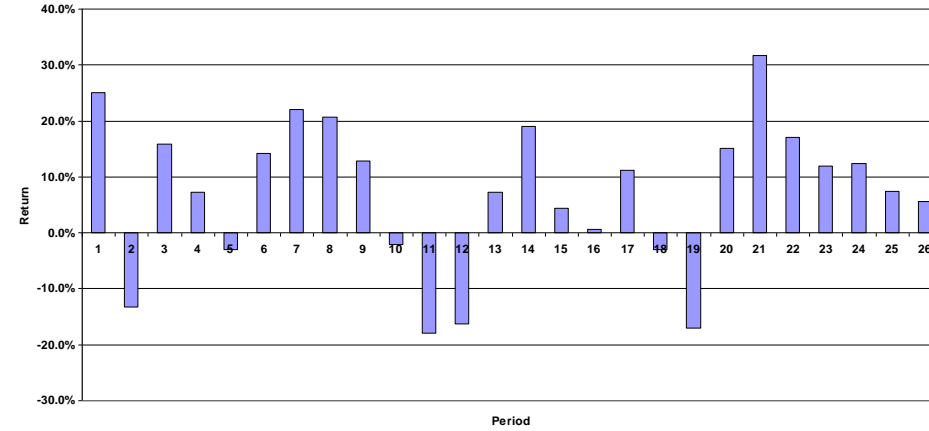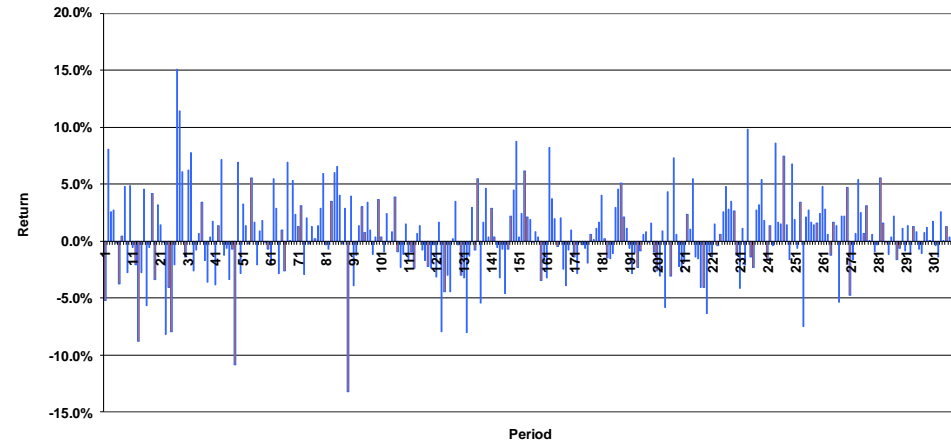
Asset A

Asset B

Asset C

Which Asset Would You **Most** Like to Own?
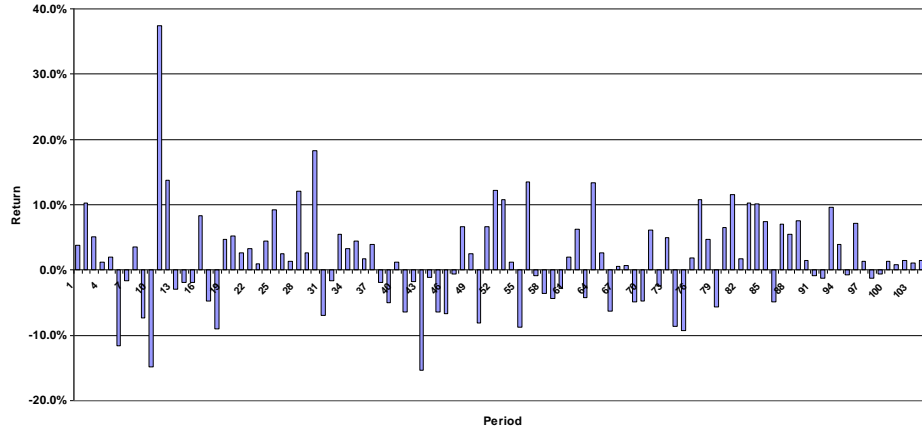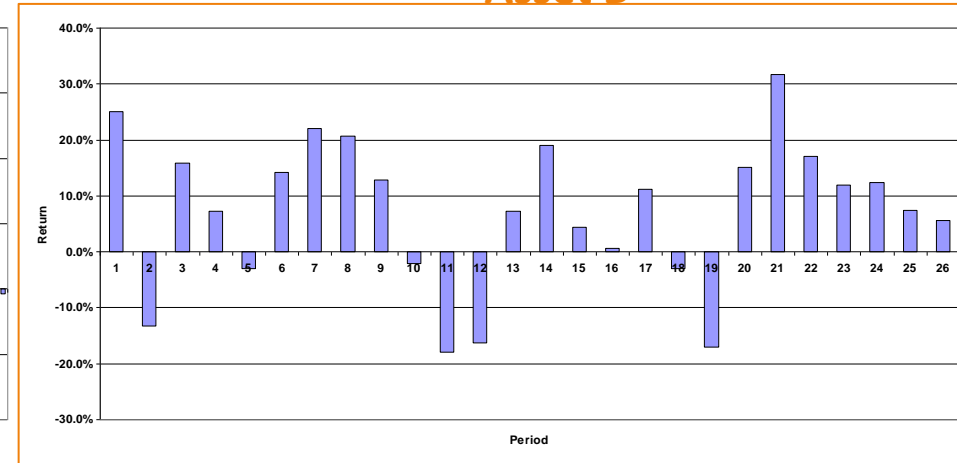
Asset A
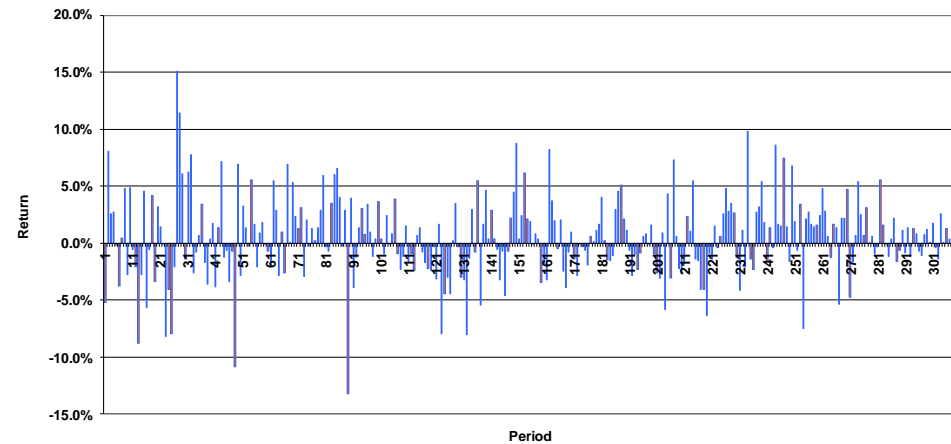
Asset B

Asset C

Which Asset Would You Least Like to Own?
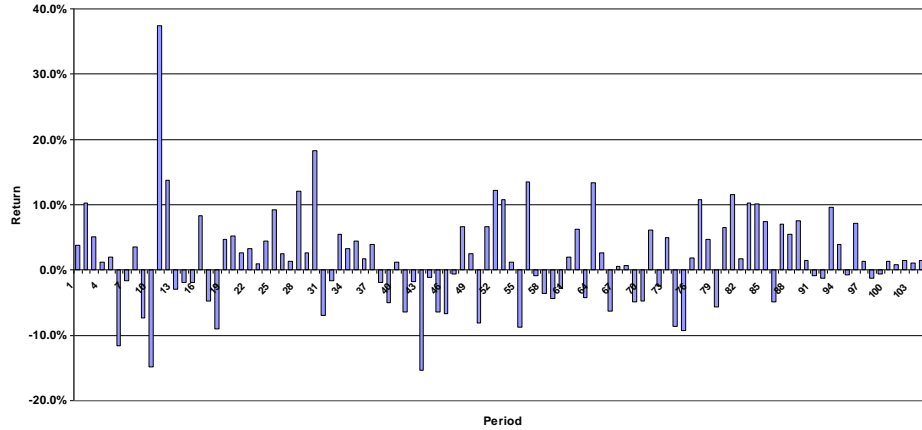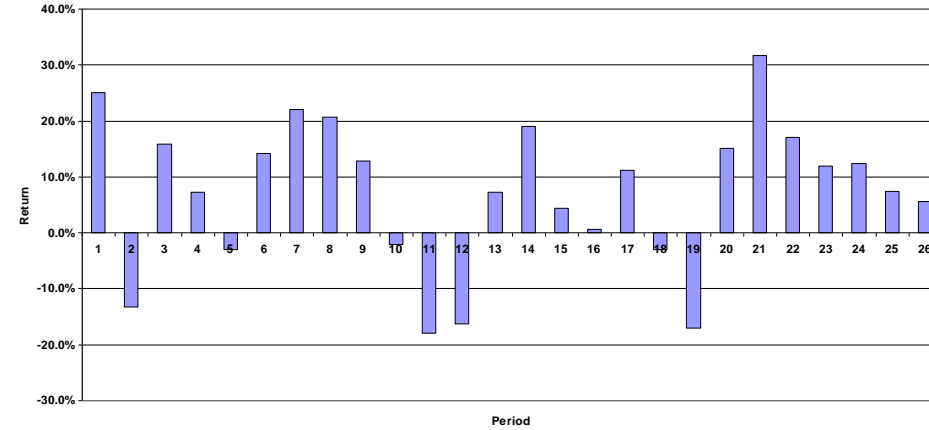
Asset A
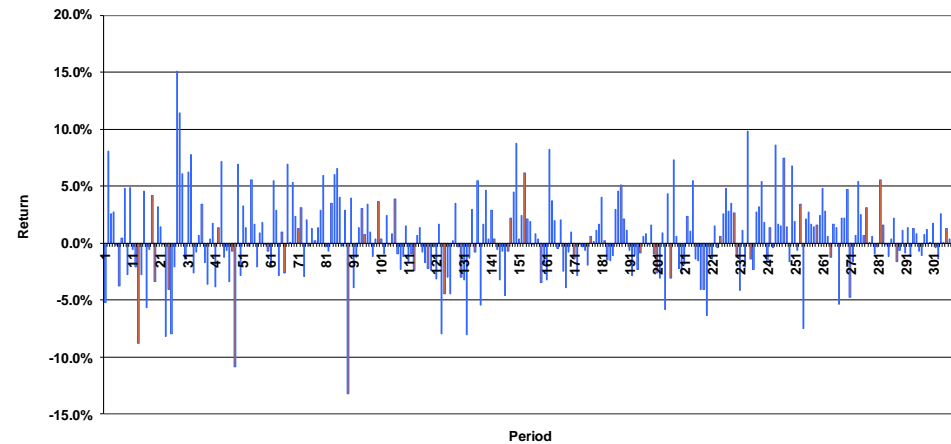
Asset B

Asset C

Which Asset Would You Least Like to Own?
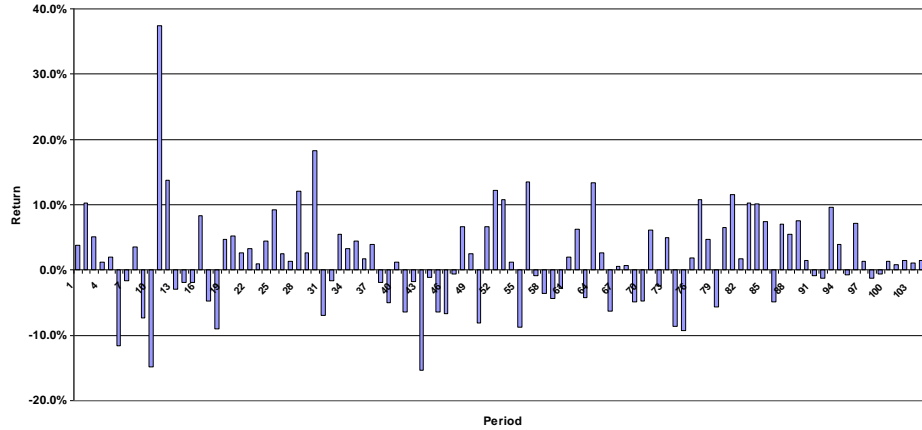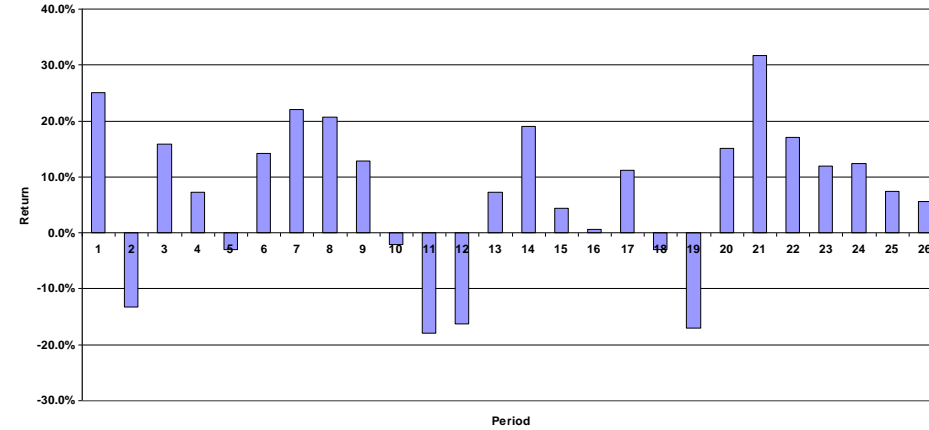
Asset A

Asset B

Asset C
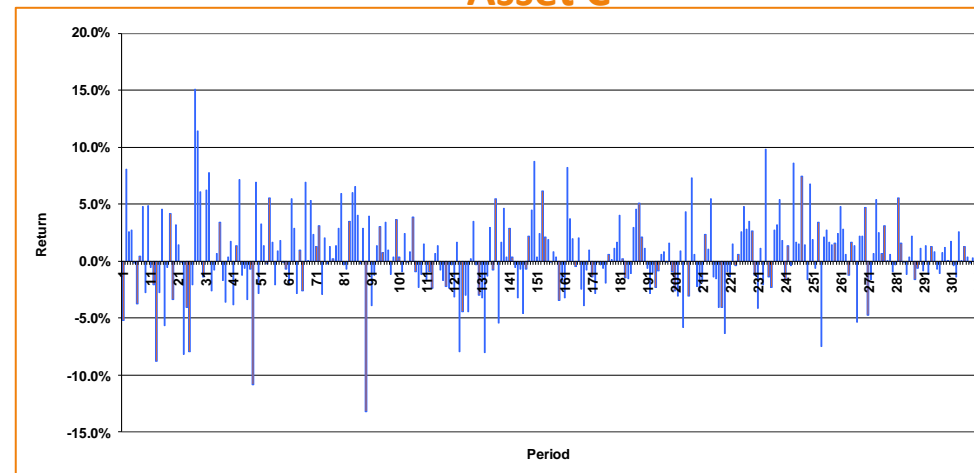
Did Anyone Spot
What is Special About the Data?

Quarterly
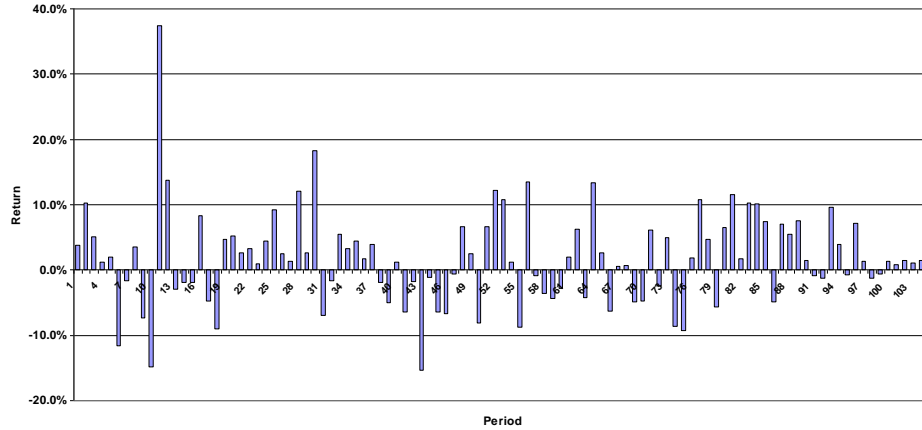
Annual
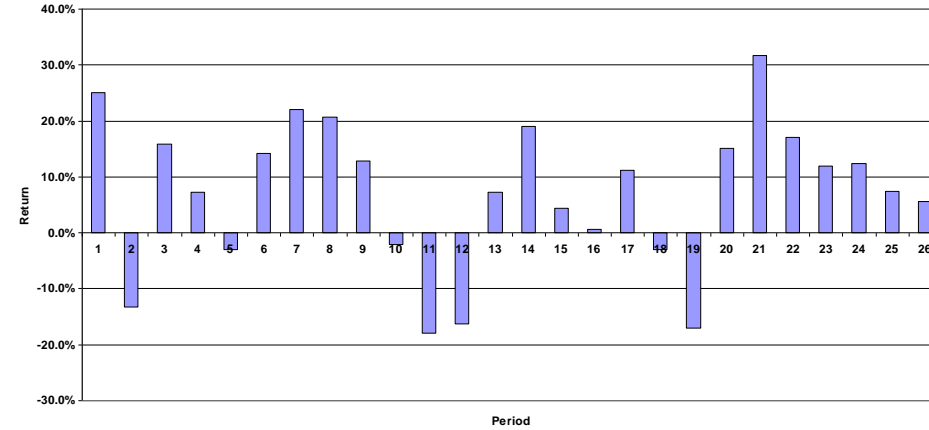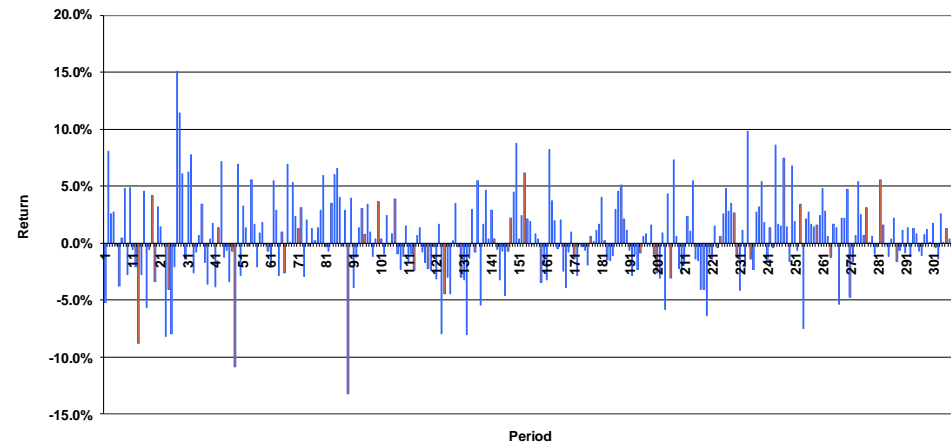
Monthly

It's All The Same Data

Quarterly
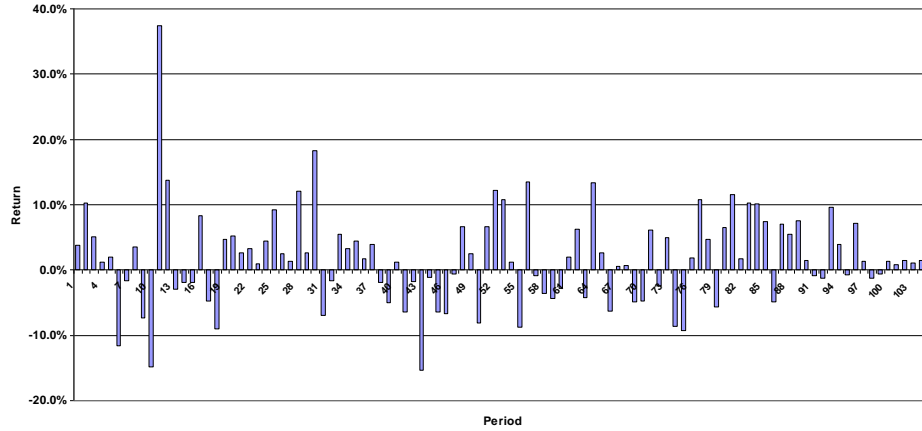
Annual
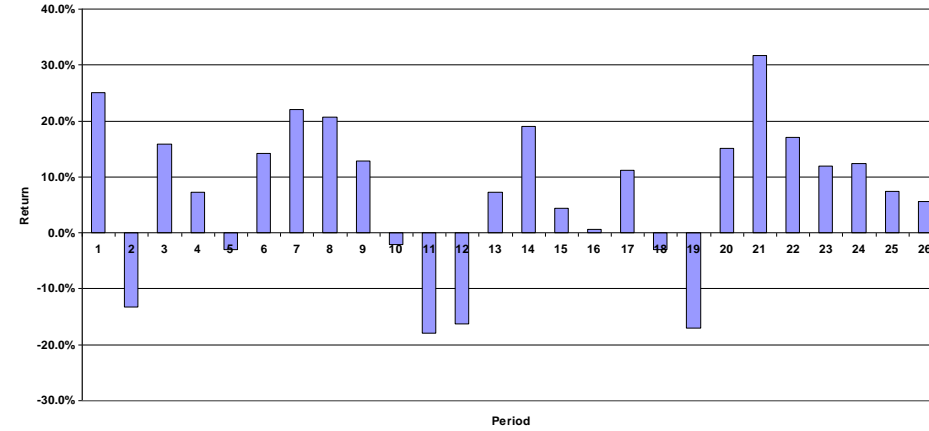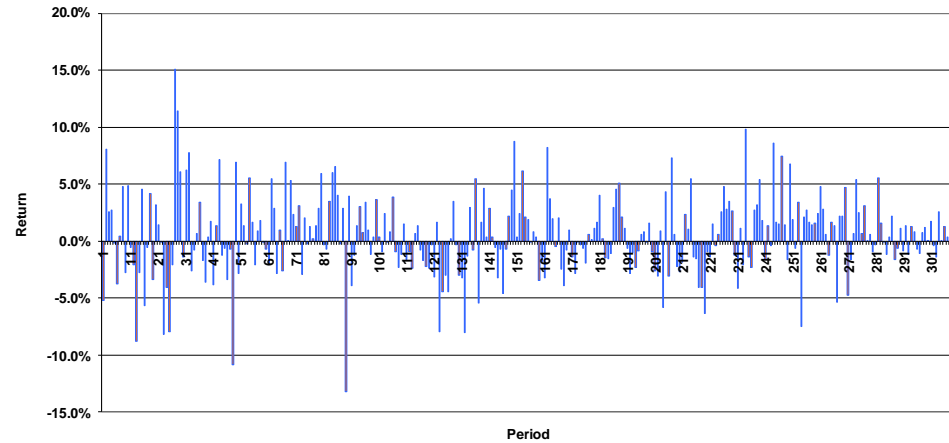
Monthly

The Returns Are Identical

Quarterly
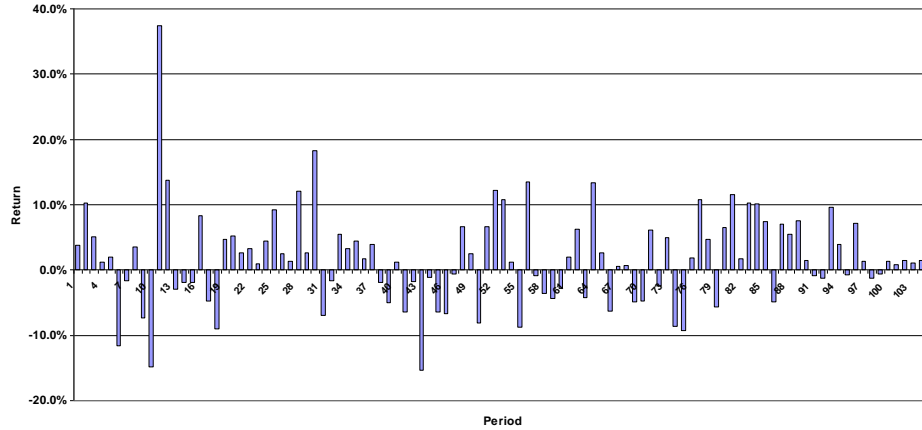
Annual
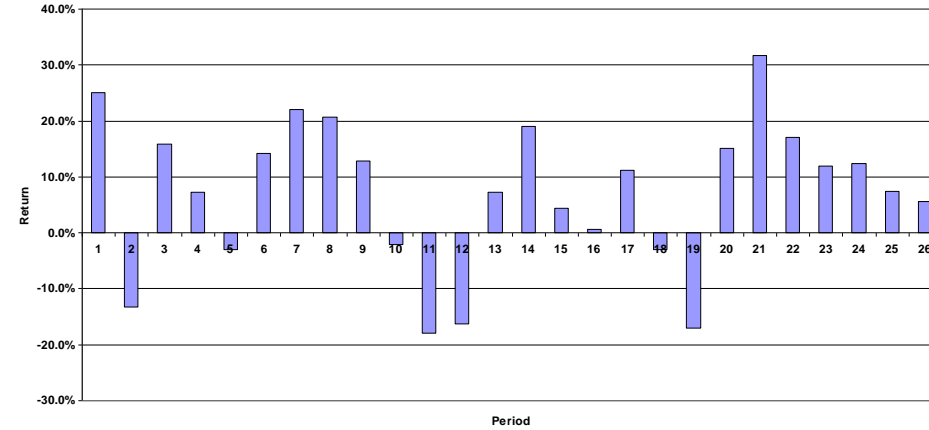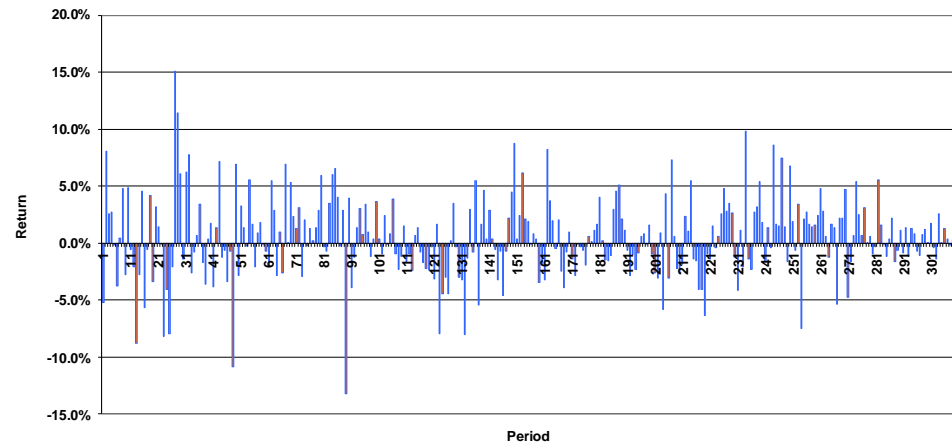
Monthly

Any Preference Stems From How the Data Are Presented

Quarterly
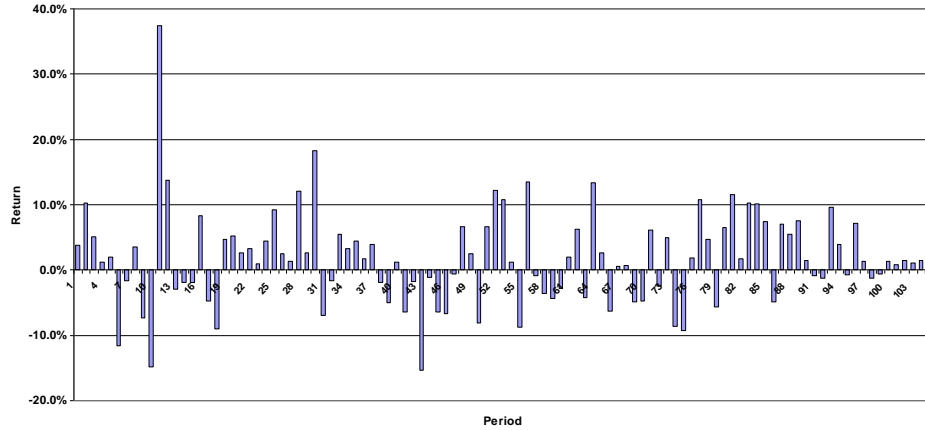
Annual
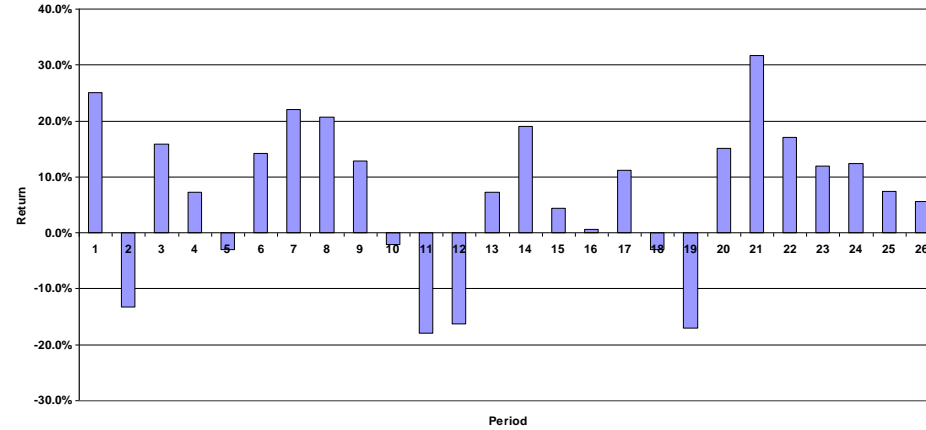
Monthly
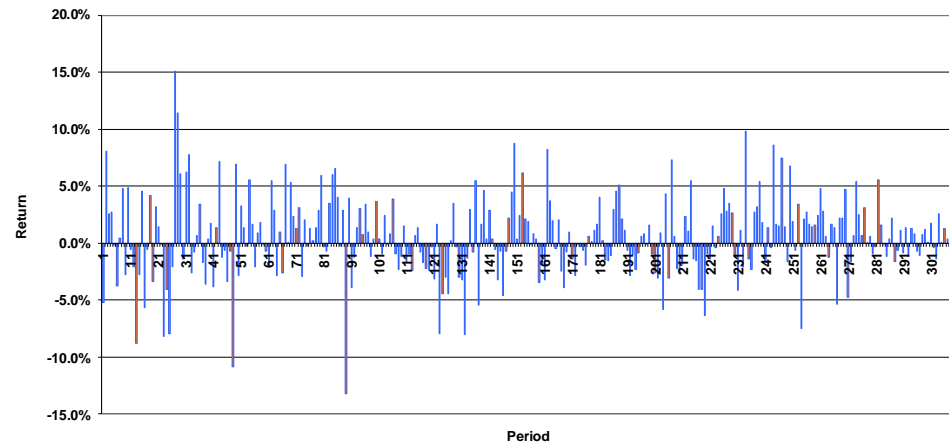
Loss Aversion

Asset A
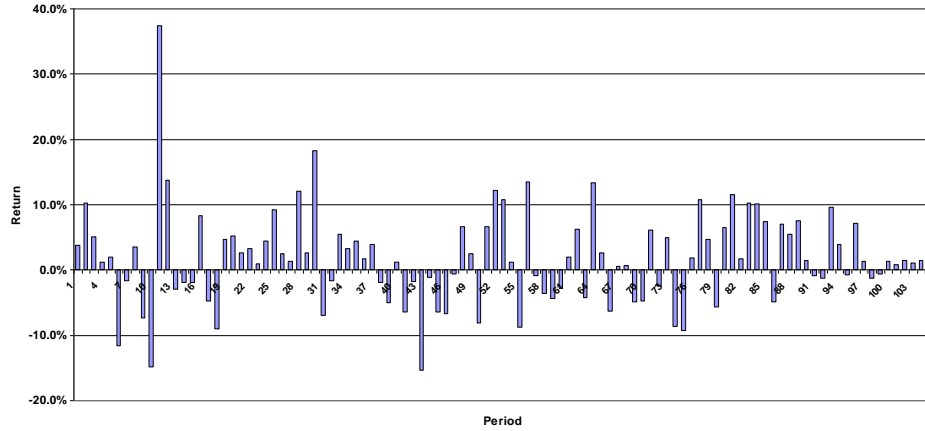
Asset B
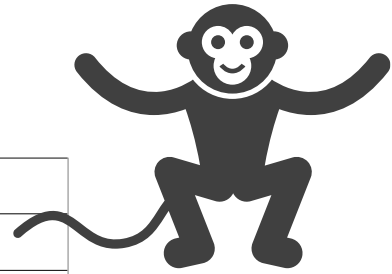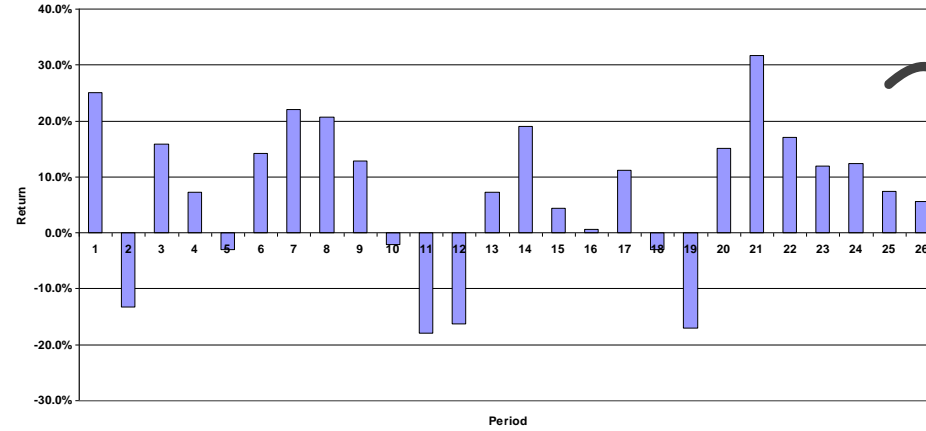
Asset C
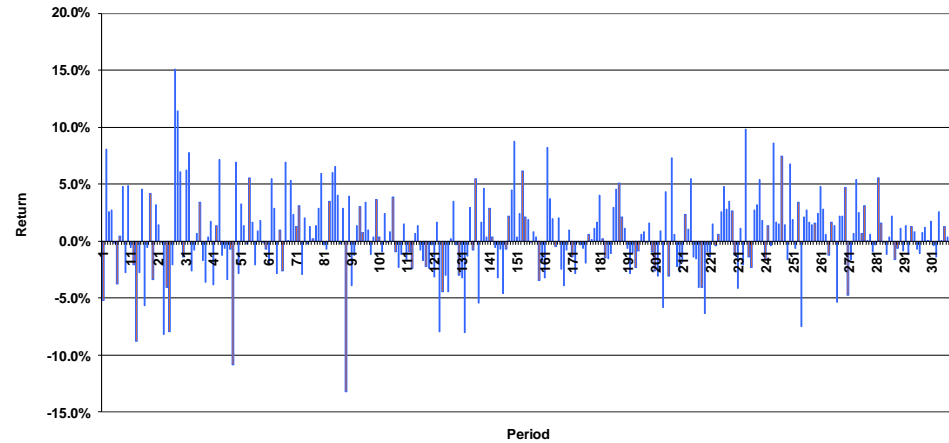
People Hate Losses More Than They Like Gains
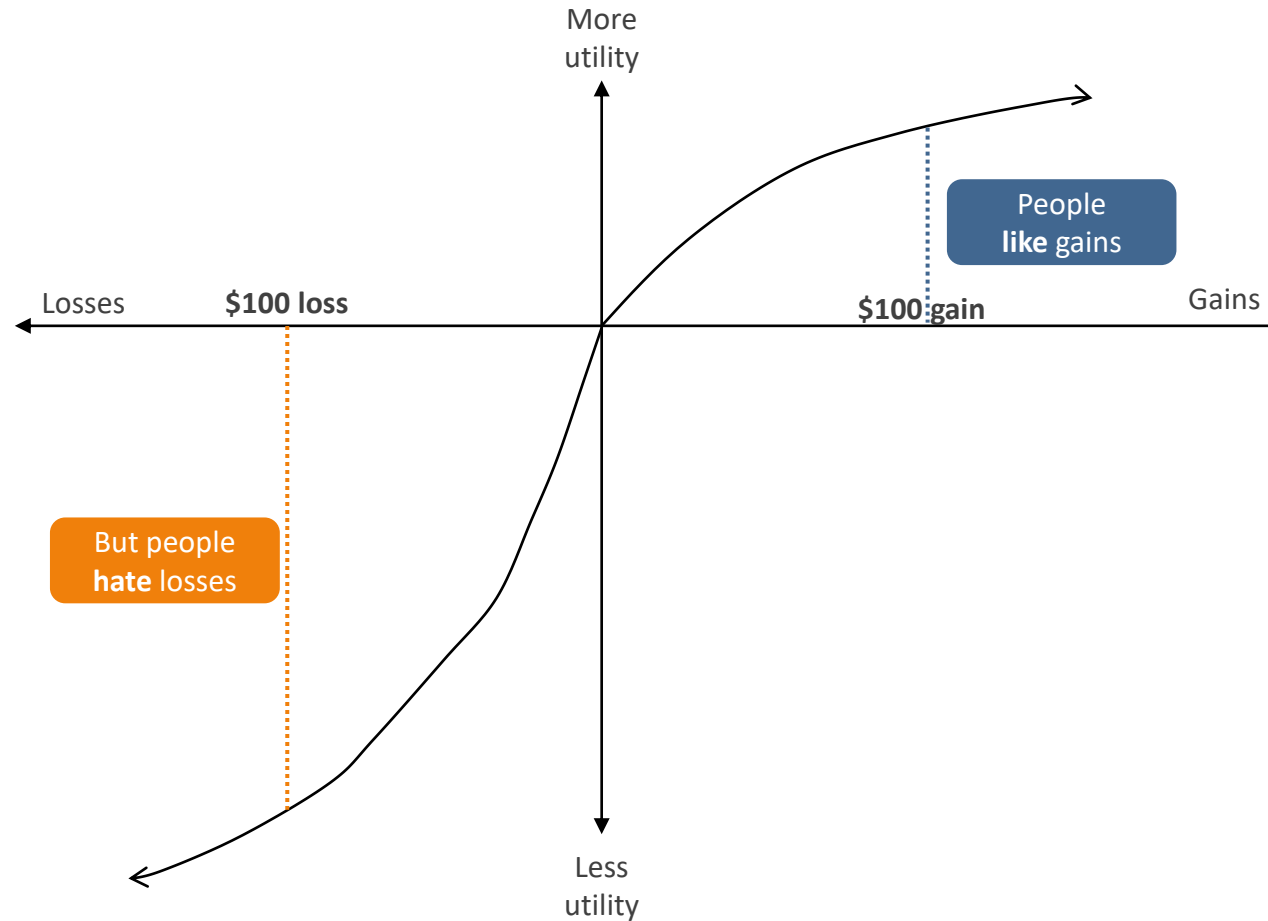
Source: Misbehaving, Thaler

Very Often, the Risks that Concern Us are Not Risks to the Status Quo

But risks to our **plans to change** that status quo
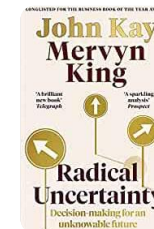
Sir John Kay and Lord Mervyn King
Former Dean of Oxford Said Business School and former Governor of the Bank of England

Biases of Inaction

Loss Aversion

Familiarity bias

How Risky Is This Ride?

Chunta ✓
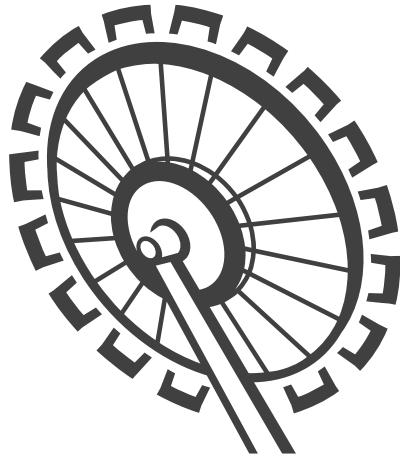
Vaiveahtoishi ✗
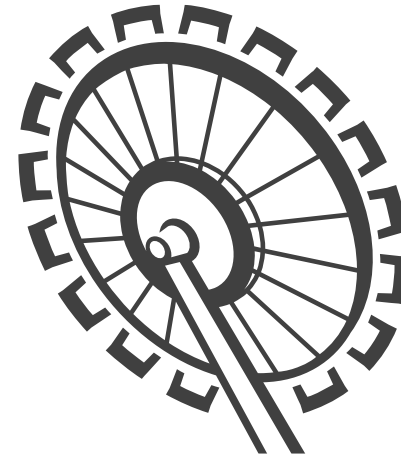
Familiarity Bias

Chunta ✓
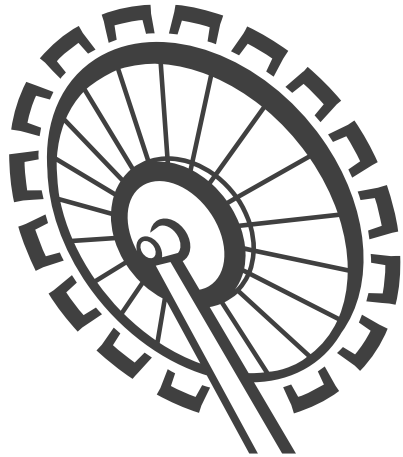
Vaiveahtoishi ✗
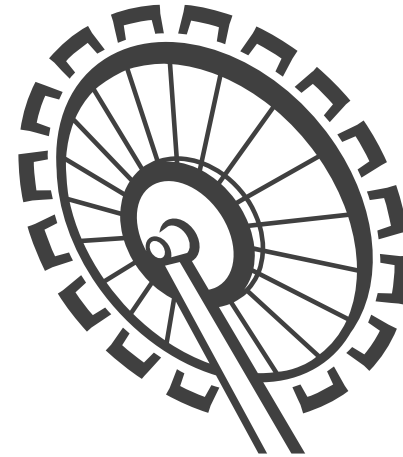
In the Unfamiliar Lies Potential Risk

Vaiveahtoishi ✗   **It sounds risky therefore...**
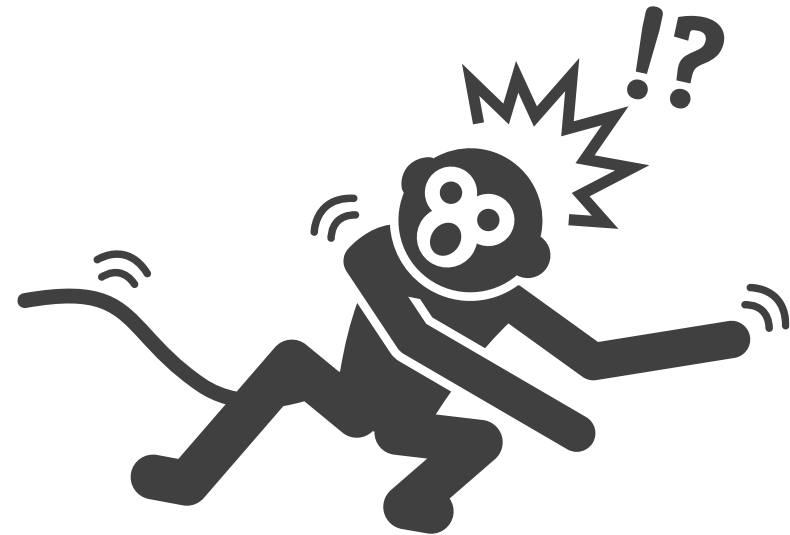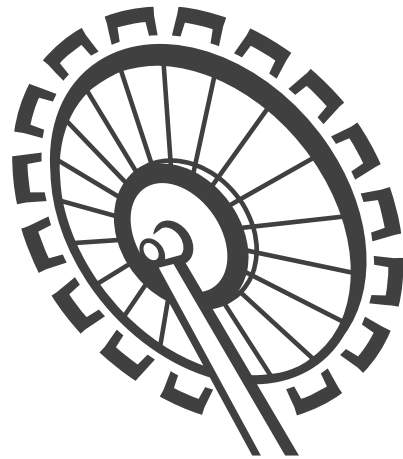
The Biases of Action and Inaction

Action

Overconfidence

Most of us are overconfident.
When we say we are 90% confident of something, what we really mean is that we are 65% confident of it.

We are inclined to 'bite off more than we can chew' and engage in risk seeking behaviours that are not warranted by our chances of success

Base Rate Neglect

Many of us ignore the base rate chance of success or failure when we are close to action.
We take an inside view.

We lose our objectivity in favour of the declaration that 'it will be different this time.'

Inaction

Loss Aversion

We dislike losses more than we like gains.

We overweight the possibility of loss in our decision making.

Familiarity Bias

We tend to judge options and ideas that appear familiar to us as being inherently more attractive than those with which we are less familiar.

We are frequently inclined to judge any possible departure from the status quo as more risky than is objectively the case.

The Human Uses Rules of Thumb

Sensing

Perception

Emotional Decision

Logical thinking

We Snap & Stick

Sensing

Perception

Emotional Decision

Logical thinking
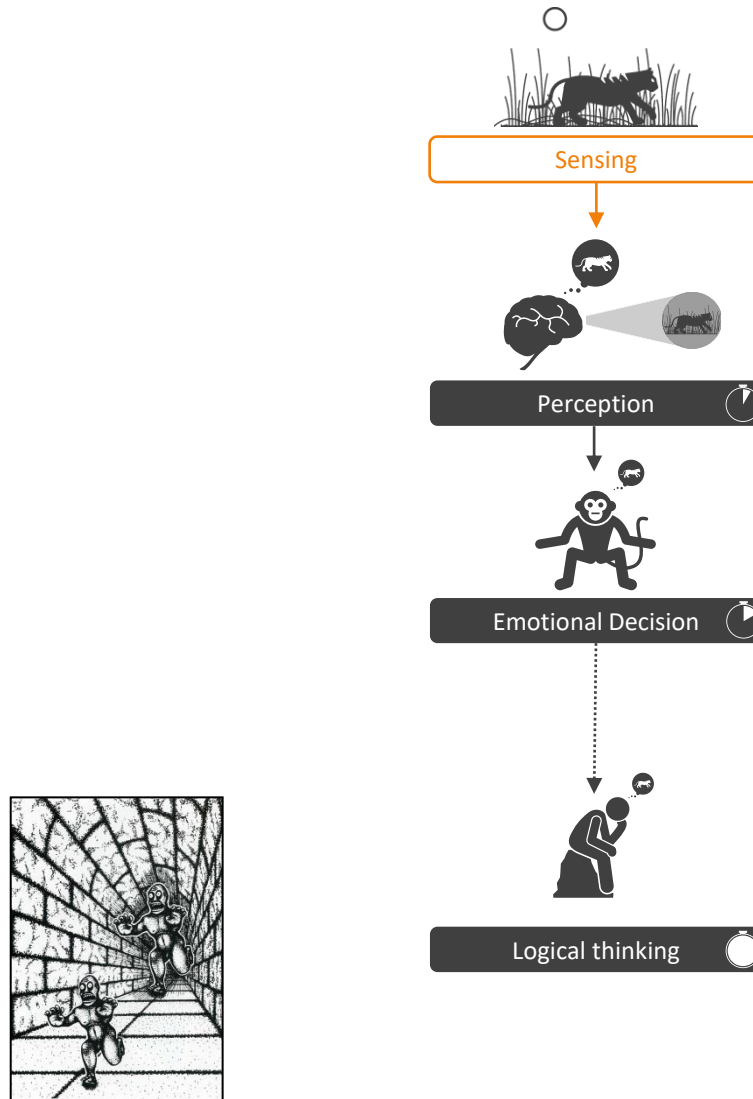
The Two Energy Saving Rules

1. The Computer and the Chimp are used wherever possible

2. If the Human is engaged it starts with simple rules of thumb
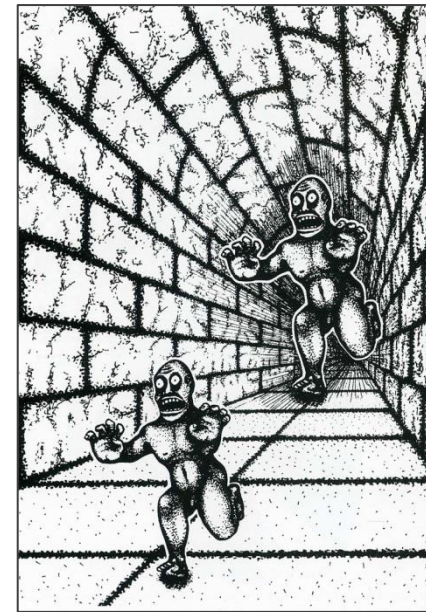
"When we think we think less than we think we think"

Daniel Kahneman

Errors are the Price of Saving Energy

The **price we pay** for the brain's remarkable ability to **think and act intuitively**. To sift quickly through the sensory information that constantly bombards us **without wasting time** trying to work through every situation **anew**

Professor James Reason
University of Manchester

Rule 1: Use Computer And Chimp Where Possible

Sensing

Remembered experiences → Beliefs → Perception

Emotional Decision

Logical thinking
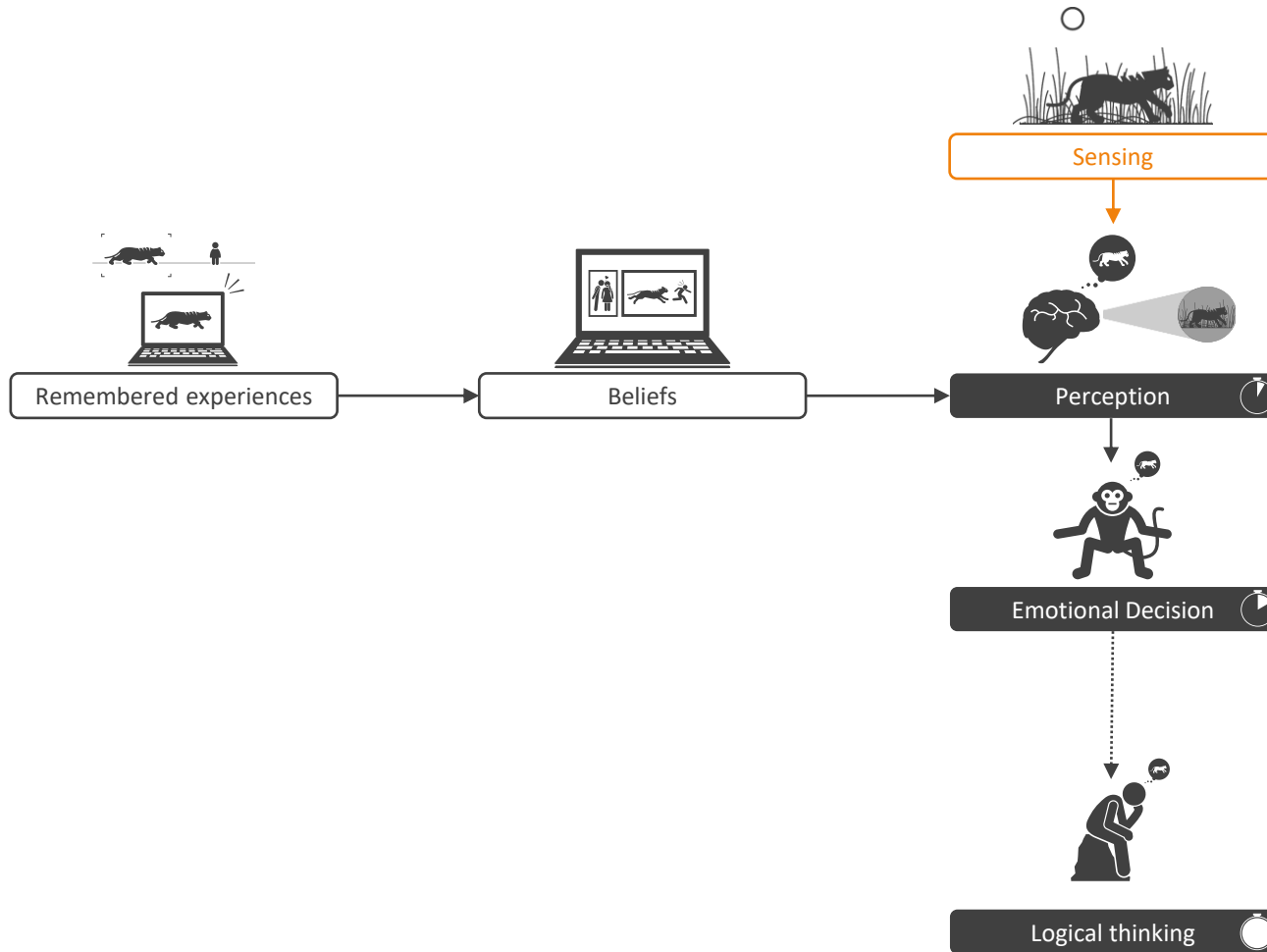
Energy saving rule 1

The Computer and the Chimp are used wherever possible

Up to 95% of Our Actions Are Automatic
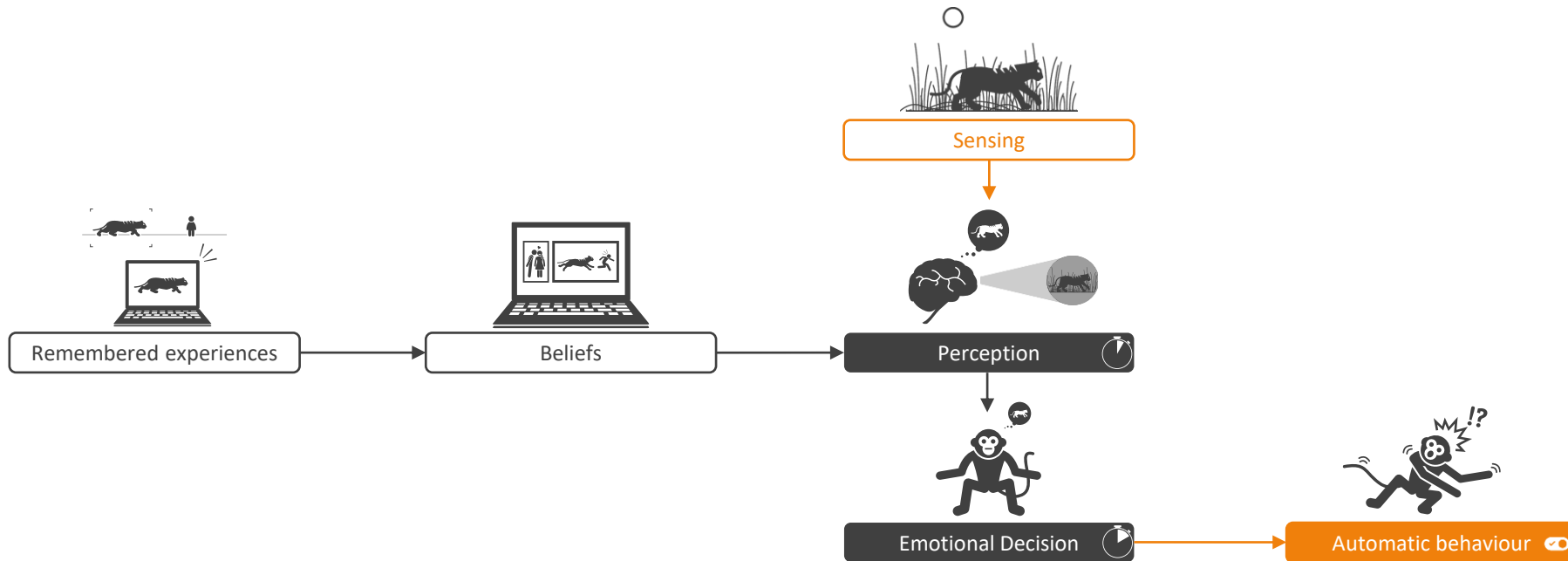
Remembered experiences → Beliefs → Perception

Sensing

Perception → Emotional Decision → Automatic behaviour

Energy saving rule 1

The Computer and the Chimp
are used wherever possible

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'If' Cues Trigger 'Then' Habits

Sensing

Cue 'IF'

Remembered experiences

Beliefs

Perception

Habit 'THEN'

Emotional Decision

Automatic behaviour

Energy saving rule 1

The Computer and the Chimp
are used wherever possible

Rule 2: The Human Uses Rules of Thumb

Sensing

Cue 'IF'

Remembered experiences

Beliefs

Perception

Habit 'THEN'

Emotional Decision

Automatic behaviour

Energy saving rule 1

The Computer and the Chimp
are used wherever possible

Energy saving rule 2

If the Human is engaged
it starts with simple rules of thumb

Logical thinking

Deliberate behaviour

How We See, Think and Act

Our Brains Construct Reality As Models of Models From Billions of "Dumb" Inputs
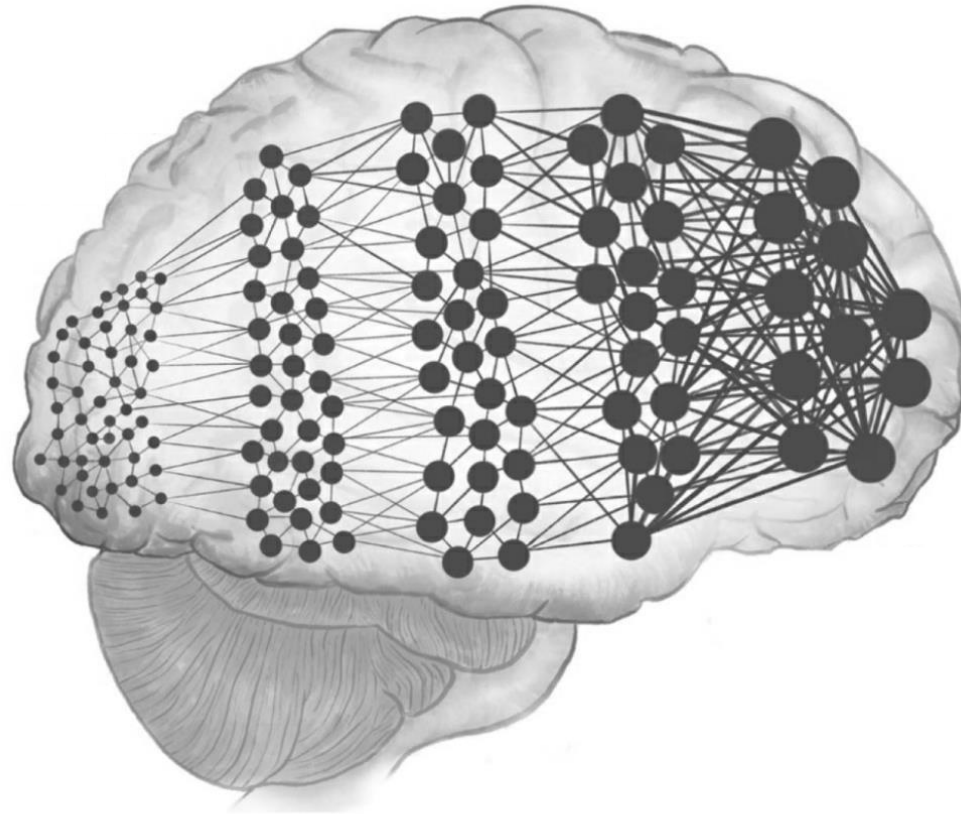
Source: Seven and A Half Lessons About the Brain (Feldman Barrett)

Our Brains Also Recreate Memories From Countless Mental Fragments
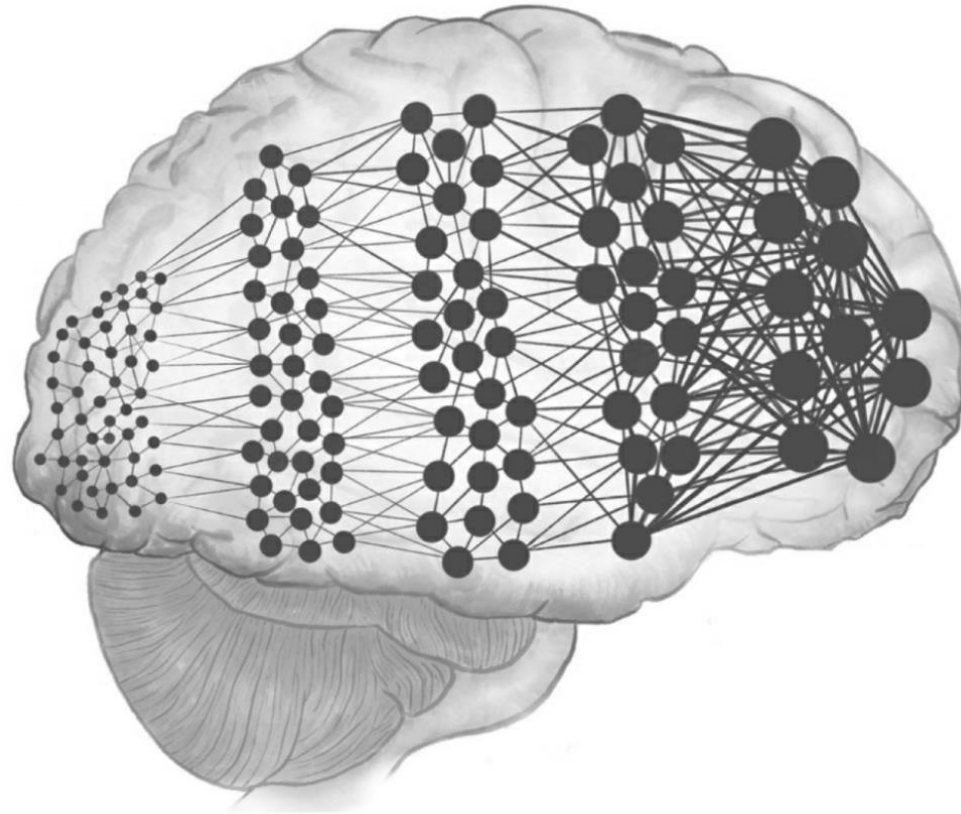
Source: Seven and A Half Lessons About the Brain (Feldman Barrett)

Neuroscientists Like to Say

Your day-to-day experience is a
carefully controlled hallucination

Lisa Feldman Barrett
Northeastern University

Source: lisafeldmanbarrett.com

A
bird
in the
the hand

"90% of decision errors are
are errors of perception"

Prof. David Perkins
Harvard

358
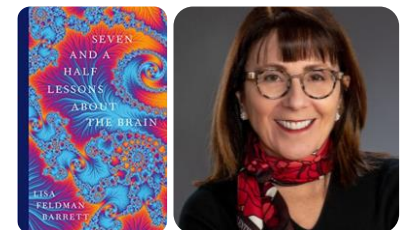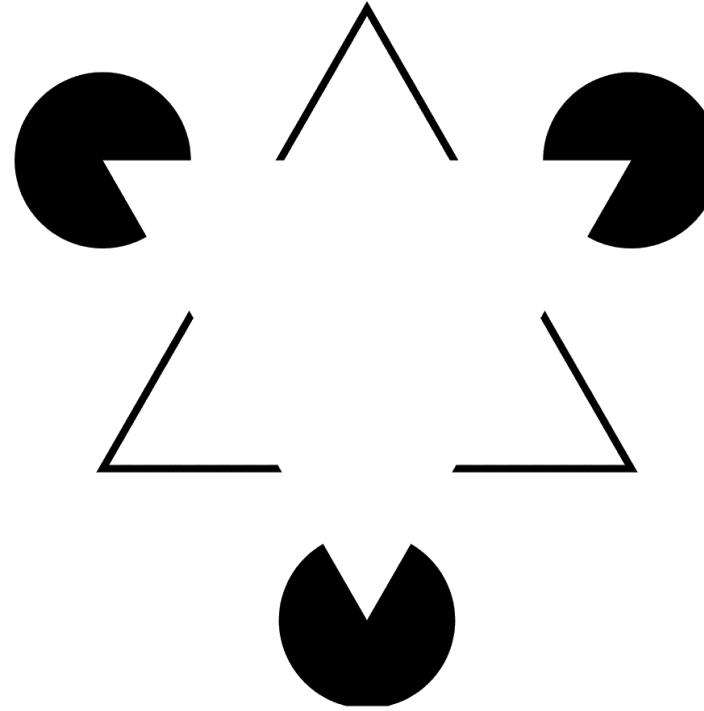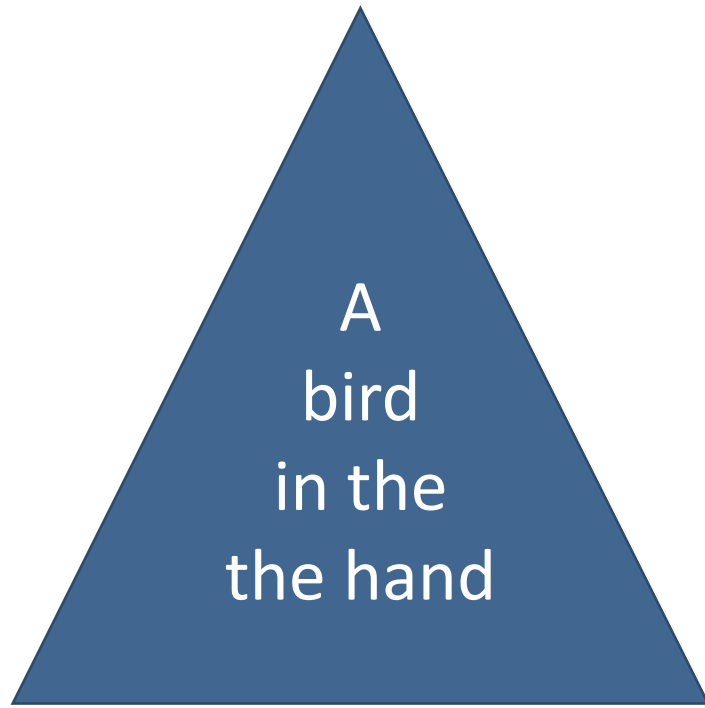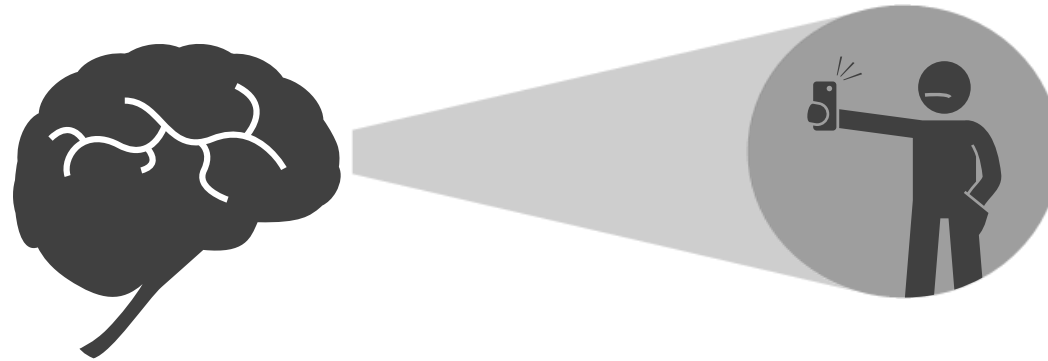
"90% of decision errors are are errors of perception"

Prof. David Perkins
Harvard
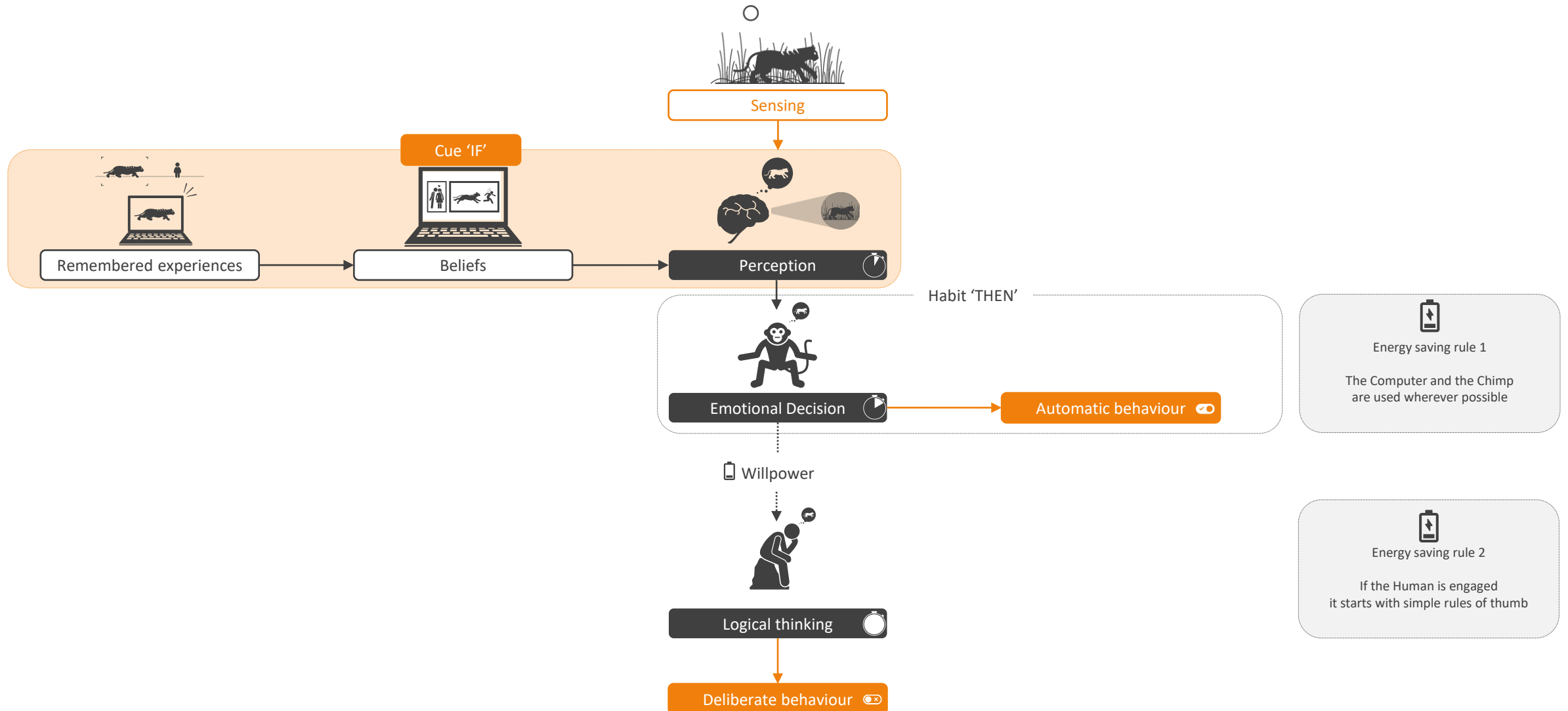
Key Tool: Diagnose Before Treating

Because 90% of decision errors are are errors of perception

To Lead In A Complex Situation

A

B

First Diagnose Where We Are

Where are we? **(A)**

(B) **Where do we want to be?**

First Diagnose Where We Are

Where are we? A

B

Quick Version of Tool #1:

From	To

Highly effective when coaching

We Snap - Then We Stick
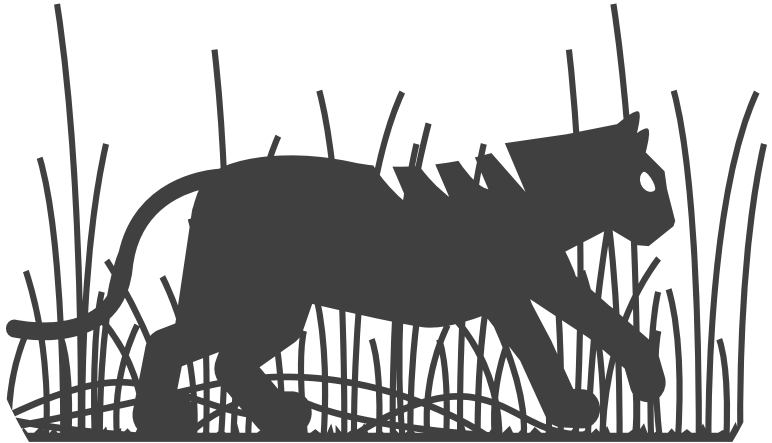
Your Return On Investment

**7. In your work, where would
deliberately diagnosing before treating be helpful?**

Preparing for Tomorrow
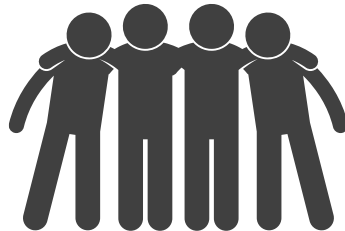
Monday	Tuesday	Wednesday	Thursday	Friday
Welcome and introductions	**Leading mutual insurers with purpose**	**Leading teams in a complex world**	**Activating strategy in a complex world**	**Translating learning into value**
18.00 – 18.00	09.00 -17.00	09.00 -17.00	09.00 -17.00	09.00 – 15.00

When Faced with a Problem, Rarely do People Ask

"What is the **best, perfect, answer** to this question?"

Morgan Housel
The Psychology of Investing

When Faced with a Problem

Our energy saving brains take psychological **paths of least resistance**
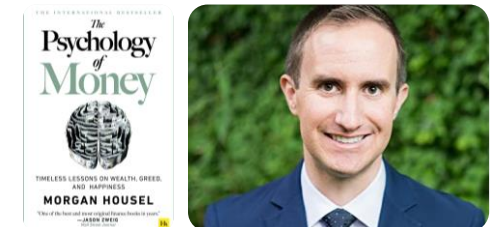
Morgan Housel
The Psychology of Investing

The More Efficient Question
is Often

"What answer to this question can I obtain with the **least amount of effort, sacrifice, and mental discomfort**?"
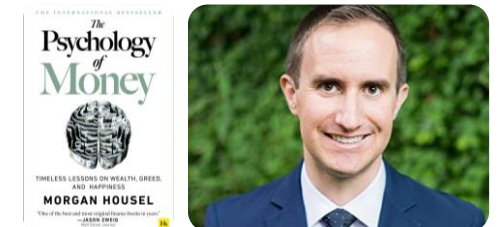
Morgan Housel
The Psychology of Investing

Most of the Time That's Fine

You use a little intuition and common sense and find a practical answer that doesn't rack your brain or bog you down with details
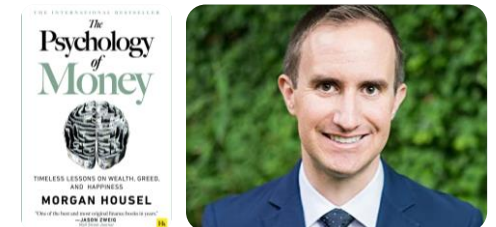
Morgan Housel
The Psychology of Investing

But Sometime With Complex Problems

The easy answers lead you down a nasty path of **misunderstanding**, **ignorance**, and **blindness** toward **risk**
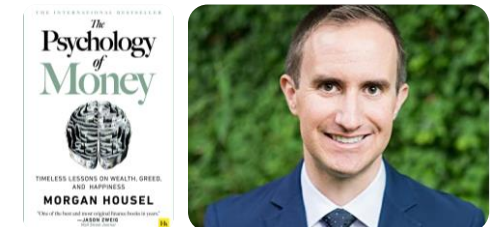
Morgan Housel
The Psychology of Investing

A Few Paths of Least Resistance that Everyone is Susceptible to at Some Point
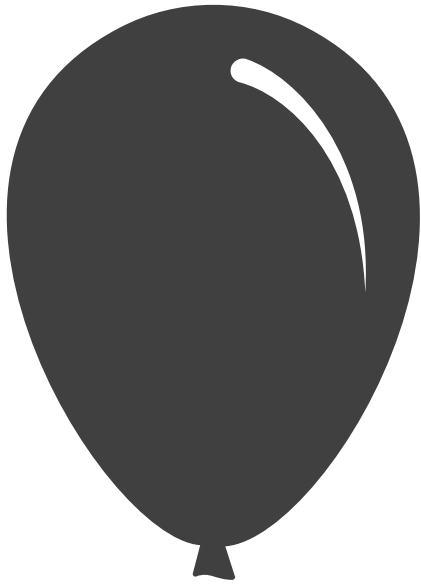
- The quick **elimination of doubt** and uncertainty

- **Single-cause explanations** for complex events

- **Overconfidence** as a way of shielding against the uncomfortable fact that the world is driven by probability, not black-and-white certainties

A Few Paths of Least Resistance that Everyone is Susceptible to at Some Point
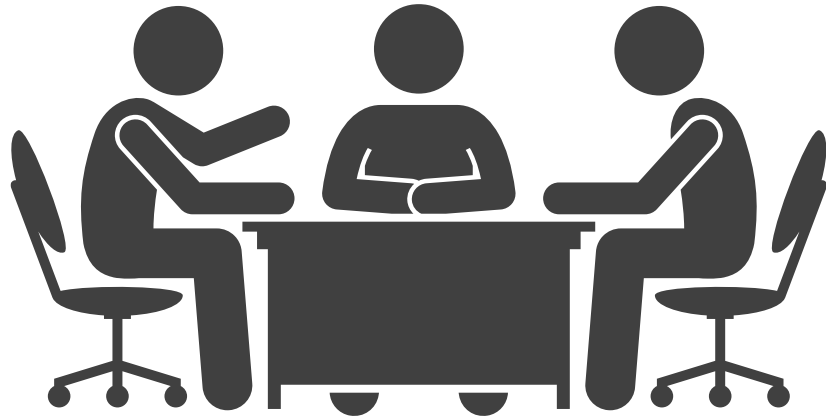
- The **justifications** of your own actions and the **judgment** of others'

- The **belief** that your own field of vision is the same as everyone else's

- The desire to replace statistics with **stories**

Which Can Lead to This
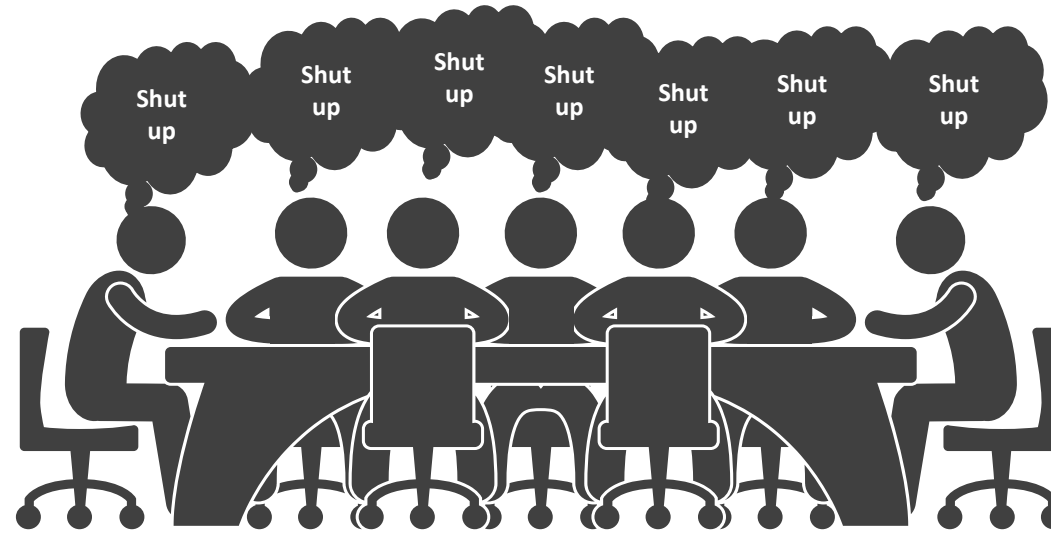
How Might We Lead More Effective Collaboration in A Complex World?
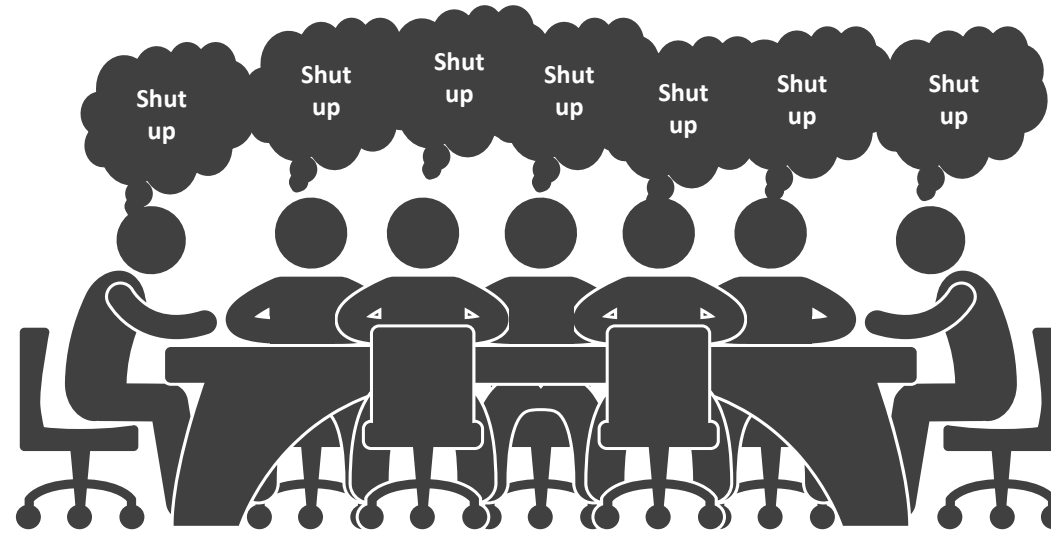
Researchers Tracked Electricity Usage
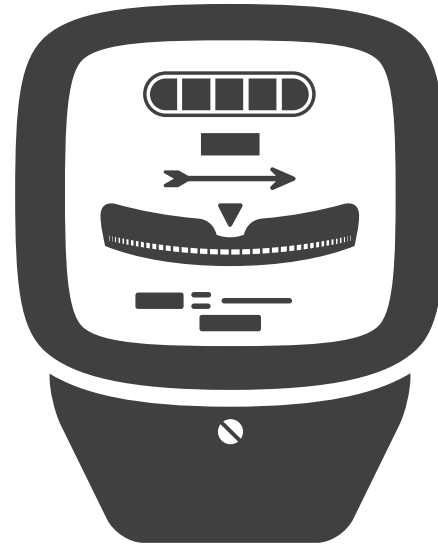
One Group Used 30% Less Electricity

1. Meter in the hall

2. Meter in the basement

Which Group Used Less Electricity?

1. Meter in the hall

2. Meter in the basement

Which Group Used Less Electricity?

1. Meter in the hall

2. Meter in the basement

Context Dictates Behaviour

1. Meter in the hall

2. Meter in the basement

Context Triggers Habits

1. Meter in the hall

2. Meter in the basement

Context Triggers Habits

Sensing

Cue 'IF'

Remembered experiences → Beliefs → Perception

Habit 'THEN'

Emotional Decision → Automatic behaviour

Willpower

Logical thinking

Deliberate behaviour

Energy saving rule 1

The Computer and the Chimp
are used wherever possible

Energy saving rule 2

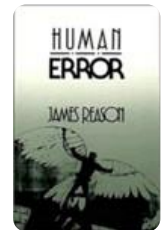If the Human is engaged
it starts with simple rules of thumb

389

Context Triggers Habits

Sensing

Cue 'IF'

Remembered experiences → Beliefs → Perception

Habit 'THEN'

Emotional Decision → Automatic behaviour

Willpower

Logical thinking

Deliberate behaviour

Energy saving rule 1

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Context Triggers Habits

To Start Tomorrow's Session
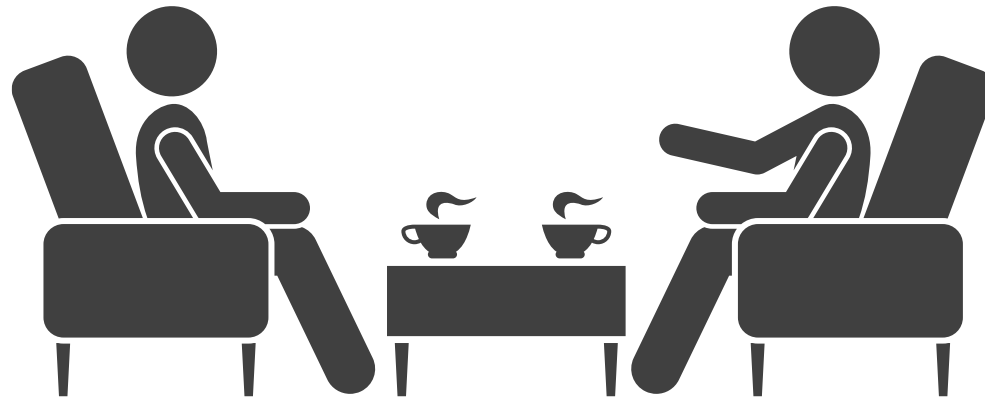
On reflection, what was most valuable regarding yesterday's session?

Break #4 (of 4 today)

Next session starting at

15:55

icmif

Leading in A Complex World
With an Energy-Saving, Predicting Brain

1. People Aren't Rational

"When we think we think less than we think we think"

2. Energy-Saving, Predicting Brains

"Your brain's most important job is predicting energy needs so you can efficiently move and survive"

3. The Real World is Complex

"The most common leadership failure stems from applying technical solutions to adaptive challenges"

4. Rules Fail In Complex Worlds

"For every complex problem, there is an answer that is clear, simple and wrong"

Diagnose Before Treating

Because 90% of decision errors are are errors of perception

Work As A Team

Complex situations require multiple perspectives because each is unique and no-one can see the whole system

Use Models And Tools Not Rules

Single rules fail in complex worlds, but a combination of many models makes complex problems tractable

Leading Mutual Insurers With Purpose in A Complex World

5. The Principal-Agent Problem

"[Without shared purpose], self-interest causes the goals of the principal and agent to diverge"

6. Overlooking Motivating People

"80% of strategies fail, because we forget the most important factor in executing strategy: people"

Lead With a Clear, Shared Purpose

"An authentic purpose delivered with clarity has a positive impact on performance"

Behavioural Logic Model

20x faster
than the Human

1. Subconscious brain
"The Computer"

Patterns based on experience
Beliefs

5x faster
than the Human

2. Emotional brain
"The Chimp"

Approach or avoid
Feelings

3. Thinking brain
"The Human"

Logic and analysis
Facts

Management vs. Leadership

Addresses can't   Overcomes won't

Management controls performance   **Leadership creates performance**

because it impacts skill   because it impacts willingness
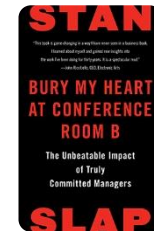
Stan Slap
Founder, Slap Company

Behavioural Logic Model

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Approach or avoid
Feelings

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"The Human"

Logic and analysis
Facts

Leadership
From **won't** to **will**

Management
From **can't** to **can**
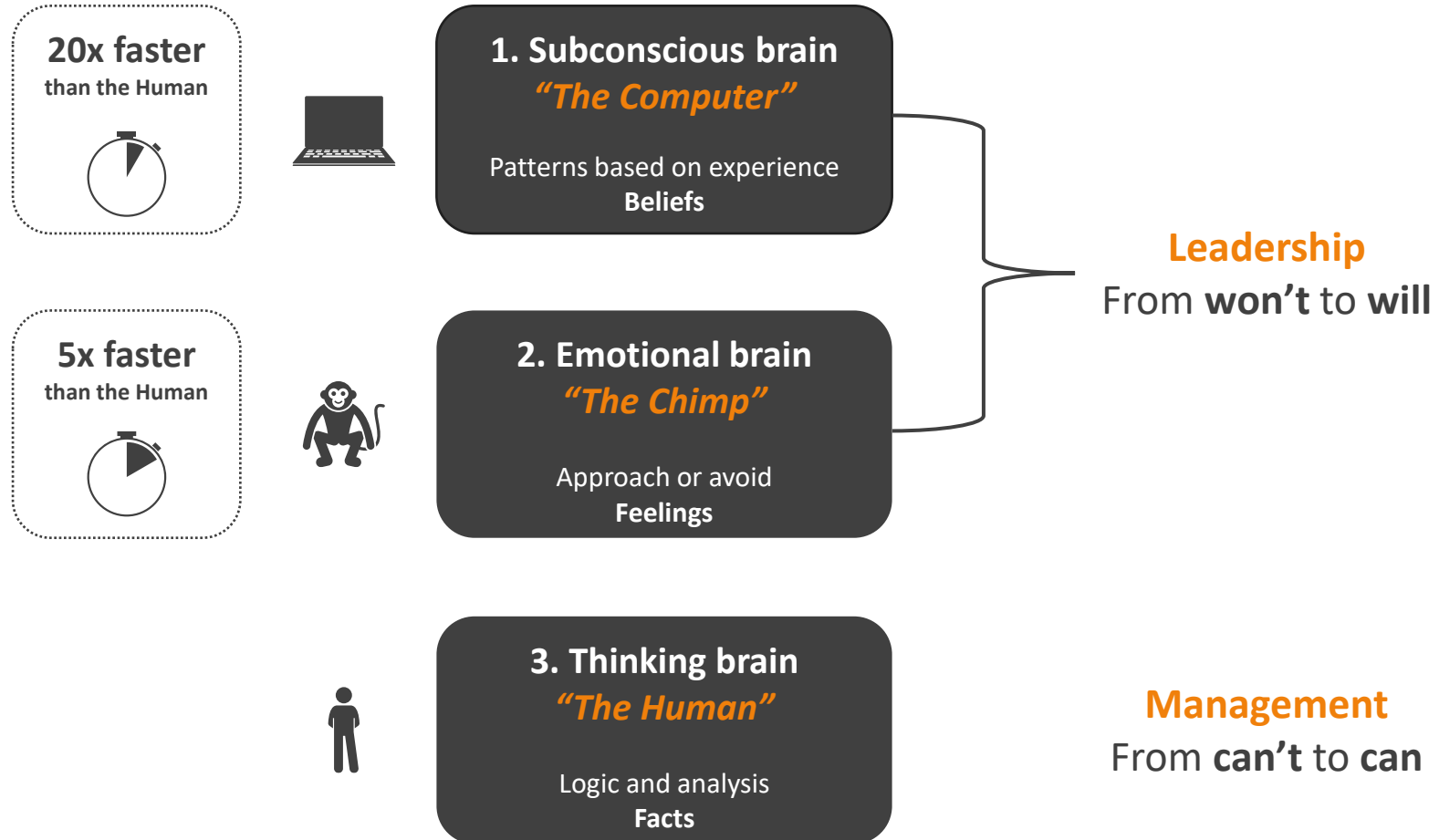
Our Brains Are Constantly Scanning for What to Do

Sensing

Cue 'IF'

Remembered experiences → Beliefs → Perception

Habit 'THEN'

Emotional Decision → Automatic behaviour
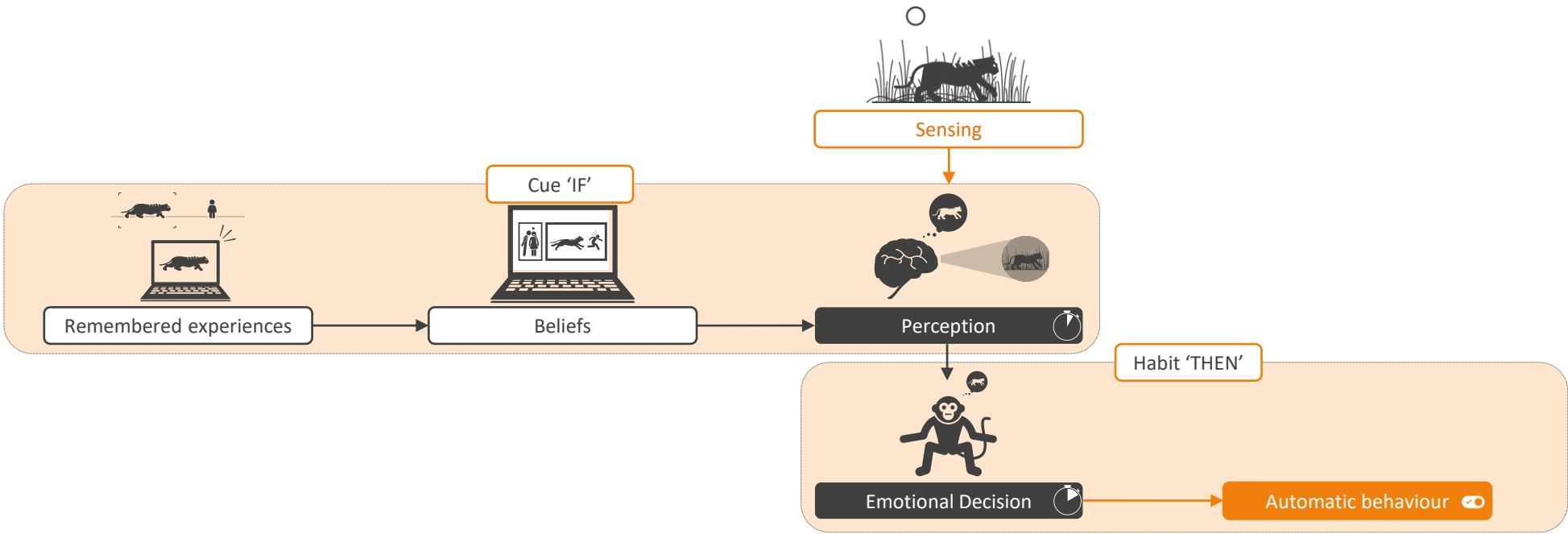
The Best Psychological Idea Ever

When you want to influence somebody's behavior
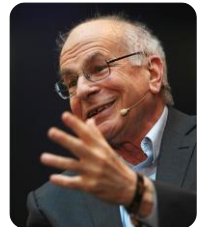
Daniel Kahneman
Princeton University

The Best Psychological Idea Ever

When you want to influence somebody's behavior, make **good behaviors easier**
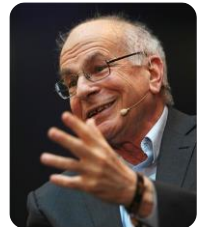
Daniel Kahneman
Princeton University

The Best Psychological Idea Ever

When you want to influence somebody's behavior, make **good behaviors easier** or **negative behaviors harder**

Daniel Kahneman
Princeton University

Three Behavioural Levers
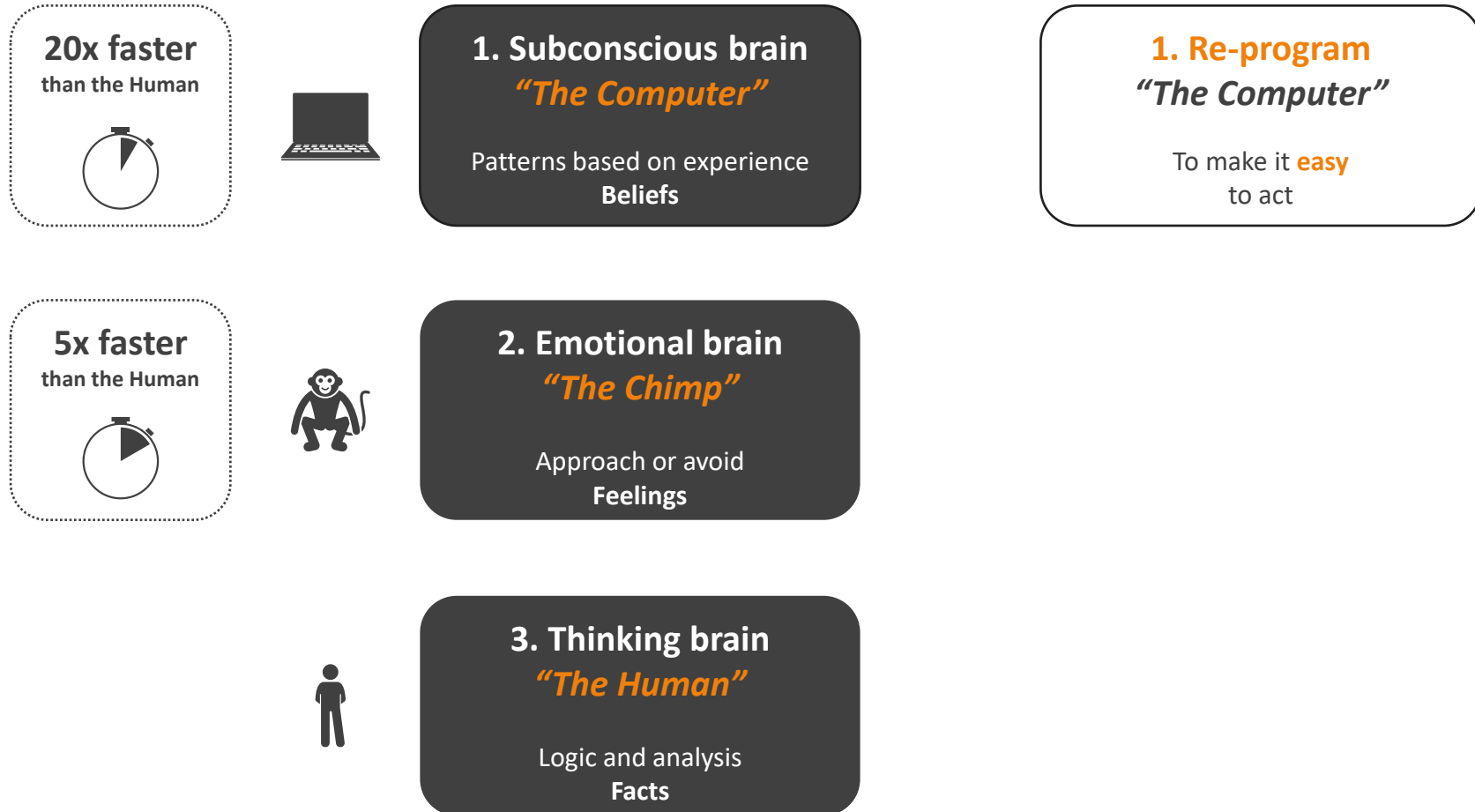
20x faster
than the Human

1. Subconscious brain
"The Computer"

Patterns based on experience
Beliefs

1. Re-program
"The Computer"

To make it **easy**
to act

5x faster
than the Human

2. Emotional brain
"The Chimp"

Approach or avoid
Feelings

3. Thinking brain
"The Human"

Logic and analysis
Facts

Delivering Behavioural Change

Capability

Motivation

Opportunity

Behaviour

Prof. Susan Michie
University College London

Why Leaders Fail
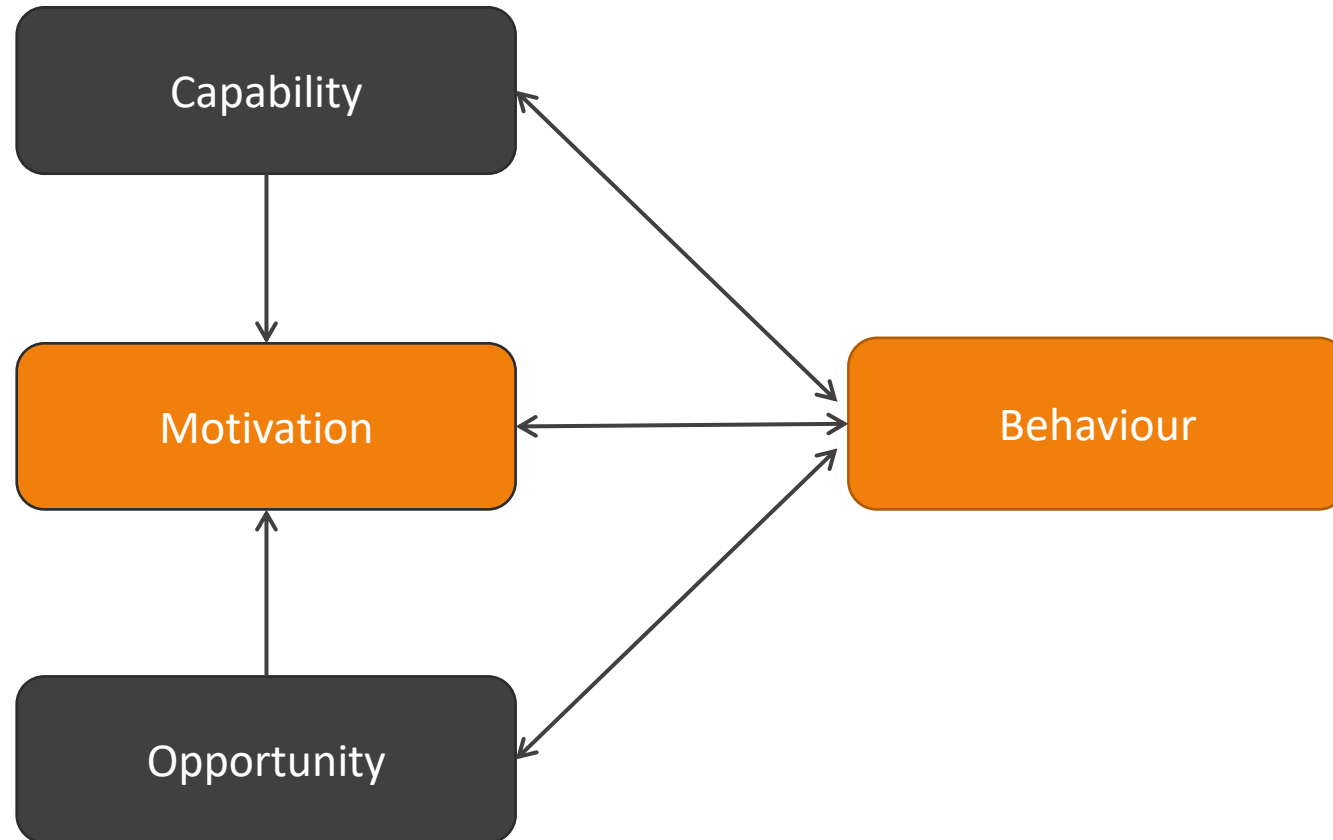
Prof. Susan Michie
University College London

Three Behavioural Levers

20x faster than the Human	**1. Subconscious brain** *"The Computer"* Patterns based on experience **Beliefs**	**1. Re-program** *"The Computer"* To make it **easy** to act
5x faster than the Human	**2. Emotional brain** *"The Chimp"* Approach or avoid **Feelings**	**2. Lead** *"The Chimp"* To provide the **motivation** to act
	3. Thinking brain *"The Human"* Logic and analysis **Facts**	**3. Manage** *"The Human"* To provide the **capability** and **opportunity** to act
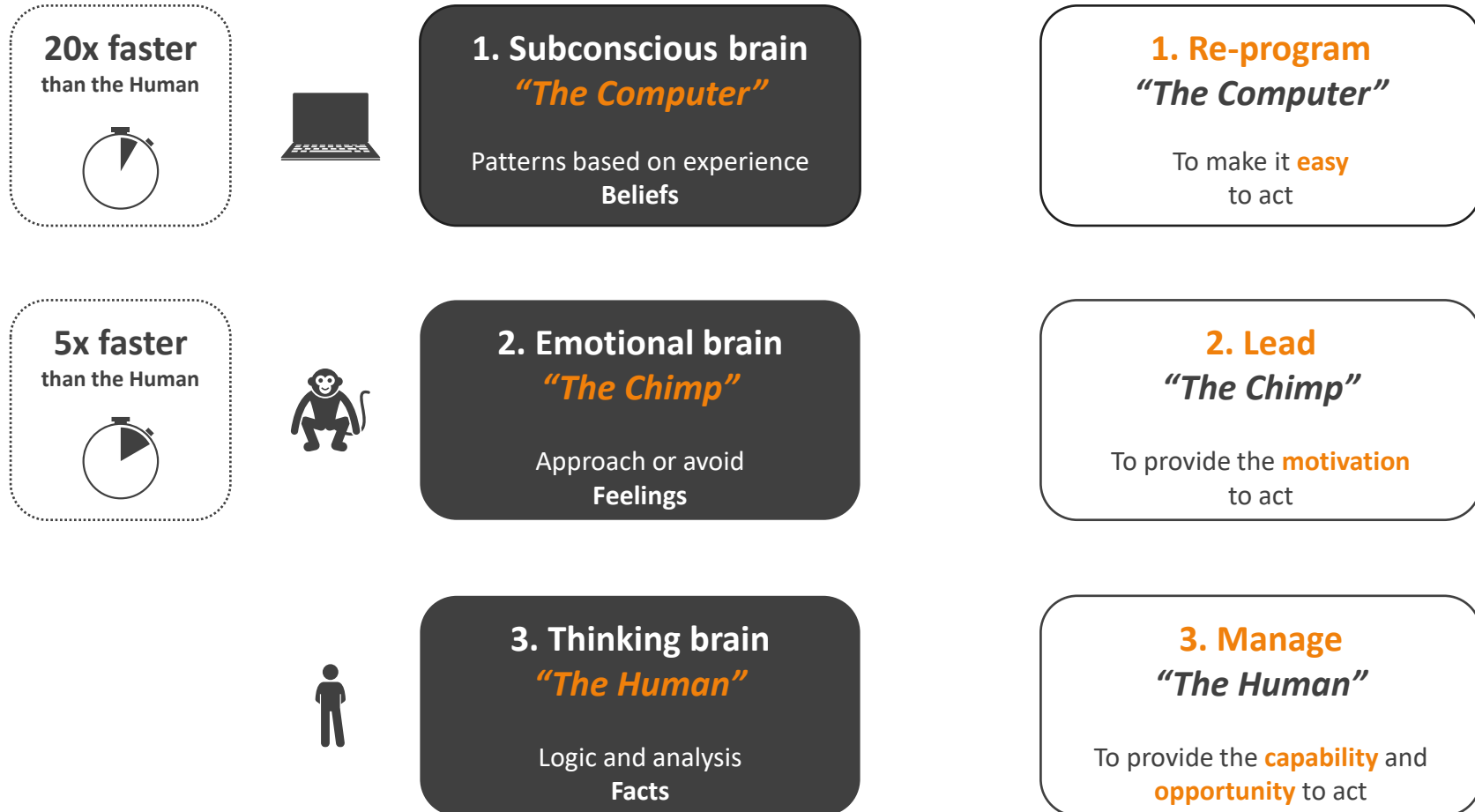
We All Work For
Purpose-Driven Organisations

For Leaders to Activate the Strategy of Purpose-Driven Organisations

1. Clarify the Purpose to overcome self-interest

By providing a vision of a **purpose** bigger than any one of us

2. Lead to unlock the Drive to act

By helping each person **connect** their own purposes with the organization's

3. Manage to provide the Organisation to act

By providing the **capability** and **opportunity** each person requires to act

Three **Purpose-Driven** Behavioural Levers

From	Lever	To
Limiting Beliefs	**1. Re-Program the Computer to make it easy to act** Clarify the **Purpose** to overcome self-interest by providing a vision of a purpose bigger than any of us	**Enabling Beliefs**
Won't	**2. Lead the Chimp to provide the motivation to act** Unlock the **Drive** to act by helping each person connect their own purposes with the organization's	**Will**
Can't	**3. Manage the Human** Provide the **Organisation** to deliver the capability and opportunity each person requires to act	**Can**

Reveal Bright Spots
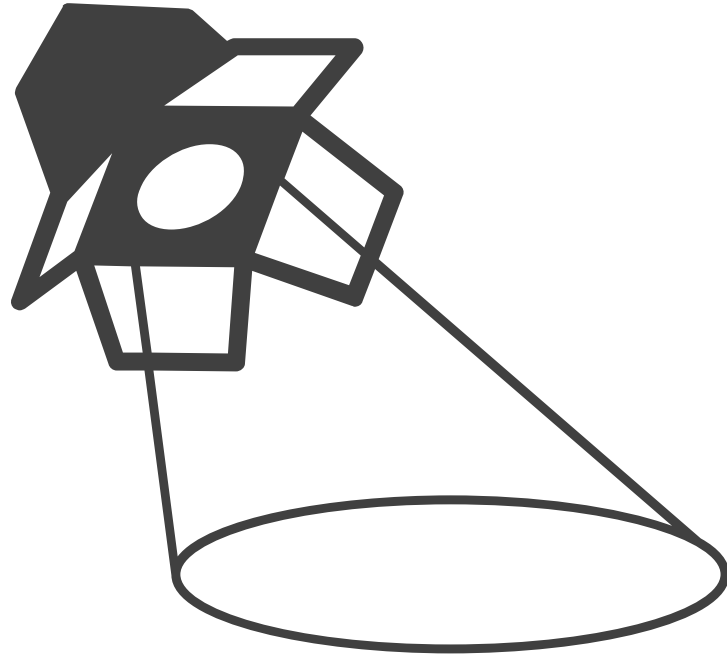
When Are People Where You Work
Purpose-Led?

~~Effort-conserving~~
~~or acting out of self-interest~~

Purpose-led

Your Return On Investment

From	Lever	To
Limiting Beliefs	**1. Re-Program the Computer to make it easy to act** Clarify the **Purpose** to overcome self-interest by providing a vision of a purpose bigger than any of us	**Enabling Beliefs**
Won't	**2. Lead the Chimp to provide the motivation to act** Unlock the **Drive** to act by helping each person connect their own purposes with the organization's	**Will**
Can't	**3. Manage the Human** Provide the **Organisation** to deliver the capability and opportunity each person requires to act	**Can**

8. When are people where you work driven by purpose? Why might this be?

icmif

A Leader's Most Important Job

Is to **connect people** to their **purpose**

Joe Robles
Former CEO, USAA

Listen, Learn Then Lead
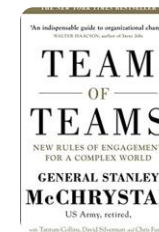
Stanley McChrystal

The Fundamentals of Leading Mutual Insurers With Purpose
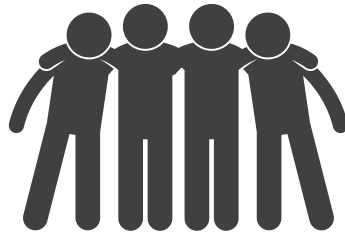
| Monday **Welcome and introductions** 18.00 – 18.00 | Tuesday **Leading mutual insurers with purpose** 09.00 -17.00 | Wednesday **Leading teams in a complex world** 09.00 -17.00 | Thursday **Activating strategy in a complex world** 09.00 -17.00 | Friday **Translating learning into value** 09.00 – 15.00 |

One More Thing

They talk constantly about "**winning**"

They obsess about "**beating** their competition"

They say their vision is to "be **#1**"

Simon Sinek
Author

Leading With a Finite Mindset

Winning today in a game with a finish line

The Real World is Complex

There are no rules nor a finish line
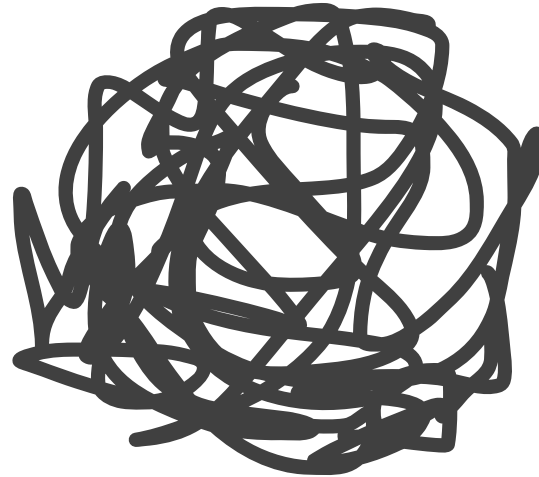
There is No Such Thing as Winning Business

All these things are **journeys**,
not events

Simon Sinek
Author

What's Next for Zenkyoren?

The target is very far away

So rather than talking about the next stage

We have the **challenges in hand**

Fumio Yanai
President of the Board of Directors, Zenkyoren (Japan)

We Have to Just Keep Working At It

[paraphrasing]

So the daily initiatives we need to take are:

To make improvements continuously

and enhance our quality

Fumio Yanai
President of the Board of Directors, Zenkyoren (Japan)

It's **Infinite**

There's **no end**
There's **no goal**

Fumio Yanai
President of the Board of Directors, Zenkyoren (Japan)

Leaders Require an Infinite Mindset

In a game with no rules and no finish line
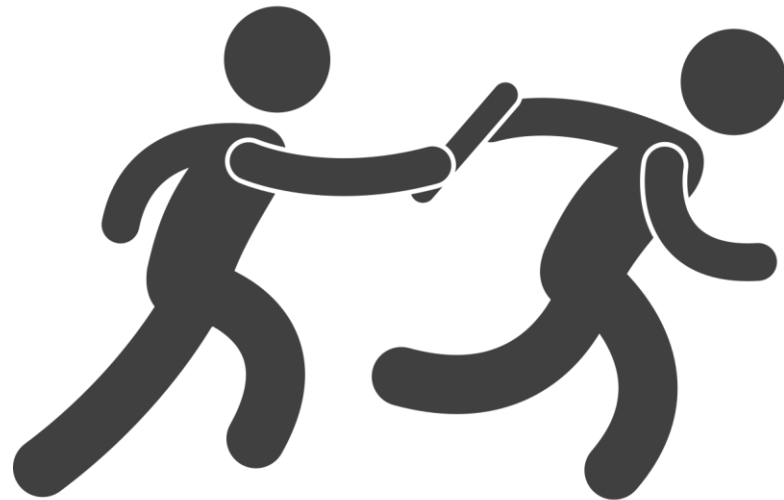
The True Value of an Organization

Is measured by the **desire** others have to contribute to that organization's ability to keep succeeding

Simon Sinek
Author

To Succeed in the Infinite Game of Business

"What's best for **me**" is **finite** thinking

"What's best for **us**" is **infinite** thinking

Simon Sinek
Author

We All Work For
Purpose-Driven Organisations

Engaged In an
Eternal Struggle to Benefit People
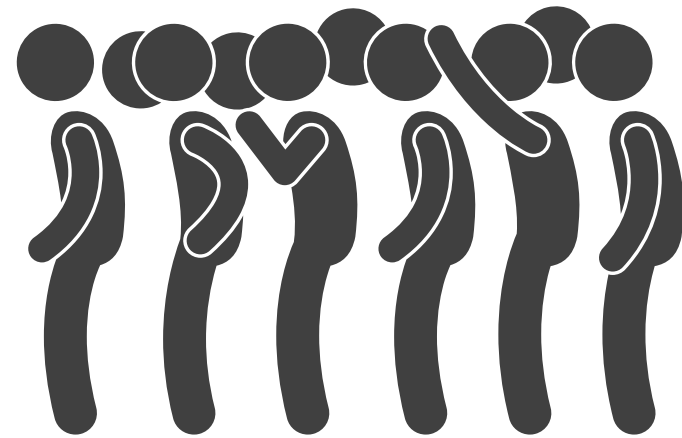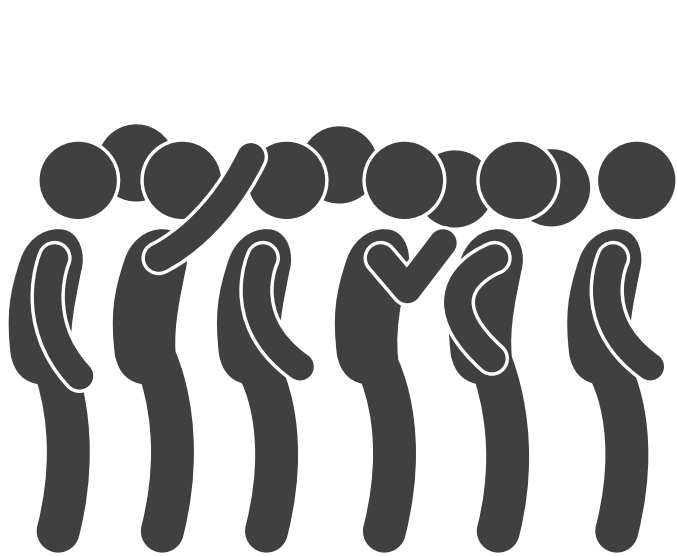
When We Lead With a Finite Mindset
in an Infinite Game

It leads to all kinds of problems

Simon Sinek
Author

When We Lead With a Finite Mindset in an Infinite Game

It leads to all kinds of problems, the most common of which include the **decline of trust, cooperation and innovation**

Simon Sinek
Author

To Succeed Long-Term

Paraphrasing

Leaders need an **Infinite** Mindset

Simon Sinek
Author

When Will I Be Done?

When we told him he needed to keep clarifying the organization's purpose for **as long as he was CEO**

He **sank into his chair**
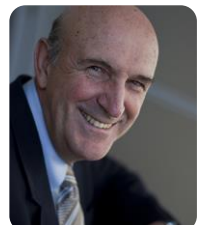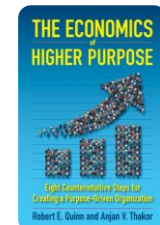
Prof. Robert Quinn
Center for Positive Organizations, University of Michigan

Leading With Purpose is a **Practice**
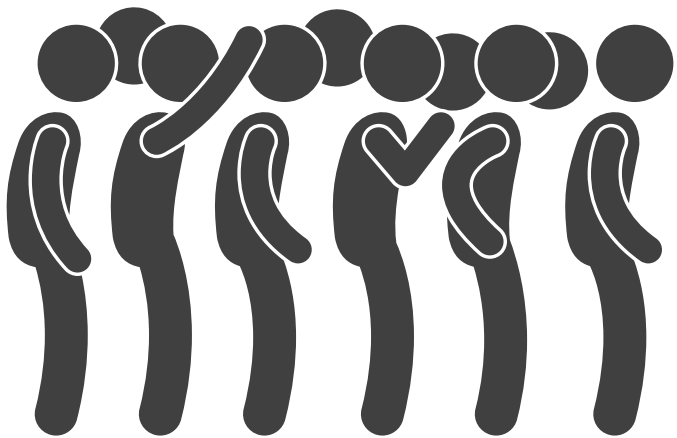
Which Requires **Eternal** Renewal
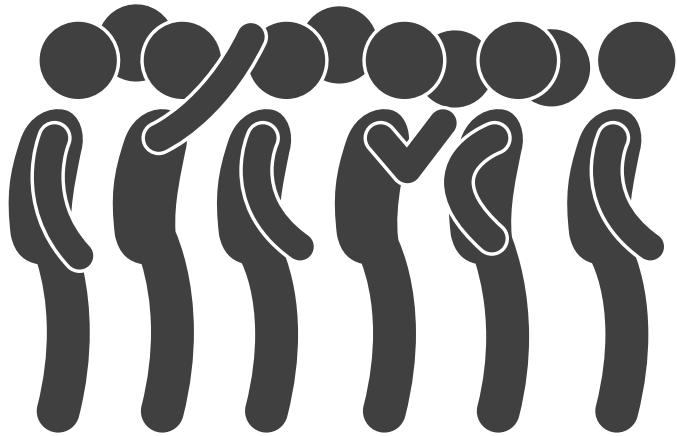
Universal Challenge
Maintaining An Infinite Mindset is Hard

Very hard
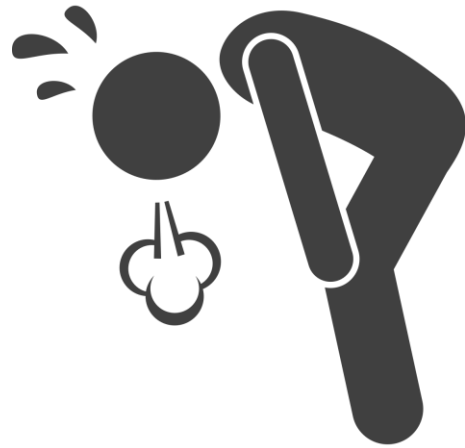
Simon Sinek
Author

Just as it is **Easier** to
Focus on a **Fixed, Finite Goal**

Than an infinite vision of the future

Simon Sinek
Author

It is Easier to Lead a Company with a Finite Mindset

Especially during **times of struggle or downturn**

Simon Sinek
Author

Doing the Right Thing

Is much more **difficult** than it sounds
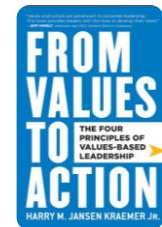
Prof. Harry M. Kraemer
ex-CEO, Baxter International. Kellogg School of Management

You Don't Have to Figure it Out on Your Own

If you **surround yourself** with
people you trust and
whose **values align** with yours
and the organization's
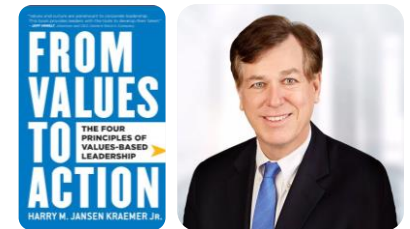
Prof. Harry M. Kraemer
ex-CEO, Baxter International. Kellogg School of Management

People Like These

James Thomas
Capricorn Mutual
AUSTRALIA

Kristof Quintyn
P&V
BELGIUM

Nathalie Withofs
P&V
BELGIUM

Sandra Budé
P&V
BELGIUM

Bill Lagopoulos
Wawanesa Mutual Insurance
CANADA

Lauren Mazurkewich
Wawanesa Mutual Insurance
CANADA

Asbjørn Christensen
LB Forsikring
DENMARK

Rikke Smidt Gellert
LB Forsikring
DENMARK

Benoît Ballivet de Regloix
IMA
FRANCE

Christian Simon
R+V
GERMANY

Johannes Speicher
R+V
GERMANY

Philipp Streibel
R+V
GERMANY

Palanisamy Muthusamy
DHAN Foundation
INDIA

Ryosuke Kachi
Zenkyoren
JAPAN

Robert de Ruiter
Coöperatie Univé
NETHERLANDS

Rowena Casinillo
CLIMBS
PHILIPPINES

Ruel Arsua
CLIMBS
PHILIPPINES

Thebe Ramanna
African Risk Capacity
SOUTH AFRICA

Liyoni Muditha
Sanasa Insurance Company
SRI LANKA

Åsa Björklund
Folksam
SWEDEN

Charlotta Carlberg
Folksam
SWEDEN

Mats Davidson
Folksam
SWEDEN

Jamie Vooght
Cornish Mutual
UNITED KINGDOM

Steve Firko
Pennsylvania Lumbermens Mutual
UNITED STATES

Steve Prentice
Thrivent
UNITED STATES

The Real Source of Mutual Advantage

To succeed long-term, leaders need an Infinite Mindset

The Real Source of Mutual Advantage

Mutuality Makes Leading With Purpose **Easier**

Mutuality Makes
Sustaining an Infinite Mindset Easier

Owner   Worker   Customer

A Network of Mutuals Makes Sustaining an Infinite Mindset and Leading With Purpose Easier
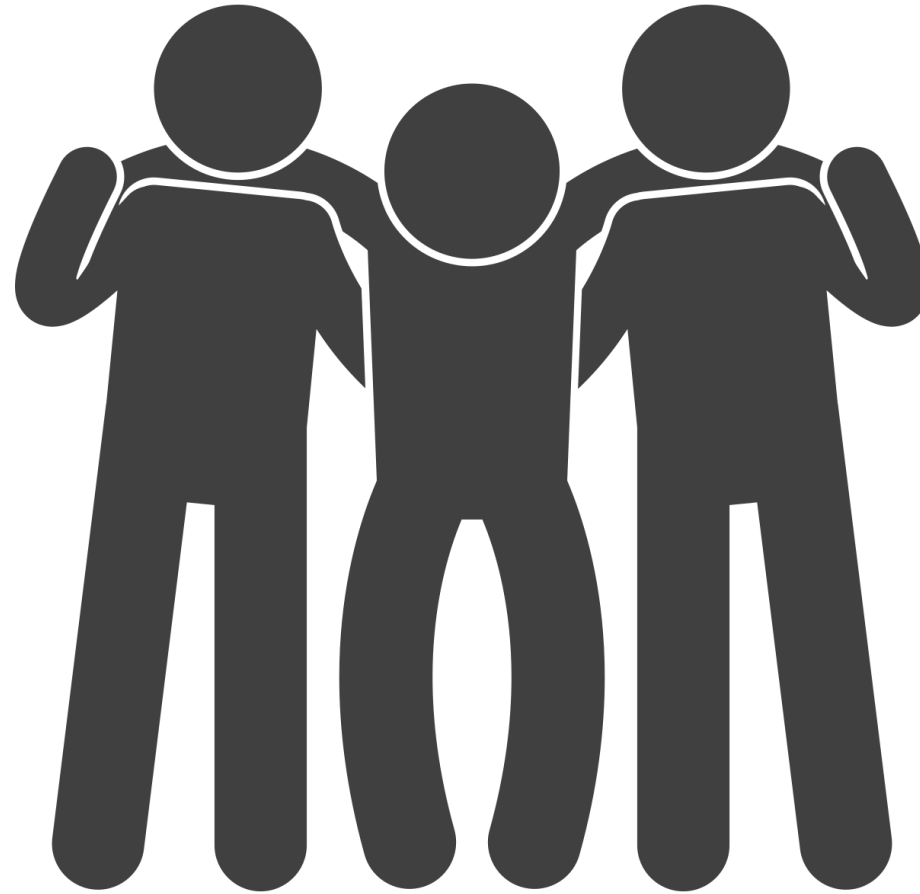
Mutual A   Mutual B   Mutual C

A Leader's Most Important Job

Is to **connect people** to their **purpose**

Major General Joe Robles
Former CEO, USAA

2. Leading Mutual Insurers with Purpose

What We Covered Today

icmif

ICMIF Advanced Management Course 2024

2. Leading Mutual Insurers with Purpose

Highlight Your Key Actions

icmif

Ginger INSIGHTS

Leading in A Complex World
With an Energy-Saving, Predicting Brain

1. People Aren't Rational

"When we think we think less than we think we think"

2. Energy-Saving, Predicting Brains

"Your brain's most important job is predicting energy needs so you can efficiently move and survive"

3. The Real World is Complex

"The most common leadership failure stems from applying technical solutions to adaptive challenges"

4. Rules Fail In Complex Worlds

"For every complex problem, there is an answer that is clear, simple and wrong"

Diagnose Before Treating

Because 90% of decision errors are are errors of perception

Work As A Team

Complex situations require multiple perspectives because each is unique and no-one can see the whole system

Use Models And Tools Not Rules

Single rules fail in complex worlds, but a combination of many models makes complex problems tractable

Lead Eternal Renewal

"There's no end. There's no goal. It's infinite". Lead eternal renewal via new solutions to new challenges

451

Leading Mutual Insurers With Purpose in A Complex World

5. The Principal-Agent Problem

"[Without shared purpose], self-interest causes the goals of the principal and agent to diverge"

6. Overlooking Motivating People

"80% of strategies fail, because we forget the most important factor in executing strategy: people"

7. Ignoring What Drives People

"Without knowing what drives the people around them, leaders struggle to connect people to the purpose"

8. Defaulting To A Finite Mindset

"It's easier to focus on a fixed, finite goal, but the real-world is complex, with no rules and no finish line"

Lead With a Clear, Shared Purpose

"An authentic purpose delivered with clarity has a positive impact on performance"

Listen, Learn Then Lead

Listen to understand what drives colleagues before seeking to connect what you ask of them to the purpose

Connect People to the Purpose

Clarify how the shared purpose also delivers your people's goals and how it translates to their day-to-day tasks

Lead With An Infinite Mindset

"To succeed long-term, leaders need an Infinite Mindset which sustains trust, cooperation & innovation"

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Thank You
09:00 Start Tomorrow (please take your seats in good time)
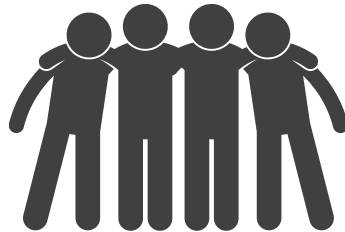
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icmif

🌐 www.icmif.org   🐦 @ICMIF_Web   in linkedin.com/company/icmif

ICMIF *is the only global membership organisation for the cooperative and mutual insurance sector*

Founded in **1922**

Headquarters in **Manchester, UK** (with regional representative offices in Belgium, Canada and Japan)

ICMIF provides **unique value** to members through a range of networking events, virtual networks, strategic resources, leadership development and reinsurance activities.

ICMIF facilitates a unique depth of strategic knowledge sharing and collaboration in a non-compete environment across its diverse, global membership network

Connect

Curate

Cultivate

Connect innovative and purpose-led insurance organisations to exchange and collaborate

Curate best-practice and strategic intelligence to help organisations to gain a competitive advantage

Cultivate the knowledge and capabilities needed by leaders to navigate the future

'Only at ICMIF' member value proposition

Membership

Impact

Events and networks

In-person events:
eg Biennial Conference, Sustainability Summit, Global Strategy Summit, MORO

Virtual networks:
eg Virtual roundtables for strategy leaders, HR Forum, Latin American WG

Member-to-member introductions

Strategic intelligence

On-demand resources:
eg Knowledge Hub, webinars, Strategic research, Financial reports

Benchmarking tools:
eg ICMIF-calibrated Insurance SDG Calculator, ICMIF UNDRR Resiliency Benchmark

Leadership development

Talent and leadership development
eg Advanced Management Course, ICMIF Young Leaders, On-demand Mutual Leadership Course

Partnerships

Board/Committee seats
eg IDF, UNDRR, GRI

ICMIF Foundation
eg UNDP ICMIF Insurance Innovation Challenge (IIC)

ICMIF's strategic themes that underpin all member propositions

Mutuality   Sustainability   Business transformation

ICMIF as the Knowledge Broker:

Connecting members within global the network to exchange strategic intelligence, experiences, challenges and competencies

Best-practice around strategy, innovation and technology; comms and branding; organizational development; CSR and sustainability.

Bilateral exchanges in different markets (diverse experiences, lack of competition, open and honest)

Global peer network of leaders

Value for both parties – strategic inspiration, benchmarking and collaboration...

ICMIF
as the
Knowledge
Broker

Member-to-member exchanges

The strength of the ICMIF global network

2021/2022

71
ICMIF members
connected across

22
countries

← →	**Strategic Knowledge Exchange/ Sharing**	**94** connections	**118** connections in total
← →	**Business Development/ Project collaboration**	**24** connections	

ICMIF events and networks 2024

Month	Date	Event/Network	Location
January	30	ICMIF-calibrated Insurance SDG Calculator WG	Virtual
February	7	HR Forum	Virtual
	15	Young Leaders Forum	Virtual
	27	Sustainability Forum	Virtual
March	5	Brand and Marketing Forum	Virtual
	6	HR Forum	Virtual
	12	Reinsurance Committee	Virtual
	19	Roundtables for Strategy Leaders - The mutual difference	Virtual
	26	ICMIF-calibrated Insurance SDG Calculator WG	Virtual
April	10	Young Leaders Forum	Virtual
	10-11	**ICMIF Executive Committee Meeting**	**Stratford-upon-Avon (UK)**
	17	Roundtables for Strategy Leaders - The mutual difference	Virtual
	18	HR Forum	Virtual
	23-24	**Intelligence Committee (IC) meeting**	**Brussels (Belgium)**
	30	Sustainability Forum	Virtual
May	7	Brand and Marketing Forum	Virtual
	8	HR Forum	Virtual
	13-17	**ICMIF Advanced Management Course**	**Manchester (UK)**
	28	ICMIF-calibrated Insurance SDG Calculator WG	Virtual
	TBA	Reinsurance Roundtable/Network	Virtual

June	5	HR Forum	Virtual
	11	Young Leaders Forum	Virtual
	18	Roundtables for Strategy Leaders - Strategy transformation	Virtual
	19	ICMIF Sustainability Summit	Virtual
July	10	Brand and Marketing Forum	Virtual
	30	ICMIF-calibrated Insurance SDG Calculator WG	Virtual
August	27	Sustainability Forum	Virtual
September	4	HR Forum	Virtual
	10	**Monaco Mutuelle**	**Monte Carlo**
	11	Young Leaders Forum	Virtual
	17	Roundtables for Strategy Leaders - Strategy transformation	Virtual
	24	ICMIF-calibrated Insurance SDG Calculator WG	Virtual
October	16	Brand and Marketing Forum	Virtual
	29	Sustainability Forum	Virtual
	TBA	Reinsurance Committee	Virtual
November	6	HR Forum	Virtual
	11-12	**ICMIF Board, Executive Committee and ICMIF Foundation Board Meetings**	**Buenos Aires (Argentina)**
	11-12	**Intelligence Committee (IC) meeting**	**Buenos Aires (Argentina)**
	12-15	**ICMIF Biennial Conference 2024**	**Buenos Aires (Argentina)**
	12-15	**ICMIF Young Leaders Programme**	**Buenos Aires (Argentina)**
	26	ICMIF-calibrated Insurance SDG Calculator WG	Virtual
December	TBC	**ICMIF/AMICE Insurance Stakeholders' Dialogue**	**TBC Paris (France)**
	17	Sustainability Forum	Virtual

Collaborating with purpose

People, Performance, Partnerships

People: The importance of talent and leadership in navigating emerging issues and driving competitive growth as customer-centric businesses.

Performance: Balancing purpose and sustainability goals with financial success and effectively leveraging new technology trends for greater operational excellence.

Partnerships: Collaboration at a global scale to achieve strategic goals and enhance the resilience of the communities we serve.

Why attend the ICMIF Conference?

- **Enhance your strategy the mutual way**
- **Unrivalled peer-to-peer networking**
- **A unique way to develop future leaders**
- **A world-class social programme**

Meeting of Reinsurance Officials (MORO)

- More than $300 million of reinsurance business is transacted between ICMIF members.

- Engaged network of reinsurance leaders (cedants, reinsurers, Supporting Members)

- **Most recent Meeting of Reinsurance Officials** (**MORO**) **6-8 June 2023**: Des Moines, Iowa (USA)

- Aimed at reinsurance professionals and those from underwriting, ERM / risk management, technical background

  - Discuss current reinsurance trends, emerging risks, alternate capital, Mini Monte Carlo (bilateral meetings)

  Knowledge Hub Link to 2023 presentations

Next MORO: 3-5 June 2025 (Helsinki, Finland)

For more information please contact : Mike Ashurst, Vice President Reinsurance mikea@icmif.org

Virtual Strategic networks

Virtual roundtables for strategy leaders – The mutual difference

Quarterly
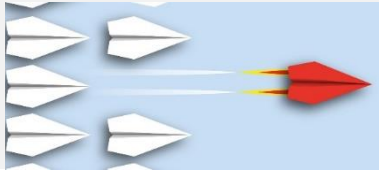
HR Forum

Bimonthly

Reinsurance

Virtual meetings and events

Virtual roundtables for strategy leaders – Strategic transformation

Quarterly

Sustainability and ESG

Bimonthly

Brand and marketing
NEW FOR 2024

Bimonthly

Virtual Roundtables for Strategy Leaders

The mutual difference

Series of two-hour roundtables, aimed at CEO and C-suite executives, heads of strategy and strategic leaders

30% of participants are CEO

The mutual difference - how mutual/cooperative insurers within the ICMIF membership strategically position mutuality within their business

- how to drive growth through a purpose-driven strategy

- communicating the benefits of mutuality to members/customers

- and creating value by embedding sustainability and ESG factors to differentiate as responsible businesses

- **Next date:** to be announced for 2024

For further information, please contact Ben Telfer, Senior Vice-President, Membership ben@icmif.org

Virtual Roundtables for Strategy Leaders

Business transformation

Series of two-hour roundtables, aimed at CEO and C-suite executives, heads of strategy and strategic leaders

30% of participants are CEO

Strategy transformation: – **how to approach strategic planning and business transformation**

Processes to strategic planning, including the integration of future scenario planning.

The pillars/foundations that anchor strategic transformation and how the mutual/cooperative model fits within this.

Identifying the capability and prioritising the resources needed to meet strategic goals.

Communicating and engaging key stakeholders to support successful transformation.

Virtual Roundtables for HR Leaders

Duncan Meadows

HR Forum – meets on 1ˢᵗ Wednesday of each month

- Challenges of remote, hybrid and flexible working

- Employee value proposition

- Wellness and DEI

- Talent recruitment and retention

- Workplace culture

- Leadership development

- HR policies, systems and use of technology

Who are they for? **Human Resource Directors and HR specialists**

For more information please contact :
Mike Ashurst, Vice President Reinsurance mikea@icmif.org

EY
Building a better
working world

Sustainability Forum

Virtual member-to-member discussions

- Series of two-hour roundtables, aimed at sustainability and ESG leaders

- Case studies shared from member companies at the beginning of their sustainability/ESG strategy formation and also from those well-established in this field.

- Meet bi-monthly

- **Topics include:**

  - Embedding sustainability into business strategies to create value across their organisations

  - Starting an ESG journey

  - Reporting and quantifying sustainability targets and goals

  - ESG benchmarking for mutuals (ICMIF-calibrated SDG Calculator)
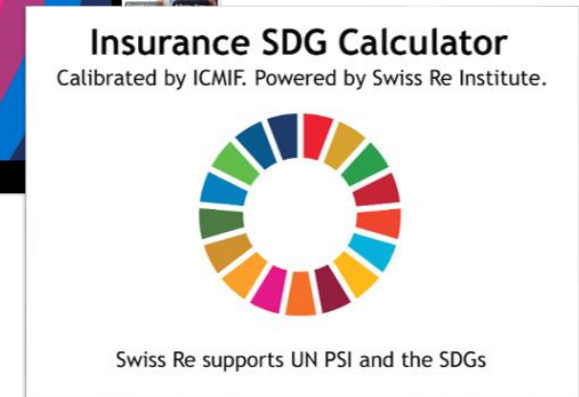
Brand and Marketing Forum

- ✓ **Marketing mutuality -** successful marketing and brand strategies to market the mutual difference

- ✓ Leading examples from ICMIF members of how to articulate and communicate their unique difference through marketing campaigns and brand experience

- ✓ Share, learn and collaborate with peers from ICMIF's global network.

- ✓ Bi-monthly meetings open to all brand, marketing, communications, mutuality and strategy professionals
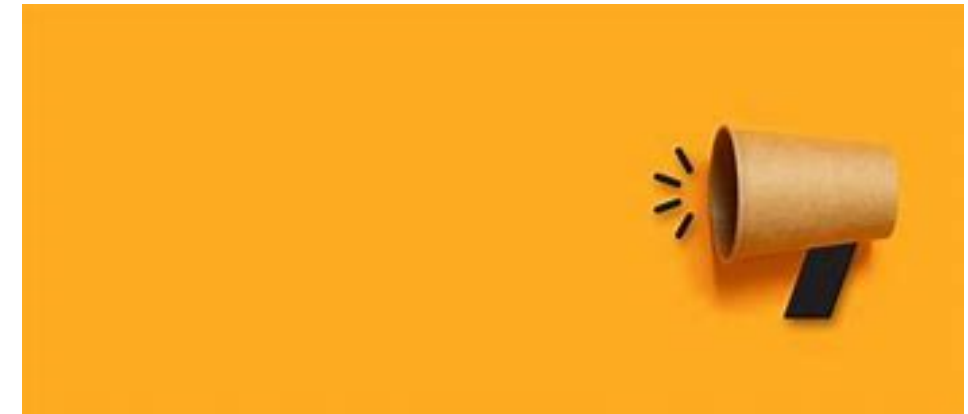
Learning and leadership development

ICMIF Advanced Management Course (AMC)

Equip your leaders with new mindsets and capabilities to lead with purpose in a complex world

13 – 17 May 2024, Manchester, UK.

Aimed at senior managers and leaders of change

- Harnessing the power of purpose (new for 2023)

- How to activate strategy in purpose-driven organisations (new for 2023).

- How to identify and approach complex situations using the latest neuroscience

- Mutual perspective

Mutual Leadership Course – on-demand learning

In 2024 ICMIF's popular online **Mutual Leadership Course (MLC)** will be available on-demand

The course has been designed to help equip your existing and emerging leaders with the tools and mindsets to help your organisation adapt to a changing world

Other on-demand resources, e.g., "Mutuality 101", featuring only-at-ICMIF content to be added to new Learning Management System (LMS)

ICMIF Young Leaders

ICMIF's global network of emerging and high potential professionals (aged up to 35 years old), identified by their seniors as strong candidates to become future leaders within their organisations

Purpose - to provide a learning and professional development opportunity:

- Exposure to wider issues impacting the insurance industry, strategic best-practice and mutuality on a global scale

- Learn from and collaborate with peers from other ICMIF organisations around the world

- Network and engage in discussions with senior executives and industry leaders

- Research and intelligence from perspective of the next generation

Advanced Management Course (AMC)

Equip your leaders with new mindsets and capabilities to lead with purpose in a complex world

13 – 17 May 2024, Manchester, UK
16 – 20 September 2024, Manchester, UK

Aimed at senior managers and leaders of change

- Harnessing the power of purpose (new for 2023)

- How to activate strategy in purpose-driven organisations (new for 2023).

- How to identify and approach complex situations using the latest neuroscience

- Mutual perspective

Contact : Mike Ashurst, Vice President mikea@icmif.org

On-Demand Learning

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Contact : Mike Ashurst, Vice President mikea@icmif.org

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- ✓ Research and intelligence from perspective of the next generation

ICMIF Young Leaders

✓ **Young Leaders Forum (bi-monthly virtual network)**

✓ **Young Leaders Programme** at the ICMIF Biennial Conference

✓ **Young Leaders Committee**

www.icmif.org/youngleaders

#ICMIFYoungLeaders

ICMIF Knowledge Hub

The member exclusive **ICMIF Knowledge Hub** brings together all of ICMIF's strategic intelligence and best-practice content in one place, making it easily accessible and searchable for ICMIF members.

The hub currently has 1500+ searchable assets and can be switched to virtually any language

It utilises a dynamic tagging system so users can easily navigate the wealth of member only content which has been curated for ICMIF members, including:

- ✓ conference sessions + summaries;
- ✓ webinars recordings + transcriptions
- ✓ member case studies
- ✓ thought-leadership articles
- ✓ leadership interviews
- ✓ blog articles
- ✓ and the latest news stories.
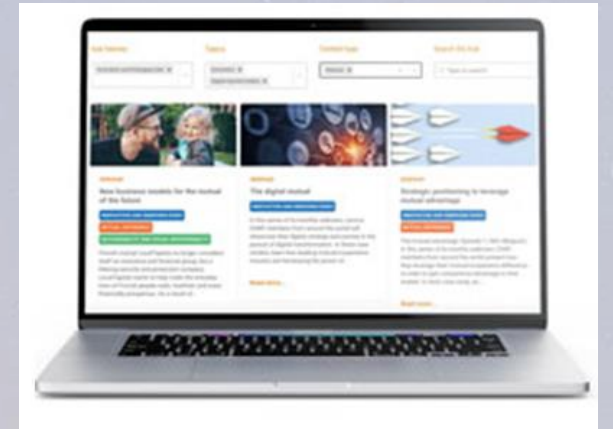
ICMIF webinars: on demand

ICMIF webinars are organised exclusively for ICMIF members.

Bringing thought leadership and showcasing best-practice. Focusing on current strategic issues and latest trends impacting the mutual and cooperative insurance sector.
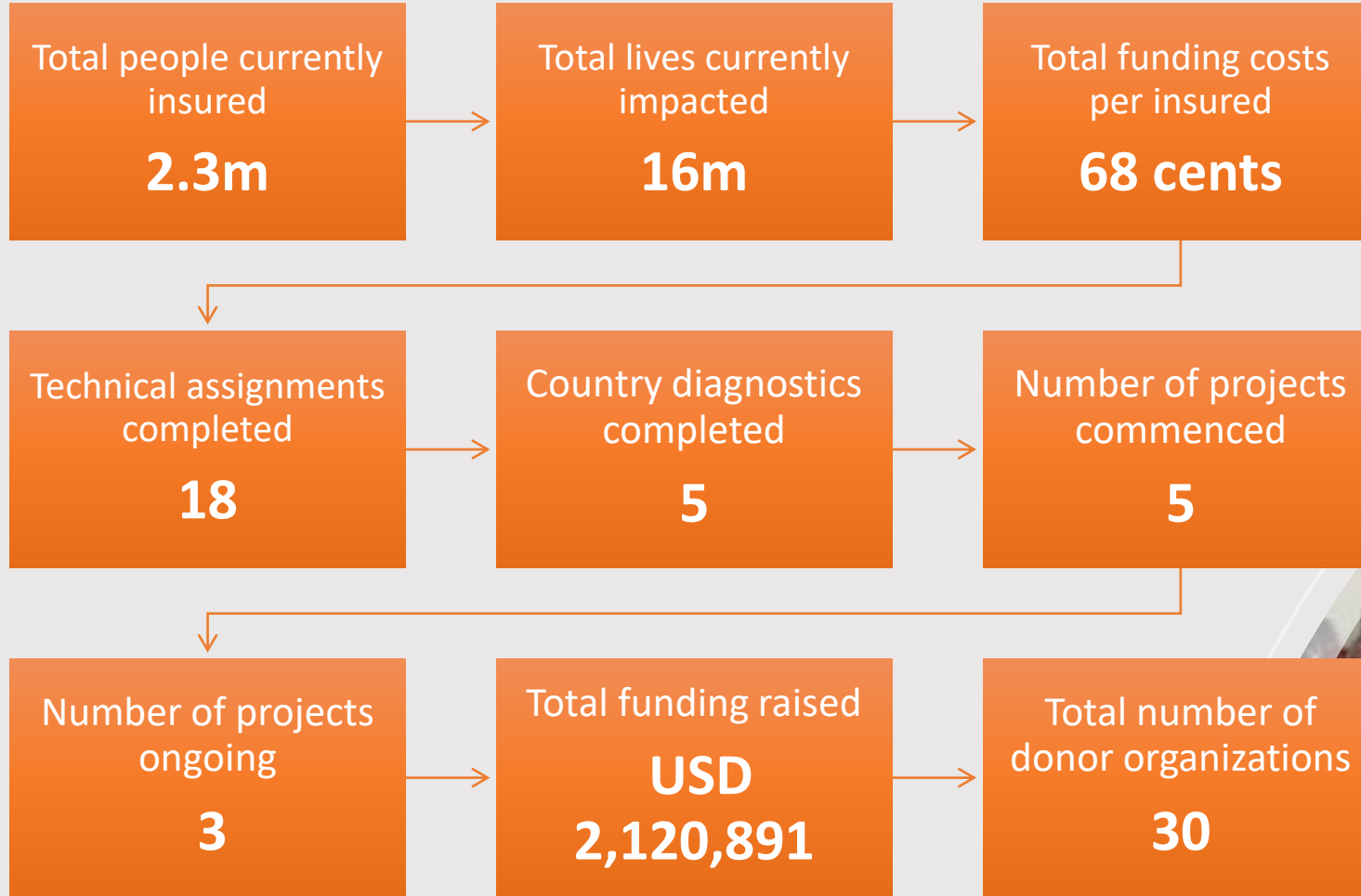
All webinars are recorded and are available to search by theme/ topic: 110 available to be view on-demand by all ICMIF members.

www.icmif.org/icmif-webinars

Member-only link to access registration links and recordings

UNDP ICMIF IIC - A new partnership

- Matching contribution of USD 300,000 each from UNDP IRFF and The ICMIF Foundation for the first round

- Implementation period of first round 31st October 2022 to 31st December 2025

- Funding of USD 100,000 will be made available to scale up existing microinsurance programmes to underserved communities over 2 years.

- North to South and South to South Technical assistance will be made available

- The ICMIF Foundation will be the implementing organisation.

- Maximum of four mutuals and cooperative programmes selected by independent selection committee led by UNDP IRFF

www.icmiffoundation.org

Connecting mutuals globally

Learn more

Access to ICMIF member-only links on website:

- [ICMIF webinars](#)

- [ICMIF Knowledge Hub](#)

- ICMIF activities/news (www.icmif.org + social media)

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