



# Intelligence

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ASSOCIATION OF GOVERNMENTAL RISK POOLS

## Your Next Pool Executive

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It's not easy to find great leadership, and there's no step-by-step guide that works for every organization. This is true – perhaps especially so – in the niche environment of public entity pooling. Pool competitive models, regulatory structures, membership dynamics, Board preferences, and other factors vary greatly from one state to the next and even from one pool to the next.

There are many resources available that address leadership development and succession planning, some of them with prescriptive outlines of the steps you should take to find your next executive leader. And there are countless examples of organizations that struggled to find their next leader even with a solid recruitment or succession plan in place.

I don't have a step-by-step guide to offer. I most certainly don't have a one-size-fits-all, fail-proof approach to how your pool should plan to find its next leader. But I do have the benefit of perspective from conversations with many pools and some corresponding insight that might be helpful.

**Think less about the job description and more about desired outcomes and competencies.** When you think in terms of a job description for the role of pool executive, you probably think of tasks. Manage the staff. Establish the budget. Put together the Board agendas and materials. Develop member retention strategies.

If you think about outcomes and competencies, you might be able to better assess your leadership needs and candidates. There's a direct correlation between competencies and outcomes in successful leadership,

whereas tasks can be adequately performed without ever truly moving the organization toward its goals. Some examples of common desired outcomes and competencies for pool leaders:

### Outcomes

- Increased membership
- An improved relationship with the pool's regulatory agency
- An identified appropriate surplus target range, and a five-year plan to achieve
- Implementation of a better claims system that fully integrates online reporting for members

### Competencies

- The ability to build and maintain relationships through understanding member needs and goals
- The ability to share useful information in a transparent, proactive manner
- The ability to analyze financial data and results to create a comprehensive financial strategy
- An understanding of technology implementation and project management skills

These outcomes and competencies can be translated into a job description at some point, once you adequately appreciate and describe the leader you are trying to find and the goals you hope he or she can achieve.

**Another way to think about the leadership needs of your organization is to consider attributes without boundaries.**

What are the skills or abilities, not attached to any particular task, you want in your next leader?

- *Accrued trustworthiness* – a style, persona, and problem-solving approach that suggests strong and trustworthy relationships over time; the willingness to be transparent and conversational in decision-making; demonstrated respect for others.
- *Intellectual curiosity* – interest in discovering and understanding new ideas or initiatives, and the ability to conduct fact-finding to support analysis.
- *Critical thinking and problem solving* – the ability to examine an issue from many different angles, see pros and cons easily, identify needs and constraints, evaluate options, define clear goals, and choose a path that includes manageable challenges alongside positive outcomes.
- *Agile decision-making* – the ability to adapt course, select uncommon pathways, fit existing processes to new circumstances, and pull the plug on a project when it's no longer meeting needs.
- *Strong understanding of technology* – familiarity with technology infrastructure and new technology implementation planning, ability to project how technology will impact business operations, and ability to adapt to new technology tools.
- *Nimble writing skills* – adaptable writing skills to communicate well in email, letters or social media, and effective writing abilities for Board and member materials.

This is not a comprehensive list for your organization, and it's certainly not fail-safe. But looking for these attributes might yield a better long-term result than selecting a candidate based on him or her having performed similar job tasks in another organization.

**Yes, technology familiarity and writing skills are must-have abilities.**

I'm not suggesting your next executive leader needs to program code, and she or he doesn't need to be Mark Twain or J.K. Rowling. But, yes, writing abilities

and technology familiarity are required attributes in today's world of pooling. Even if your past or current executive doesn't have these skills, your next leader must.

**In other words, you don't need to find an exact replacement for your current executive.**

Here's how the leadership transition conversation often plays out in a pool:

**Person A:** Jason has been executive director for 25 years and is going to retire in 2019. The Board wants a successor named before Jason leaves so there's overlap between the new person and him. We need to find someone to replace Jason.

**Person B:** It will be really tough to find someone like Jason. He knows our members, our Board, our coverage, and our reinsurers. Jason has the respect of staff and when he talks, the team listens. Jason built this pool and is awesome.

**Person A:** I know. Let's update Jason's job description and put together the advertisement, and then let's think about internal candidates who might be able to step into Jason's shoes. We might have a couple internal candidates, but none of them have Jason's breadth of knowledge.

Do you see the problem? There will never be another Jason! And, as great as Jason is, the organization might need – or have to find – a different kind of awesome.



By constraining yourself to find “the next Jason” you give up the opportunity to find “the first Kelly” who might be even better for the organization today, and tomorrow.

The notion you might need to find “the first Kelly” leads to another suggestion – **that you consider ways to fit the role to the person.**

If you find someone who you think is a good fit for your organization, who can produce or oversee most of the outcomes you’ve identified and has the competencies you need, then for goodness sake hire that person and create the executive role in a way that plays to his or her strengths. Build a management team around that person, just like you built the management team to support your existing executive’s strengths and weaknesses.

Do you have a leadership candidate who is great at managing the financials but really bad at managing people? There’s no rule that says your executive director has to oversee staff directly, so move day-to-day personnel management to another person on the team and redefine the roles accordingly. Maybe you have a solid candidate who can meet your pool’s financial goals, but who has no experience in Board governance. Create a new role focused on governance and Board preparation to buffer your executive with additional resources.

There’s adaptation needed with any leadership change. There aren’t many great leaders in the world and while there might be a whole bunch of good leaders, it could be difficult to identify them and convince them to come work for your pool. So when you find that really strong candidate who you know in your gut would be good for the organization, frame the executive role to fit him or her and fill in around the edges.

**Finally, shorten the planned training period.** If you find someone who has the attributes you’ve outlined and for whom you are willing to adapt the role of executive – or even if you find a candidate who is 80 percent of your ideal but far better than any of your other options – get the process moving and put the person into the executive role. Or at least place him or her into an executive role that provides some immediate challenge and stretch.

In today’s employment and business environment, promising someone you’ll develop them into a role

they can fill in two to five years is simply too long. If the person is good enough to be groomed into your pool’s executive leader, he or she is good enough to be looking for another job and could be snapped up by some other organization.

If this article has you thinking about, or rethinking, your leadership development and succession planning processes, consider these additional insights gleaned from your pooling peers.

## Search Firms & Scope

More and more, pools looking for new leadership are using recruitment or search firms, even if they have in-house human resources support. The employment market for executive leadership is tight and you might need help to find viable candidates.

Many pools also find it helpful to keep the search parameters broad, especially to start. Look for a possible new leader among the public entities you serve, from within the insurance industry, or from other niche associations.

## Employment Structure & Location

Depending on a number of factors, you may have to rethink how important employment structure and/or location of the executive is for your pool. Some pools simply aren’t able to directly recruit the caliber of leader they’d like, so have opted to contract for executive services. This could give your pool a wider array of candidates and access to skills you might not otherwise be able to afford.

You might find an ideal candidate who doesn’t want to move from his or her home, which could be a great distance from your office or even in another state. Give this possibility the time and attention it deserves to determine whether your candidate can meet your outlined outcomes and competencies in a non-traditional work environment or modified work week.

## Leadership Development Programs

If your succession plan is more about developing talent from within, here’s how a few other pools are working

to develop their next leaders:

- ① VML Insurance Programs (VMLIP) has an application-only leadership program through which accepted participants are exposed to the full array of pooling operations and activities. The program helps participants explore their interests, strengths, and weaknesses; and gives the pool useful perspective into where employee attributes might be best utilized. VMLIP uses the program to focus on four core leadership competencies – communication skills, critical thinking, diversity awareness, and intelligence. For more information, contact [Tina Stevens](#).
- ② Washington State Transit Insurance Pool (WSTIP), Enduris, Association of Washington Cities Risk Management Service Agency (AWC), Washington Cities Insurance Authority (WCIA), Washington Counties Risk Pool (WCRP), and Water and Sewer Risk Management Pool (WSRMP) have taken a cooperative approach to growing talent. They are collectively managing a leadership development program open to employees from all six pools, recognizing exceptional pool talent is good for pooling on the whole and not just one individual pool. Accepted program applicants begin by reviewing AGRiP's Pooling Basics online curriculum and then engage in structured leadership development work. For more information, contact [Tracey Christianson](#).
- ③ Arizona pool management firm Ashton Tiffany focuses its leadership development program on the qualities of a good leader, regardless of organizational role or pool assignment. Accepted applicants to the program meet individually with the company principals for mentoring and goal development on a monthly basis, and gather collectively every six weeks to tackle strategic issues facing the company

and its pooling clients. Curriculum is heavily influenced by feedback from the cohort about the management and leadership skills they want to acquire and enhance. For more information, contact [John Ashton](#).

## About the Author



As executive director, Ann Gergen oversees all operations and member services for the Association of Governmental Risk Pools.

Ann routinely communicates and collaborates with the over 200 pools that participate in AGRiP, and with the service providers who help pools sustain their operations. Ann has twenty-five years of direct public sector employment and experience in local government management, emergency services, risk management, primary and reinsurance claims, pooled insurance services and operations.

Ann is a nationally recognized resource in strategic management and operations of public sector pools. She sits on several Boards of Directors including the Public Entity Risk Institute and the Upper Midwest Community Policing Institute. Ann is an attorney licensed in the State of Minnesota and holds a Master's Degree in Public Administration. She teaches risk management to public safety graduate students and is herself a former EMT.

**The Association of Governmental Risk Pools (AGRiP)** energizes the power of pooling, making member organizations more effective, collaborative, and informed. AGRiP represents and connects all pooling organizations while providing education and resources to its members. AGRiP brings the brightest minds and ideas together to help make pooling successful.