



Westfield Group *Building Better Business People*

"We need all of our employees to think like business owners. They need to understand how we keep score financially and how their decisions impact our profits."

Senior Sales Leader

Westfield Group is a multi-billion dollar property and casualty insurance and banking services company. In 2003, the new CEO wanted to make sure all 2,500 employees understood how the company keeps financial score and how to create strategies to improve their profitability. Additionally, they wanted all 250 commercial sales and marketing people to understand their agents' profit model and how they delivered value to their network of agencies. The results have been dramatic. Westfield Group has achieved:

- ◆ **Strong premium growth** from **\$1.2B** in 2002 to **\$1.5B** in 2006
- ◆ An improvement in **combined ratio** from **101.7** in 2002 to **95.3** in 2006
- ◆ **Total surplus growth in** from **\$584M** in 2002 to **\$1.1B** in 2006 to a **50% increase**

One of the fundamental pieces of their business acumen initiative was Aarthun Performance Group's (APG) program. *The Profit Specialist*[®] which provided all 2,500 employees an understanding of financial drivers for Westfield Group. Additionally, in 2004 they implemented *The Agency Profit Specialist*[®] program to develop an understanding of how they impact the agency business. In 2007, working with APG, they developed and began implementing *Creating Customer Value*, a program designed to quantify the value of their solutions to mid-market customers.

All three programs are active and being delivered to multiple Westfield Group employees and are a part of their management development programs. The outcomes of the three programs include:

- ◆ **Employees Understand Westfield Group's Score** – APG created a business simulation around Westfield's financial cycle to help employees understand the big picture of how cash flows through their business, and the key financial metrics they track and measure.
- ◆ **Employees Develop and Implement Ideas to Improve Profitability** – By understanding their business better, the employees are able to apply the knowledge and put together quantifiable ideas that are directly linked to key financial metrics.
- ◆ **Commercial Employees Understand How They Impact Agencies' Business** – APG created a business simulation around the independent agencies business to help employees understand how independent agencies operate so they can work with the agents to help them improve their profitability.
- ◆ **Underwriting and Marketing Can Quantify the Value of their Solutions to Mid-market Customers** – APG created a commercial customer simulation to help Underwriting and Marketing understand their mid-market commercial customer's business. This allows for better business discussions with customers, which totally differentiates them in the market.



APG Methodology, Processes, and Tools

Items in the Plan	Opportunity To Create Value		Calculation/Value
	What Is	What Could Be	
People, Costs, Items, Capital, Errors, Problems			

