

Corporate Behavior Analysts, Ltd

Finding the Right Path: Strategies for a Digital Age

Presented at
Texas Land Title Association
2012 Annual Convention
06/15/2012



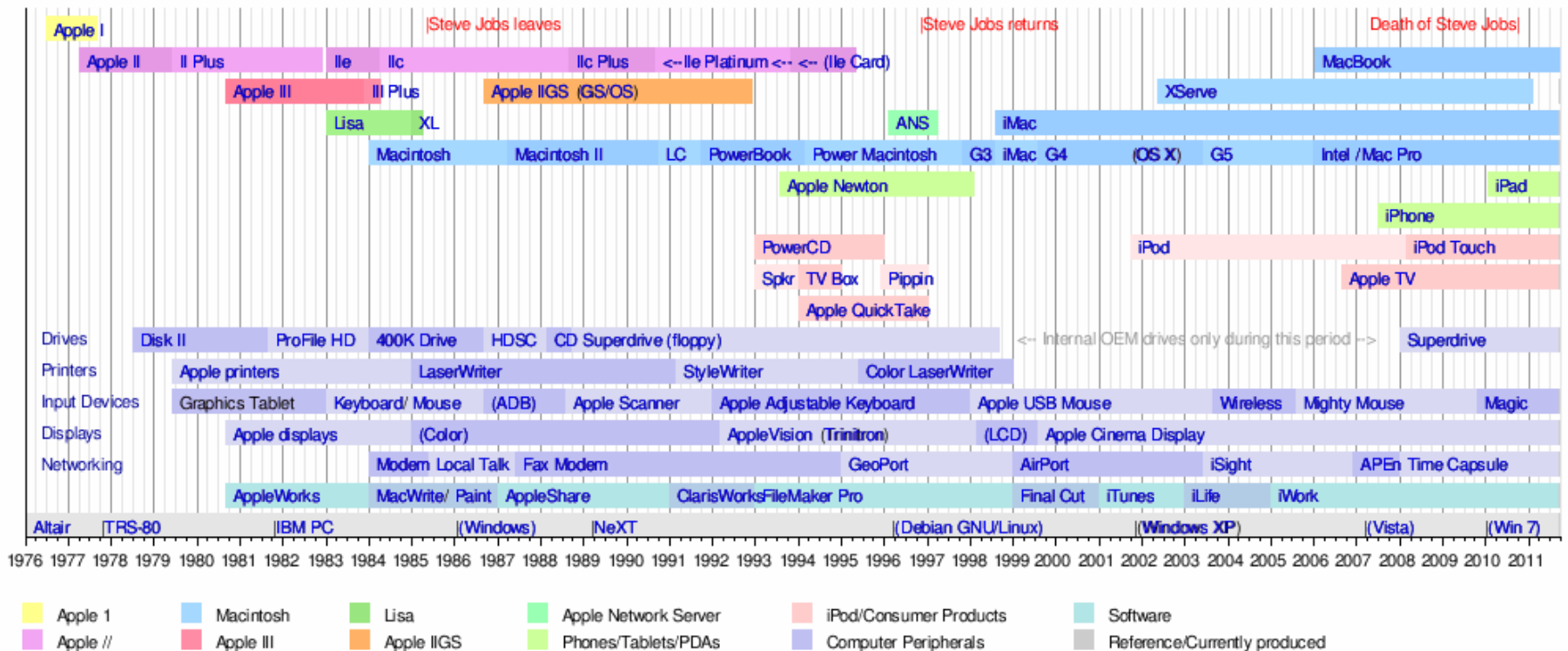
ROGER LUBECK
CHRIS HANSON

THE DIGITAL AGE



Timeline of Apple

- From Wikipedia



THREE years ago we asked

What will the first Title Insurance iPhone App look like?



Now every underwriter has an app.



How will you compete?

- How will customers judge service?
- What will be the role of relationships?
- Will technology dominate our business?
 - File management
 - File processing
 - Order taking
 - Scheduling
 - Documents
 - Status
 - Closing
 - Recording

Organization change

- Change at the industry / organizational level is driven often by external factors, but change is always caused by leadership and employee adaptation.



TRADITIONAL VS. BLUE OCEAN

Selecting Strategies



WHAT Strategies DO YOU USE?

- Price
- Reputation
- Accuracy (claims)
- Relationships
- People (knowledge & experience)
- Locations
- Appearance
- Awareness (Marketing)
- Sales coverage
- Complexity (commercial)
- Services (reo, short sale, reit)
- Speed (turn time)
- Technology
- Other _____



Blue Ocean Strategy



- Based on Blue Ocean Strategy (2005)
 - by W. Chan Kim & Renee Mauborgne
- Value Innovation vs. Differentiation
- According to the authors, past models for identifying successful companies were wrong

Comparing Strategic Moves

RED OCEAN

Compete in existing market
Beat competition
Exploit existing demand
Make a value-cost trade-off
Align company with choice of differentiation and lower cost

BLUE OCEAN

Create uncontested market
Make competition irrelevant
Create and capture new demand
Break the value-cost trade-off
Align company for differentiation and lower cost

BLUE OCEAN



- A market (environment) free of competitors.
 - A place with new or untapped customers.
 - Where your product is innovative and has no competitors
 - Where your strategy to sell is free of competing strategies



Red Ocean

- Competition based strategies
 - Lowest costor
 - People (Value / Cost tradeoff)
 - Features (Value / Cost tradeoff)
 - Service (Value / Cost tradeoff)
 - Sales (Value / Cost tradeoff)





Circus vs. Cirque



RED OCEAN

BLUE OCEAN



1875 to present

Ringling Bros. and Barnum & Bailey Circus is an American circus company. The company was started when the circus created by James Anthony Bailey and P. T. Barnum was merged with the Ringling Brothers Circus.

1984 to present

Based in Montreal, Canada, founded in 1984 by two street performers, Guy Laliberté and Daniel Gauthier.



[yellow tail] WINES

- Casella Wines Pty Ltd. Casella wines is based in Yenda, Australia, population 1400.
- The Casella family has produced wines since 1820s in Italy. Moved to Australia 1957.
- Partnered with W.J. Deutsch & Sons in 2000
- W.J. Deutsch & Sons: People, product, package, promotability, and pricing.”
- Started with Two Wines with color coded labels
- Sold at Costco
 - 112,000 cases in 2001
 - 7.5 million cases in 2005



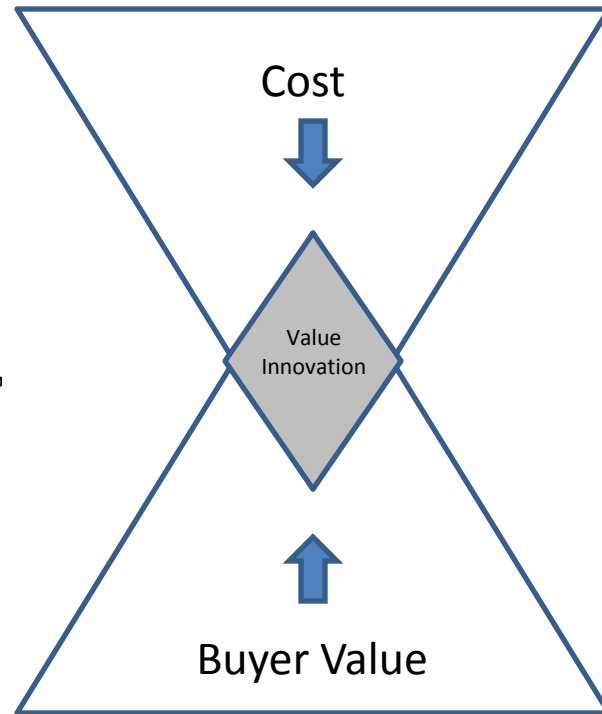
Value Innovation

- Innovative Product
- Lower cost
- Raise Buyer Value

Google

eBay

facebook

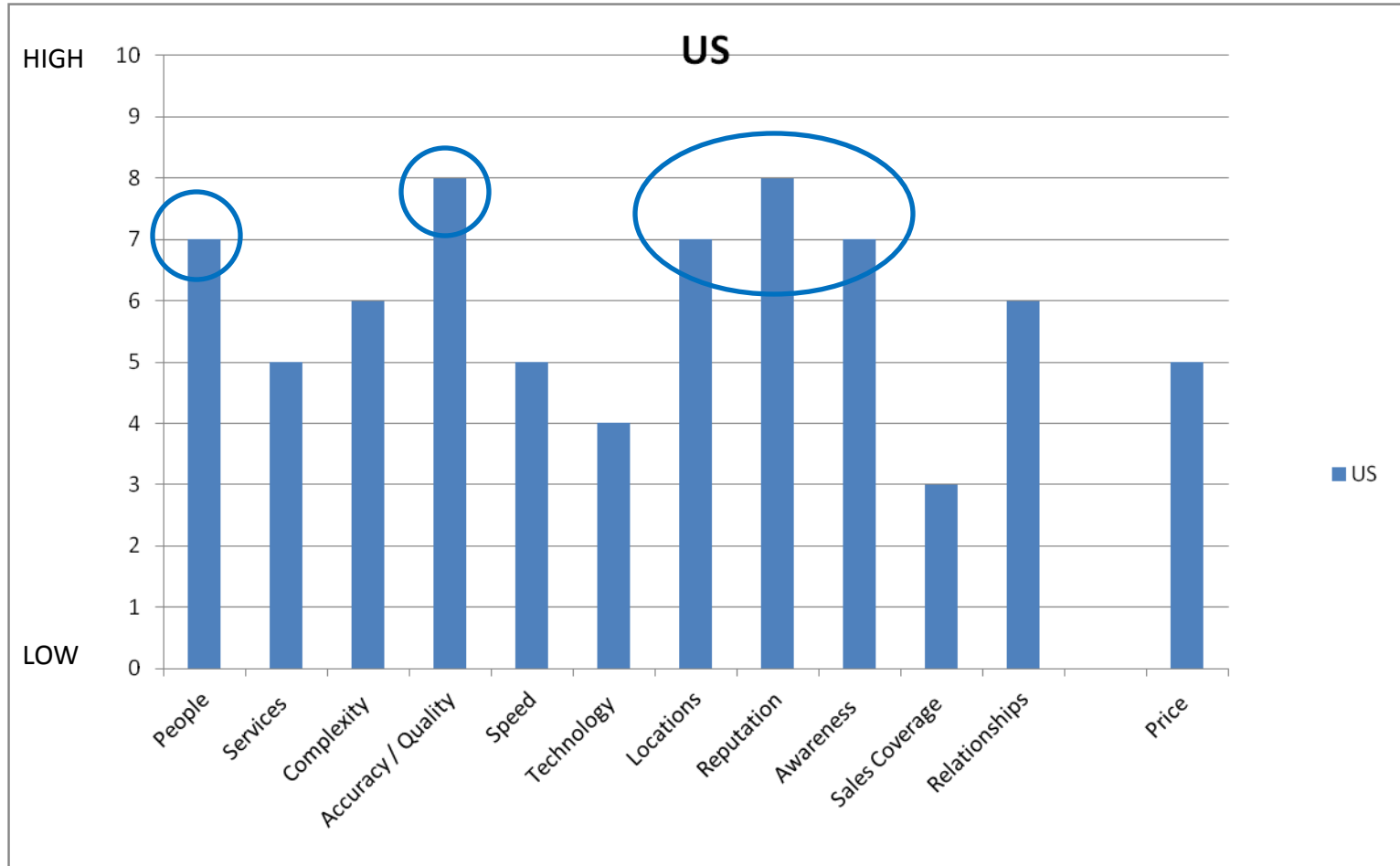


The Strategy Canvas

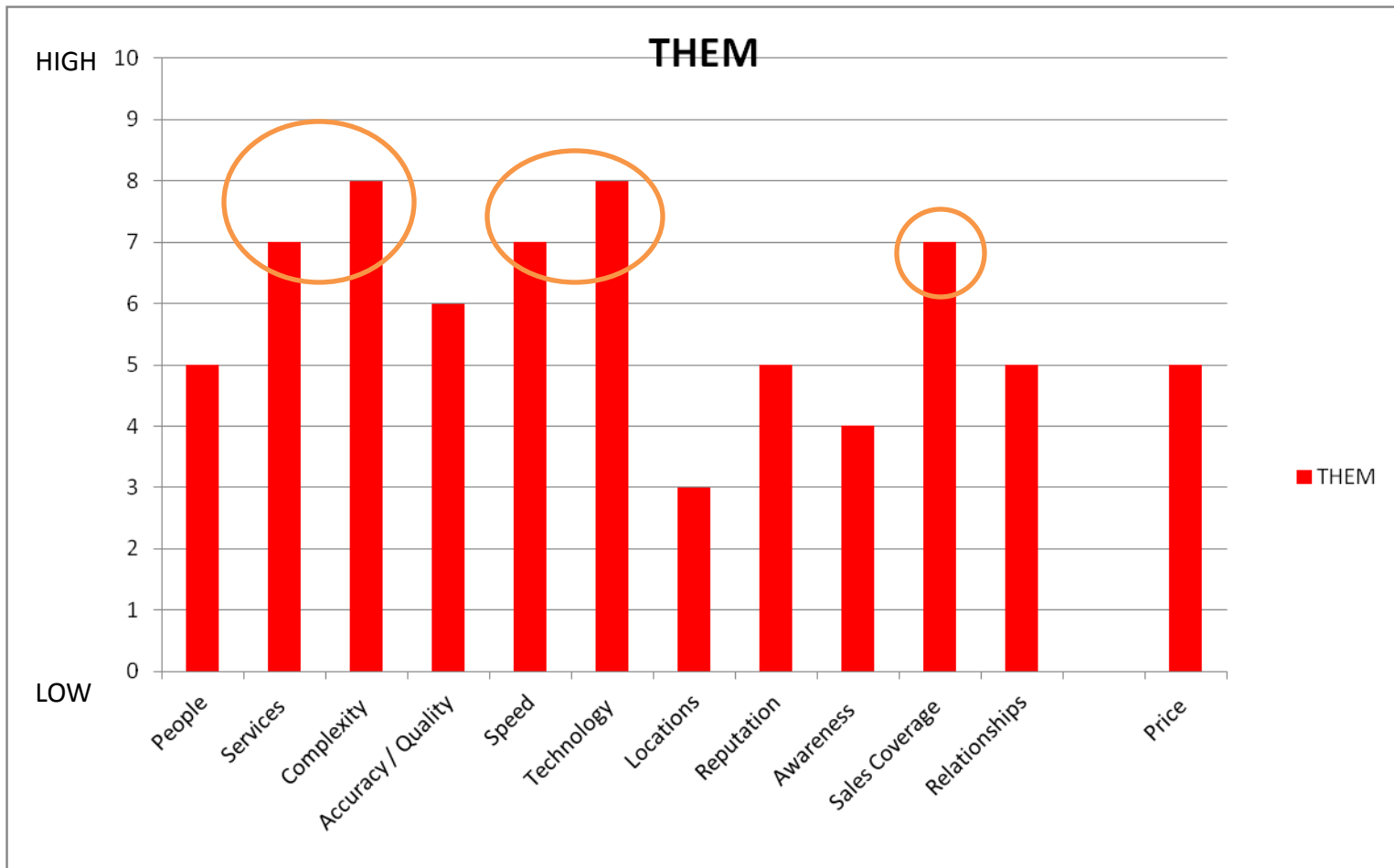
Market Factors	My Company	Their Company	Fidelity Family	First American	Old Republic	Stewart
Price						
Locations						
Awareness						
Sales Coverage						
Relationships						
Reputation						
Accuracy (claims)						
Complexity						
Services						
Speed						
Technology						
Other _____						



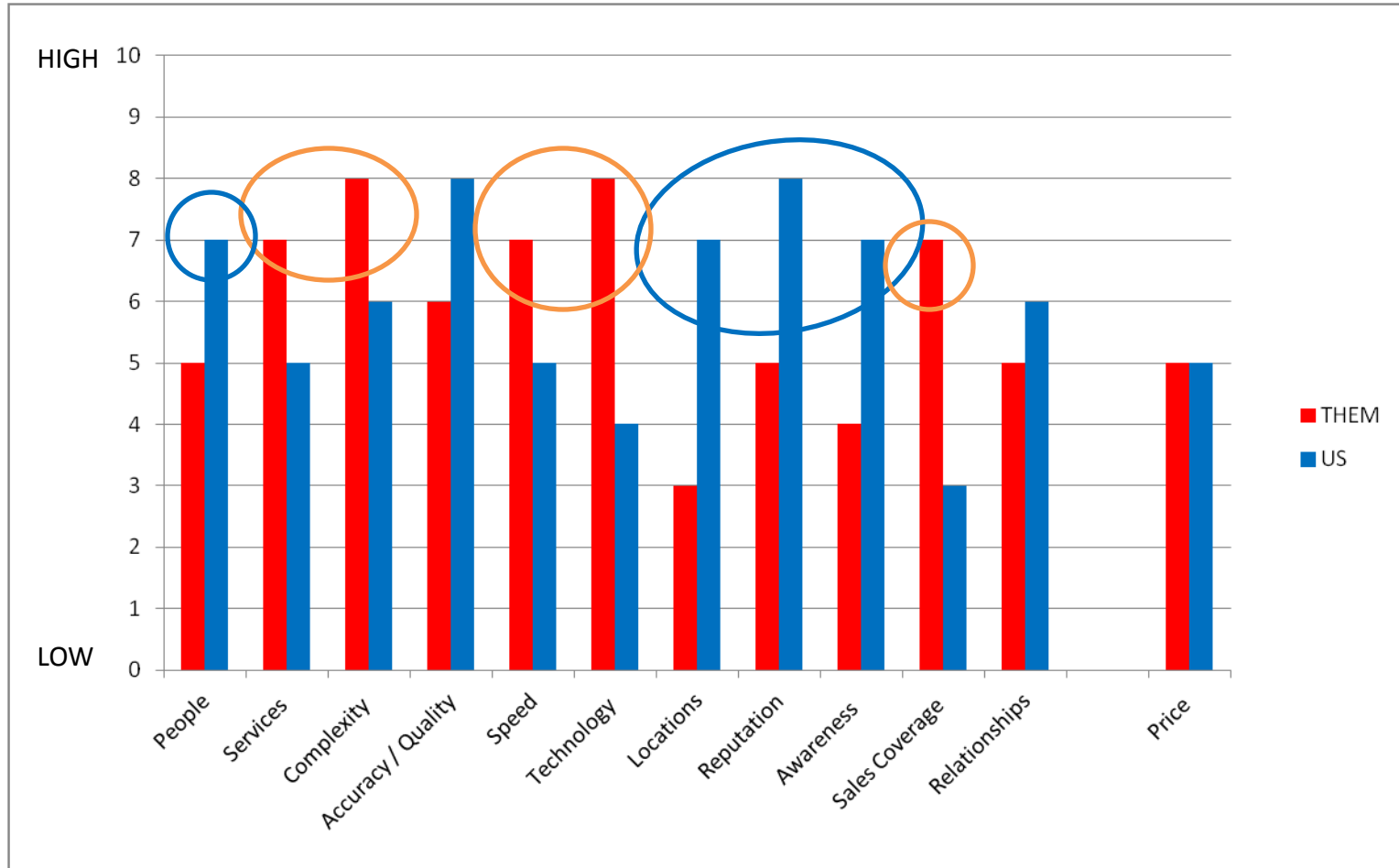
The Strategy Canvas



The Strategy Canvas

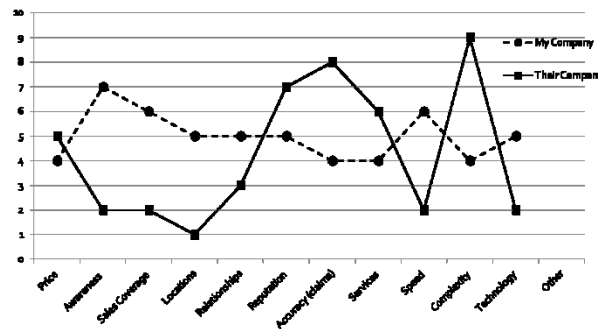


The Strategy Canvas



Four questions about your company

1. What factors should be eliminated?
2. What factors should be reduced below industry standards
3. What factors should be raised above industry standards
4. What factors should be created that are not offered?



Market Factors
Price
Locations
Awareness
Sales Coverage
Relationships
Reputation
Accuracy (claims)
Complexity
Services
Speed
Technology
Other _____

Gordon Ramsey's Kitchen Nightmares

Robert Irvine's Restaurant Impossible

- In the BBC and Fox TV shows, Chef Gordon Ramsay spends a week with a failing restaurant in an attempt to revive the business.
- In the Food Network series Chef Robert Irvine has to save America's most desperate restaurants from impending failure in just two days with only \$10,000.



SUCCESS IN THE DIGITAL AGE

It is critical that the owner(s)
admits
that the company needs
to change.

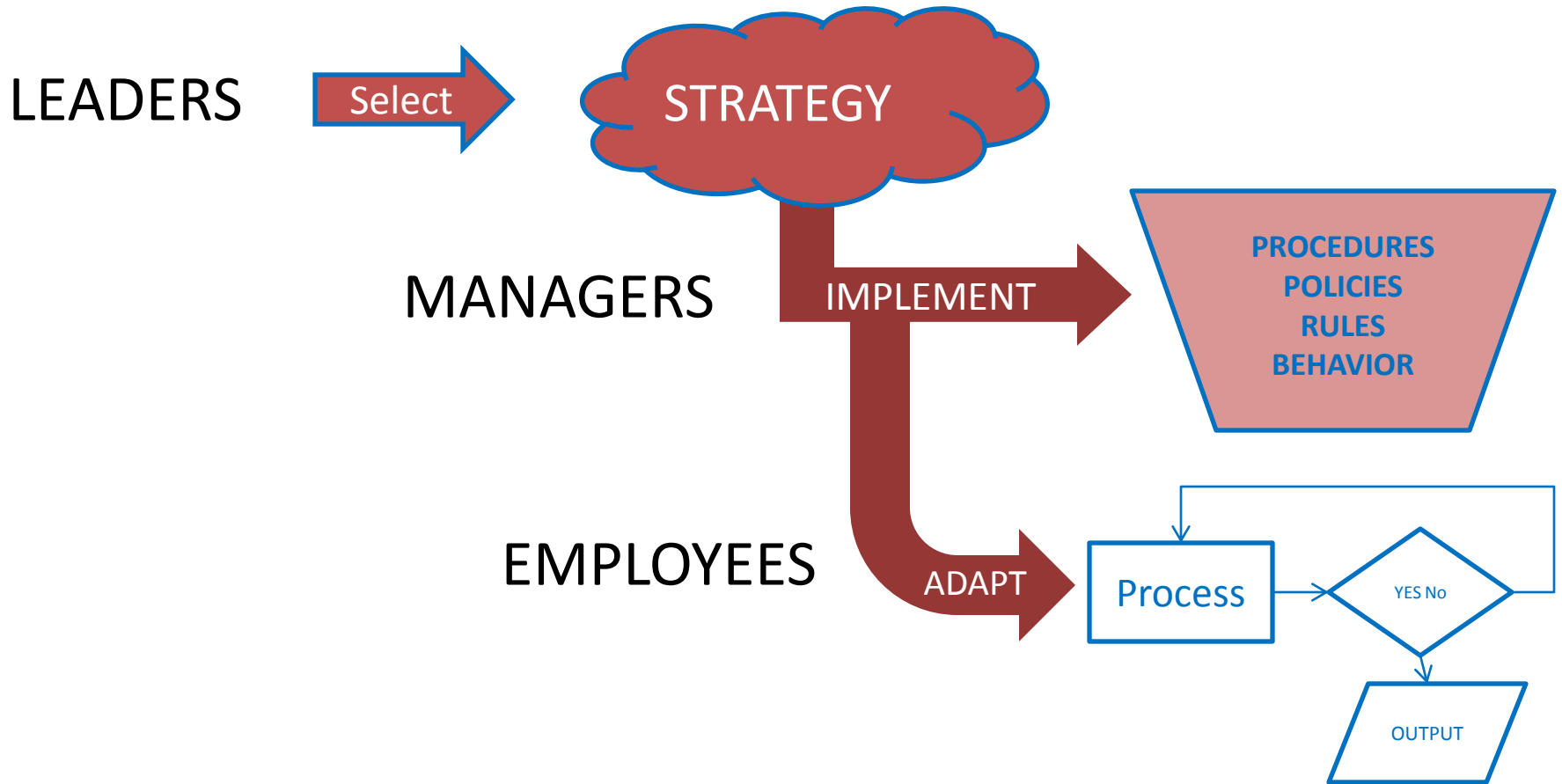
No permanent change
will occur otherwise.



CHOICES

- **Every Owner/Leader is faced with Choices and Options:**
 - **Each turn can lead to success.**
 - **Every turn can result in failure.**
 - **After every turn there is another.**

THREE PHASES



CHANGE PROCESS (STEPS)

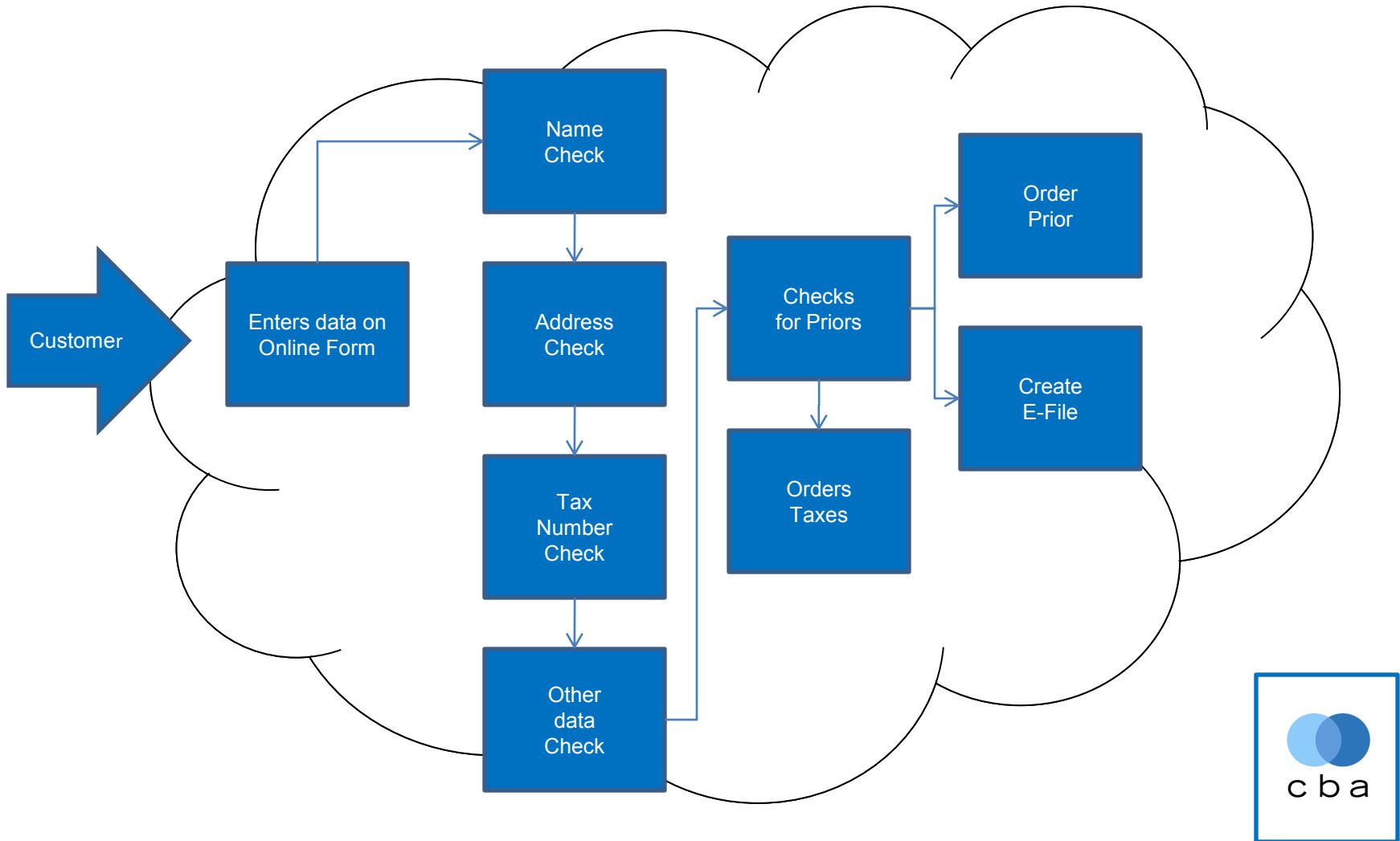
1. Create a vision for change
2. Assess the organization's readiness
3. Communicate vision / build buy-in
4. Use a design team to create a plan
5. Use a implementation team to make changes
6. Test new systems
7. Evaluate and refine



SEE THE CURRENT SYSTEM



ENVISION THE FUTURE



ASSESS READINESS

Evaluate the Readiness of each person in your organization

CONDITION	YES	NO
Does not actively oppose change efforts	✓	
Does not passively resist change	✓	
Job is secure and will follow	✓	
Will change if minimal disruption to work	✓	
Agrees with the need for change	✓	
Believes change is possible	✓	
Accepts change readily	✓	
Dissatisfied with present state		✓
No coaching or training is necessary	✓	
Able and confident	✓	
Already Changing		✓



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Already Changing		✓



COMMUNICATE THE VISION

- What you can do:
 - Create a communication plan.
 - Talk often about your vision.
 - Apply your vision to all aspects of operations – from training to performance reviews. Tie everything back to the vision.
 - Openly and honestly address peoples' concerns and anxieties.
 - Lead by example.

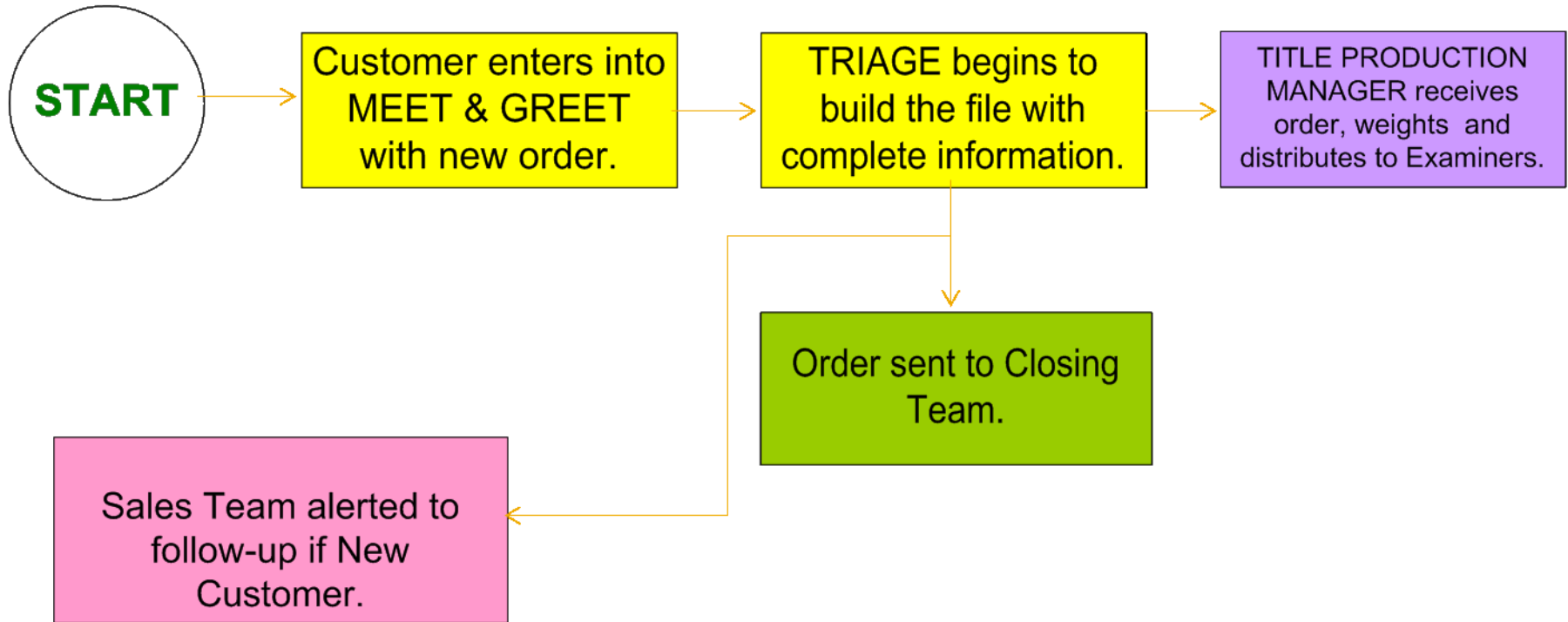
FORM A DESIGN TEAM

- Purpose
 - Examine current system
 - Plan a new system
- Select cross-sectional team
 - Team steps:
 - Choose evaluation measures
 - Map current process
 - Identify workflow issues
 - Develop new change ideas
 - Develop\map new work design
 - Develop Implementation Plan



Develop a plan

- Consider Mapping:



START SMALL

- By definition, small changes should be ones that can be accomplished with little planning, with little instruction, by just telling employees, and with little new learning.
 - For example, teaching the receptionists to answer the phones the same way. Getting everyone to answer the phone the same way.
 - Have managers conduct a monthly meeting using a template.

Test the plan

- Consider pilot test
- Compare results to baseline (how you were performing before changes were implemented)
- Track\analyze new performance\amend plan
 - fewer steps in workflow?
 - Less re-work\fewer errors?
 - Faster completion times?
 - More units produced per FTE?
 - Increases in # of orders?
 - Increases in customer satisfaction?
 - Improvements in financial performance?



REMOVE OBSTACLES

- What you can do:
 - Identify change leaders whose main roles are to deliver the change.
 - Look at your organizational structure, job descriptions, and performance and compensation systems to ensure they're in line with your vision.
 - Recognize and reward people for making change happen.
 - Identify people who are resisting the change, and help them see what's needed.
 - Take action to quickly remove barriers (human or otherwise).



Overcoming resistance

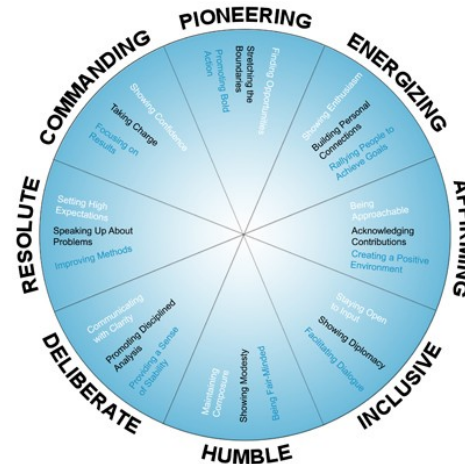
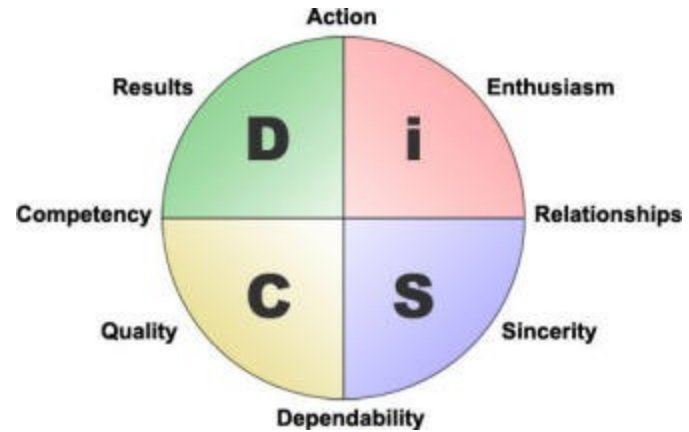
- Assess readiness
- Understand the situation
- Why is the person resisting
- Understand the person's behavior profile
- Meet the person's needs / overcome fears

FOR people

- People are genetically prepared to adapt and change
 - Born being risk takers and flight artists
 - Learn when to change
 - Learn when to resist
- Change is Situational
 - What is at risk for the person
 - Investment
 - Fear
 - Loss
 - Expectations
 - Skepticism
 - Office politics

BEHAVIORAL PROFILE

- DiSC
 - Dominant
 - Influencer
 - Steadiness
 - Conscientiousness



WHY CHANGE EFFORTS FAIL

- Leadership is delegated.
- Management is not visible.
- Communication is insufficient.
- The plans for change are conceived behind closed doors.
- Staff perceive that change is not critical.
- Options and alternatives are not fully explored.
- Change implications are not taken into account.
- Resistance to change misdiagnosed.
- Tracking is absent.
- Training and coaching needed.



START THE PROCESS TODAY

- LEADERSHIP IS A MUST
 - HAVING A PLAN HELPS
 - CREATING BUY-IN IS ESSENTIAL
- But...in the end,

CHANGE IS OFTEN ABOUT HOW YOU START

HOW YOU GET PEOPLE TO SEE A SITUATION
DIFFERENTLY AND THEN
ACT DIFFERENTLY

Change IN THE NEXT 10 YEARS

- Automate title processes
- Centralize production
- Outsource work
- Move to a paperless environment
- Move to cloud technology
- Move to mobile closings
- Use digital signatures
- Move to virtual closings
- Move to virtual offices
- Lower costs

HOW CBA CAN HELP

- Create a vision for change
- Assess readiness
- Improve communications
- Facilitate\lead design and implementation teams
- Evaluate and refine your change initiatives



FINDING THE RIGHT PATH

A GUIDE TO LEADING AND MANAGING A TITLE INSURANCE COMPANY



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Roger Lubeck, Ph.D. is President of Corporate Behavior Analysts, Ltd, and has over 30 years of consulting experience in real estate services, healthcare, higher education, manufacturing, and mental health. Roger has a Ph.D. degree in Experimental Psychology from Utah State University and degrees in Behavioral Psychology from Western Michigan University. In his career, Roger has been a business consultant, workshop leader, retreat facilitator, public speaker, speechwriter, assistant professor, researcher, parent trainer, and dog catcher. Roger is married to Lynette Chandler, a University Professor and author. Roger is the author of two published novels, To the Western Border and Bullseye, and a number of publications on customer service, leadership, management, marketing, and sales.



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Chris Hanson, Ph.D is Executive Vice President of CBA. Chris holds degrees in Behavioral Systems Analysis and Clinical Psychology from West Virginia University. He has over 30 years of consulting experience in the public and private sectors. Chris has consulted with early childhood programs throughout the U.S. including establishing integrated services for HIV infected children and their families. Since 1991, Chris has advised and coached business executives and managers in the title insurance industry. He is an avid back-country skier, loves Black & White photography, and lives in Chicago with his wife Cheriann, daughters Lindsay and Kristan, and a black lab named Sam.



CORPORATE BEHAVIOR ANALYSTS, LTD.
www.cbatld.biz

Corporate Behavior Analysts, Ltd. (CBA) is a Chicago based consulting firm providing leadership and management development. Founded in 1998 by business Psychologists, Chris Hanson, Ph.D. and Roger Lubeck, Ph.D., CBA has worked with hundreds of independent title insurance agents, the two largest title insurance underwriters, and numerous Land Title Associations. As national speakers and experts on leadership and management, Roger and Chris have consulted with small and large companies in more than fifty cities in over thirty states.

FINDING THE RIGHT PATH

LUBECK / HANSON

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A GUIDE TO LEADING AND MANAGING
A TITLE INSURANCE COMPANY

ROGER LUBECK
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QUESTIONS AND ANSWERS

What will your company
be like in the future?

