

# Understanding Risk

An Interview with Lynn Zeitler,  
Head of Special Lines, Zurich North America

**EDITORS' NOTE** Lynn Zeitler has held her current post since October 2014. Before this, she was, Head of Casualty. She received her B.A. in Economics from Northwestern University.



Lynn Zeitler

**Will you talk about your areas of focus within Zurich?**

I look after all of the special lines, which is everything that isn't property or casualty, and includes areas like credit & political risk, surety, accident & health, professional lines, and financial lines.

**Are those lines interrelated in some way?**

They're not interrelated per se, but most of them carry a bit of a special trait – many of them are very low frequency, high severity. At times, they serve niche markets as opposed to a broad, general market. Many are probably a bit more volatile and less data-driven and, because of that, the underwriting is more experiential. The underwriters doing this business typically have a lot of experience in these lines.

**Is it challenging to differentiate when service lines among companies can sound similar, and does it come more from product or from the people side?**

In insurance in general, it's challenging to differentiate on the product side, although with many of the special lines, they are typically a bit newer, so they will evolve over time. New risks emerge and the coverage needs to change in order to keep up with what our customers expect from us, which is to protect them from risk.

We're always either slightly behind or slightly ahead, but we're always moving in the same direction and our competitors are fighting to do the same.

What can differentiate a carrier, especially in these lines, is the ability to handle a claim efficiently and get the customer what they need to help them to rebound from whatever loss they have incurred, and we do that quite well at Zurich.

**Will you talk about the impact cyber has had and the commitment and focus Zurich has around this risk?**

Cybersecurity incidents have started to evolve. We started off with data security and privacy and now, with the Internet of Things, there is huge potential for new types of losses driven by cyber. At Zurich, it's almost as if we are thinking about cyber as more of a peril than a coverage.

Our commitment is to continue to analyze industry by industry to figure out what kinds of resilience techniques we can offer to our customers. We need to help them refine their understanding of their exposures, and identify where there may be gaps in coverage we need to discuss to protect them from loss related to cyber. We encourage them to create a mindset of resilience. It's constantly evolving and we are trying to ensure we – and our customers – stay as up-to-date on it as possible.

**Within special lines, are there growth opportunities or is it more so in certain segments of that business?**

There is definitely potential for growth in many of the special lines. As they continue to evolve, more customers will purchase them. Some of the special lines that exist within the industry are what we call discretionary purchases – even cyber insurance is one. Not every business out there thinks they need to buy it, which often changes once a customer incurs a loss.

As things evolve and we see more risk emerging in different areas, be it potential legislation, new types of litigation, or emerging risk within the cyber space that may impact more customers, we'll see more customers buying the appropriate coverage.

**Is there still an education process when it comes to working with the client base for these lines?**

There is always an opportunity to educate customers about some of these lines of business. At Zurich, our mission is to help our customers understand and protect themselves from risk.

With cyber risk especially, it's interesting to find out what customers are doing about it, because that helps us to manage our products and come up with new ways to provide coverage and to help our customers protect themselves.

**At what level does Zurich need to work to build the understanding on these products?**

There are certain lines of business where it's imperative we are talking with someone in the C-suite; there are other lines that are handled within other departments of the company. It also depends on the customer segment. We have many engagement points for large corporate customers. We have an award-winning customer-relationship model that is built around a single relationship leader for these types of companies. This person will help us navigate within the organization to find

the right people to talk with in order to ensure we're getting our message across to the appropriate people and providing them with the information they need to make the best decision they can for their company.

**What makes Zurich different and what has been the secret to its success?**

Of course our successful history, global reach, and financial strength. Also I think our award-winning customer-relationship model really sets us apart in terms of taking care of our customers and making sure their needs are met.

In addition, Zurich has a reputation for being a very technical company – we focus on knowing and understanding the risks we take and providing the right balance of risk mitigation services and risk transfer, to make sure our customers are protected.

I also believe the commitment we've made to our shareholders and customers, as well as to our employees and to the communities in which we live and work, sets Zurich apart among our peer companies.

**How important is it that the diversity of Zurich's customer base is mirrored within its workforce?**

Mirroring the diversity of our customer base is vital to our business. We're trying to lead the way and make a difference, because it's the right thing to do, and because it positively impacts our results and helps to attract talent. We can't be successful as a business if we don't practice diversity and inclusion.

**Will you touch on how community focus is a part of Zurich's culture?**

We've done hundreds of community projects this year alone, but it's not just about how many people we've helped or how much money we've raised – it's that any employee can bring their special interest to the forefront and be allowed to support it. It really makes people feel good that their company is supporting their efforts to help the causes that are important to them. It's an uplifting experience and makes people glad to come to work every day.

**Do young people today understand the dynamic opportunities in this industry?**

We don't do a good job of helping young people understand how interesting, diverse, and game-changing insurance can be.

Insurance is changing so much and perils like cyber and tools like big data and analytics should excite and attract young people to careers in insurance. ●