



# Iowa ChapterGram

CPCU Society Iowa Chapter March 2008

[www.cpcu-iowa.org](http://www.cpcu-iowa.org)

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## Upcoming Events

Thursday, March 27	Drake - Olmsted Center	Ethics Seminar
Tuesday, April 1	Farm Bureau	Technical Workshops
Thursday, April 17	Hotel Fort Des Moines	Writing an Effective Resume in the ever changing world of on-line recruiting Note: Election of new officers
Thursday, May 15	Blank Park Zoo	Speaker: Stan Reynolds from Reynolds & Reynolds Note: Installation of new officers

March has arrived and that reminds me of at least two things: spring is almost here (thank goodness!), and ethics awareness. March is designated as *Ethics Awareness Month* by the CPCU Society. Ethics are norms for conduct that distinguish between acceptable and unacceptable conduct. As CPCUs, we are bound by a professional code of ethics that governs our behavior. March is a time when all CPCUs are reminded to celebrate the high ethical standards we share and to promote the integrity of the CPCU designation throughout our community. Again this year the Iowa Chapter is co-sponsoring a program at Drake University that will focus on ethics. Join us on Thursday, March 27, as we hear from Scott Raecker, of the Institute of Character Development that “Character *Does* Count”. In addition to our ethics program information, look for an ethics quiz and the CPCU Professional Code of Ethics in this issue of the Chaptergram.



Last month I told you about a membership survey we had planned to distribute during the month of February. At the time I wrote my February letter, I didn't realize several of you would be receiving a survey the same month from the national CPCU Society. Therefore, we decided to postpone distribution of our survey for one month. The survey will be distributed by email during the month of March, and we hope you'll take a few minutes to complete it. We really do want to hear from you on how we can improve the programs and activities we provide. Be watching for the survey to arrive in your inbox later this month.

Did you get to hear Marsha Egan last month? If not, you may want to skip reading this paragraph so you will not have to hear what you missed! Marsha spoke to our sub-chapter in Grinnell on February 20. She also spoke at our chapter breakfast meeting in West Des Moines on February 21, and conducted a leadership training course later that same afternoon. Marsha, true to my past experience, was engaging, energetic, and entertaining. We were on our feet, we were meeting new people, we were learning, and we were having fun! I heard from several members who had attended one or more of these programs who felt Marsha was a real inspiration and provided some excellent tools attendees could use to improve their communication and leadership skills. The officers of our Chapter had an opportunity to have dinner with Marsha on February 20, and we were impressed to hear more about Marsha's remarkable career and about her work for the CPCU Society. I am glad we were able to bring Marsha to Iowa where our members were able to benefit from her vast experience.

Remember to join us on March 27 for our Ethics Awareness program. Until then, have a happy Easter and enjoy the beginning of spring!

Kevin M. Seward, CPCU, CSR

*"We ought always to deal justly, not only with those who are just to us, but likewise to those who endeavor to injure us; and this, for fear lest by rendering them evil for evil, we should fall into the same vice."* Hierocles

### James Loren Bowers, CPCU

**Occupation:** Information Technology Manager  
GuideOne Insurance



**Background:** Following graduation from Drake University, Jim began his career as an Information Analyst with the Principal Financial Group (PFG) in June 1987. Jim worked with a variety of new technologies within PFG's Retail division, performing roles of increasing responsibility in systems support of life, disability income, and annuity products. In Jim's 12+ years with the Principal he was instrumental in the implementation of client/server and web-based rating applications and PFG's use of Smalltalk and Java programming languages. In September 1999 Jim joined GuideOne Insurance as a Lead Systems Analyst charged with establishing a Java-based infrastructure for the development of web-based agency automation applications; GuideOne now has approximately two dozen web applications in support of their agents. Today, Jim manages teams in support of web development and infrastructure, enterprise content management, and data warehousing. Jim received his CPCU designation in 2007 and looks forward to getting involved in our Iowa Chapter activities. Jim is currently assisting in maintenance of our Iowa Chapter website.

**Off-the-Job Interests:** Jim and his wife Laurie keep very busy with the activities of their three children Spencer (age 15), Clayton (13), and Abbey (8). Additionally, Jim is an admitted baseball fanatic and an active member of the Society for American Baseball Research (SABR); Jim looks forward to a trip to New York City later this year to visit baseball's shrine (Yankee Stadium) before its scheduled implosion this fall!

## Tell Us What You Think! -- Upcoming Survey

Watch your emails for information about a short survey from your local Iowa CPCU chapter to determine membership needs. Help guide the chapter into the future!

We value your opinion so please take a few minutes to complete this brief survey. The survey will be available from a link on our web site ([www.cpcu-iowa.org](http://www.cpcu-iowa.org)), and results will be published in May. Thank you! We appreciate your participation in this survey.



Kathy Davoren (Board), Jonathan Grether (President), Nancy Gates (Board),  
Kris Laubenthal (Secretary/Treasurer), and Lori Walton (Vice President)

## Iowa Insurance Hall of Fame

### The Iowa Insurance Hall of Fame NEEDS YOUR HELP!!!!

This year will mark the 12<sup>th</sup> year of inductions to this organization that recognizes those who have made a mark on the insurance industry.

The Iowa Insurance Hall of Fame was formed to celebrate the fact that Iowa's insurance operations have grown to become a leading force within the industry... impacting financial services around the globe. By noting the outstanding individual contributions, which both formed the backbone of our industry and preserve its integrity today, they hope to inspire a vision of unrivaled success for the next generation of insurance industry leaders.



HERE IS THE PROBLEM.... Without nominations those that you know should be included will never be inducted. Each year someone asks why a particular "pillar" of our industry was not inducted... and the answer is simple. THEY WERE NOT NOMINATED.

So here is where they need your help. Please go to their web site at [www.iihof.org](http://www.iihof.org) and click on "Nominating Form" for starters. In addition to being a "Cover Sheet" it lists all of the types of information needed for a nomination to be considered.

Also on the web site are listed the "Board" members, and five of them are CPCU's. You may contact any one of them in you need assistance... They are Dean Brooks, Bob Conroy, Jeff Jeffus, Ted Lussem, and Susan Roberts. The dead-line for submissions is April 1, 2008 and the annual induction event will be held on May 22, 2008.

As a part of this year's induction program the first "Iowa Insurance Hall of Fame Scholarship" will be presented.

Ethics Code from bylaws amended October 7, 1990

It may be a basis for disciplinary action to commit any of the following acts:

## **Specified Unethical Practices**

1. To violate any law or regulation duly enacted by any governmental body whose authority has been established by law.
2. To willfully misrepresent or conceal a material fact in insurance and risk management business dealings in violation of a duty or obligation.
3. To breach the confidential relationship that a member has with his client or with his principal.
4. To willfully misrepresent the nature or significance of the CPCU designation.
5. To write, speak, or act in such a way as to lead another to reasonably believe that the member is officially representing the Society or a chapter of the Society unless the member has been duly authorized to do so.
6. To aid and abet in the performance of any unethical practice proscribed under this Section.
7. To engage in conduct which has been the subject of a presidential or Board of Directors directive to cease and desist.

## **Unspecified Unethical Practices**

1. A member shall not engage in practices which tend to discredit the Society or the business of insurance and risk management.
2. A member shall not fail to use due diligence to ascertain the needs of his or her client or principal and shall not undertake any assignment if it is apparent that it cannot be performed by him or her in a proper and professional manner.
3. A member shall not fail to use his or her full knowledge and ability to perform his or her duties to his or her client or principal.

## **Scholarship News for 2008: New Eligibility Guidelines!**

This spring The Iowa Chapter of CPCU will again be awarding two \$1,500 scholarships to Iowa Chapter members and/or their dependents, one of which is in honor of Ted Lussem. This has been a very successful program in the past and we are glad to continue this opportunity for a scholarship to our members.

As an additional highlight this year, we have now extended the scholarships to be eligible for graduate school work. The requirements to be eligible for the graduate scholarship are:

- Iowa Chapter of CPCU member only and
- Attending an accredited graduate college or university.

To be eligible for an undergraduate scholarship, applicants must be sophomores, juniors, or seniors attending a four-year accredited college or university in the state of Iowa and maintain an overall GPA of at least 2.75 on a 4.0 scale. Preference will go to students majoring in business and/or an insurance related area of study. NOTE: This scholarship can also be used by a current Iowa Chapter member that is pursuing a four year degree.

Please use the applicable form that is available on our website at [www.cpcu-iowa.org](http://www.cpcu-iowa.org). Applications should be mailed to Casey Fett by Friday, March 14, 2008.

1. Which of the following has been found to be a true statement regarding ethics and the insurance industry?
  - a.) On average, insurance practitioners are more likely to act unethically in business practices than in purely personal situations.
  - b.) More than 50 percent of people in business indicate having observed one or more unethical or illegal acts in the past twelve months.
  - c.) Insurance practitioners believe that management's emphasis on the bottom line is one of the main factors leading to unethical decision-making.
  - d.) All of the above are true statements.
  
2. A strong organizational culture is one in which there is a high expectation of conformity with the organization's beliefs, values, and purpose. All of the following are true statements regarding organizational culture EXCEPT:
  - a.) In general, members of organizations having strong cultures are more likely to act ethically.
  - b.) In general, members in organizations with weak cultures are more likely to base their ethical decisions on the norms and values of small groups within the organization.
  - c.) In general, members of large organizations feel less responsibility for their actions than those in small organizations.
  - d.) In general, higher level employees have less ethical beliefs and their ethical decision-making is less than lower level employees.
  
3. Which one of the following statements has been found to be true?
  - a.) In general, publicly held (stock) companies are more ethical because of the external scrutiny they receive.
  - b.) In general, mutual insurance companies have made their codes of conduct more prominent and ethical attitudes more positive than stock companies.
  - c.) There is no relationship to ethics and organizational ownership.
  - d.) Over the long run, the most successful companies have focused first and foremost on profit maximization.
  
4. All of the following are true statements EXCEPT:
  - a.) Individuals see themselves as more ethical than their coworkers or supervisors.
  - b.) The ethical behavior of supervisors strongly influences the ethical behavior of their subordinates.
  - c.) In general, supervisors' and management's actions have little influence over individuals' ethical behavior because individuals form their ethical values outside of the work environment.
  - d.) Supervisors who are successful performers have greater influence over their subordinates' ethical behavior.
  
5. Which one of the following is a true statement?
  - a.) Most employees report that a company's ethical position is stated in their training courses.
  - b.) The existence of a formal code of ethics is a strong deterrent to unethical behavior.
  - c.) The awareness of a formal code of ethics is a strong deterrent to unethical conduct rather than just the mere existence of one.
  - d.) The most successful ethical training programs are ones that emphasize how to make ethical decisions rather than setting clear, uncompromising rules.

*See page 7 for answers to this quiz.*

The following states the answers to the quiz questions along with the names of the research studies.

**Answer Q1. (d)** All of the above are true statements. (a) is based on research by Eastman, Eastman, and Eastman 1996; (b) is American Society of CLU and CFC Ethics Officer Association); (c) Cooper and Frank, 1991. People with high ethical values in their personal lives may act unethically in their business practices because of what is expected and rewarded in their work. (Reilly, Kij 1990)

**Answer Q2. (a)** A strong culture can lead to more ethical behavior if the culture's values and purposes are ethical but it can also lead to conformity of unethical behavior. (Diacon & Ennew, 1996); (b) is true (Trevino 1986); (c) is true because responsibility is more diffused in large organizations (Ford & Richardson, 1994); (d) (Ford & Richardson 1994)

**Answer Q3. (b)** (Diacon & Ennew, 1996). (d) this is one of the myths exposed in the book by Jim Collins entitled *Built To Last*. In a study of the most successful and enduring companies in America, 17 out of 18 companies were more ideologically driven, and less purely profit driven than their peers. Contrary to business school doctrine, what drives a company is its belief that it provides a value and makes some contribution to society. Maximizing shareholder wealth, or profit maximization, has not been the dominant force for visionary companies. Instead they pursued a cluster of objectives. Making money was only one, and not necessarily the primary one. They are equally guided by a purpose and core values beyond just making money. Profits are what sustain the life of an organization, but they are not what drive the organization to succeed in the long run.

**Answer Q4. (c)** is the only one that is not true. Countless studies show that although some core values may not change, most values and ethical standards of conduct are influenced by supervisors and management actions; (a) is true (Tyson 1992), people judge themselves by their intentions and they judge others by their actions. (Cooper, 1996); (b) Nel & Watson, 1989, Cooper & Frank, 1992); (d) True, (Javidan, Memmels, Devine & Dastmalchian).

**Answer Q5. (d)** As in other training in other aspects, training on how to make decisions is more effective in changing behaviors than training that sets out lists of rules to abide by. (Mahoney, 1997); (a) less than half of employees state that their company's ethical position is stated in training; (b) The existence of a formal code has no relationship on ethical behavior. (Weaver, Trevino, Cochran, 1999) Enron, for example, had an award-winning 79 page Code of Conduct. (c) Unfortunately, awareness by employees does not affect their behavior either. (Kohut & Corriher, 1994, Vitell, 1997). However, clearly communicated and strongly enforced guidelines do make a difference. (Laczniak & Inderrieden, 1987).

*Thank you to our National Governor, Jim Jones, for providing this ethics quiz to the CPCU Society.*



# April 1, 2008 West Des Moines, IA Registration Form

- Yes— Please register me for “*The 2007 Commercial General Liability Policy*” workshop on April 1, 2008, in West Des Moines, IA (7CGL040108)
- Yes— Please register me for the “*Commercial Property Policy Changes*” workshop on April 1, 2008, in West Des Moines, IA (CPP040108)

### Four Easy Ways to Register:

- **Online** at [www.cpcusociety.org](http://www.cpcusociety.org).
- **Call** (800) 932-CPCU and select option 4 to speak to our Member Resource Center.
- **Fax** registration form to (610) 251-2780.
- **Mail** registration form to the CPCU Society at the address shown below.

\_\_\_\_\_  
Name (Mr./Ms.) Company

\_\_\_\_\_  
Street City/State/Zip

\_\_\_\_\_  
Phone Fax

\_\_\_\_\_  
Name on Badge E-mail

### Please pay registration fee in advance.

CPCU Society members:	\$69 for one workshop	\$ _____
	\$138 for both workshops	\$ _____
Farm Bureau employees:	\$79 for one workshop	\$ _____
	\$158 for both workshops	\$ _____
Nonmembers:	\$99 for one workshop	\$ _____
	\$198 for both workshops	\$ _____
<b>Total</b>		\$ _____

**Cancellation Policy**  
Your registration fee less \$20 will be refunded if notification is received at the Society two weeks prior to the program.

- Check enclosed payable to: **CPCU Society**
- Charge my credit card:  MasterCard  Visa  American Express  Diner’s Club

\_\_\_\_\_  
Account Number Expiration Date

\_\_\_\_\_  
Name as it appears on card Signature (required)

### Questions:

Call the CPCU Society’s Member Resource Center at (800) 932-CPCU, option 4.

### Send registration to:

CPCU Society, 720 Providence Road, Malvern, PA 19355

**Phone:** (800) 932-2728, option 4      **Fax:** (610) 251-2780

# ETHICS DAY – 2008

Kelley Insurance Center – Drake University

In cooperation with

*The Iowa Chapter, CPCU Society;*

*Society of Financial Service Professionals; and*

*National Association of Insurance and Financial Advisors – Central Iowa*



**DATE:** Thursday, March 27, 2008

**LOCATION:** Olmsted Center ♦ Drake University ♦ 29<sup>th</sup> & University ♦ Des Moines, IA 50311

**AGENDA:** 7:45 — 8:25 AM Registration & Continental Breakfast

8:25 — 8:30 AM

**Welcome by Master of Ceremonies**

**Bruce Kelley, CPCU, CLU**

**CEO, EMC Insurance Companies**

8:30 — 9:20 AM

**“Character DOES Count: Ethics in the Workplace”  
PART ONE**

**Scott Raecker, Executive Director, and Staff  
Institute for Character Development, Drake University**

◆ ◆ B R E A K ◆ ◆

9:30 — 10:20 AM

**“Character DOES Count: Ethics in the Workplace”  
PART TWO**

◆ ◆ B R E A K ◆ ◆

10:30 — 11:30 AM

**“Character DOES Count: Ethics in the Workplace”  
PART THREE**

**RESERVATIONS:** Registration and payment must be received by March 20, 2008.

**COST:** The program including three hours of Ethics CE and Continental Breakfast **\$45.00**

**PARKING:** Parking in the Olmsted Lot will be validated at the Registration Table

## QUESTIONS?

Doug Ireland (515) 271-2133  
[doug.ireland@drake.edu](mailto:doug.ireland@drake.edu)

Clark Smith (515) 279-2185  
[clark@membermgmt.com](mailto:clark@membermgmt.com)

Jody Ochsner (515) 345-2456  
[jody.i.ochsner@emcins.com](mailto:jody.i.ochsner@emcins.com)

## **“Character DOES Count: Ethics in the Workplace”**

**J. Scott Raecker, Executive Director, Institute for Character Development, Drake University**  
**Eric D. Martin, Director of Outreach, Institute for Character Development, Drake University**

Ethics is not only a requirement for renewing your producer's license, it is an integral part of all that we do. Each of us has a code of ethics that we live by. Our respective associations and organizations all have some type of code of ethics or professional code of conduct to which we adhere as members in good faith. Many of our agencies and companies have adopted a standard code of professional and/or ethical conduct in the workplace. In recognition of these facts, the sponsoring organizations have contracted with the Institute for Character Development at Drake University to conduct this three-hour workshop to explore ethics in our world of insurance, risk management, and financial services. This interactive workshop takes a look at how to approach the ethical dilemmas we all face. Through a series of thought provoking exercises, participants will learn about making ethical decisions as they relate to the Six Pillars of Character: **Trustworthiness, Respect, Responsibility, Fairness, Caring, and Citizenship**. Demonstrating good character and making good decisions in the workplace has a direct impact on your customers, employees, business, and community.

## **Character Counts everywhere all the time!**

**PLEASE NOTE: THIS PROGRAM HAS BEEN SUBMITTED TO THE IOWA INSURANCE DIVISION FOR THREE HOURS OF ETHICS CONTINUING EDUCATION CREDIT.**

Ethics Day – 2008 Registration Form
Kelley Insurance Center ♦ CPCU ♦ NAIFA ♦ SFSP

Name \_\_\_\_\_
First MI Last

NPN# \_\_\_\_\_

Official [Home] Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Company/Agency \_\_\_\_\_

Company Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Ph: Office \_\_\_\_\_ Home \_\_\_\_\_ Fax \_\_\_\_\_

E-mail \_\_\_\_\_

I am a member of: [Check only one]

- ☐ CPCU ☐ NAIFA – Central Iowa ☐ SFSP ☐ NAIFA & SFSP ☐ UNAFFILIATED

I will be attending the following: [Check only one]

- ☐ \$45 – includes continental breakfast and three hours of CE

♦ Registrations received after 03/20/08 and at the door will be charged a \$10.00 Late Fee ♦

I prefer to pay by: ☐ Check – payable to NAIFA – Central Iowa ☐ VISA ☐ MasterCard

Card # \_\_\_\_\_ Exp. Date \_\_\_\_\_

Name \_\_\_\_\_

Return the completed registration form with payment by 3/20/08 to
Clark Smith, Member Management Group
4507 Grand Avenue
Des Moines, IA 50312

Phone: (515) 279-2185 Fax: (515) 271-2187 E-mail: clark@membermgmt.com

\*Cancellation Policy: Full refund will be made if cancellation is received
in writing by Thursday, March 20, 2008.



## 2008 CPCU Events

Thursday, March 27, 2008	Drake - Olmsted Center	Ethics Seminar
Tuesday, April 1, 2008	Farm Bureau	Technical Workshops Speaker: Bryan Tilden
Thursday, April 17, 2008 11:30-1:00	Hotel Fort Des Moines	Speakers: Katie Roland, HR Specialist and Mekenze Bishop, Senior Recruiter Topic: Writing an Effective Resume in the ever changing world of on-line recruiting Note: Election of new officers
Thursday, May 15, 2008 11:30-1:00	Blank Park Zoo	Speaker: Stan Reynolds from Reynolds & Reynolds Note: Installation of new officers
Thursday, June 5, 2008	Copper Creek Golf Course	Golf Outing

## Lussem 50th Anniversary



Ted and Sherrie Lussem  
Celebrated their 50th Wedding Anniversary  
on February 8, 2008