

BELRIM ladies – 22.1.2015 – experience in risk & Insurance management and tips and tricks or do's en don't's

A person's life is made up of 3 phases:

1. Training: learning phase
2. Career: active phase
3. Phase of giving back to community

Let's start with my first phase.

I am born in a Flemish family as 4th child, 1st girl in a family of 6. As child I loved to accompany my dad in his political duties and learned from him how to discuss and negotiate even in difficult environments, so my first dream was to become a diplomat, travelling around the globe. But as I seemed to be gifted with a more mathematical knot my studies in economics at KULeuven went more in the quantitative direction, (with operations research and finance as my preferences). In my time girls were allowed to study, but were not expected to work afterwards and had to become family managers!! And my father granted me only one year of study if I did not succeed. Result was that I studied hard and obtained a high degree, so that I could continue my studies.

Phase 2 career:

After my basic studies (Master in applied Economics) I married and moved to Ghent, where I started working at the Vlerick center of that time. (seminarie voor productiviteitsstudie en – onderzoek), teaching linear programming and others. I did not accept an offer from my Operations Research Professor at KULeuven to make a PhD in Operations. In 2 years' time we became the proud parents of 2 lovely daughters and work was cut down to parttime work as system analyst at Cevi (Centrum voor Informatica –Gent)

As my husband started his career at a Kortrijk hospital, we moved to Kortrijk and got another daughter. So my husband thought it was time to stop working and become a family manager. I renegotiated this after a year and became assistant at KUL campus Kortrijk in the faculty of Law. At the same time I started my **PhD in Finance** in Leuven (otherwise contract at KUL campus Kortrijk limited to max. 6 years). After having my 4th child, a boy! I obtained my PhD and was the first woman to obtain a PhD at the Faculty of Applied Economics of the KULeuven . During that time at university I could train young people in economics and read and focus on more financial aspects of business.

After some years of teaching as a professor and writing courses for the Law bachelor students, I missed new challenges and I exchanged my academic career as professor for the challenge of international business.

Tip1: I was able to build my family during a more fundamental period of study, which was easier to combine;

Tip 2: when you do not see the result of your investment (mine was fulltime professor), reflect, evaluate, look at all alternatives and are not afraid of taking strong decisions.

Tip 3: do not focus on the past, do not complain, but look at the broad future

**“A stumbling block to the pessimist
is a stepping-stone to the optimist.”**

~ [Eleanor Roosevelt](#)

(Personal reflection on family equilibrium: as my husband was working very locally I thought it was good for our children to open the world to them by working more internationally)

So I joined Bekaert in 1985 in the small insurance department with (my personal) goal to extend it into a global approach and to bring risk management in (as my master study work and PhD was more focusing on the asset portfolio I wanted to concentrate on the risk portfolio). I knew I needed to update my legal & insurance knowledge and went back to **study 2 years at UCL**, where I met my previous students.

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Tip 4: don't be afraid to take drastic decisions in your career, but be ready to take all the consequences of it.

Bekaert was growing rapidly and internationally, and there was a need to find the right insurances for all these international plants, not so easy often, certainly not in the USA (liability crisis). When I started there was only one person treating the insurances of some of the Bekaert companies in Belgium. No real insurance management, no risk management. So I started listening to the outside world, insurers, brokers, and my professors at UCL, and I became member of Belrim.

Tip 5: training and continuous development is and stays very important together with building a good international, broad and diverse network.

A first step was to build **global insurance policies at the broadest possible level**. Therefore I not only needed to **convince top management** internally but also sometimes build new solutions with insurers, like the world wide credit insurance solution where the insurer built a new co-operation in China to realise the global approach. The first ones (transport and property) were the easiest as they realised a big cost reduction and extension of coverage. Top management is very interested in these cost reductions, and financial translation of your risk solutions and evolutions. But I also convinced to use some of these cost reductions to build a risk control system in these risks and start risk management.

Most important is to get the **co-operation of local management** as they will lose some direct contact with their local insurers. Here I feel that as a woman we know that we have to look at negotiations from both sides and help to convince our partners with arguments they find important.

Tip 6: listen to your colleagues (all over the world,) take the time needed to discuss proposed solutions, and find win-win solutions. (some projects take time, e.g. 3à4 years, but be patient and persist)

Important also was to keep the global cost of risk for Bekaert under control and therefore an **own reinsurance company** was built to capture the working layer of risk in some cases, create an extra layer in others, ... This took again 4 years and was realised in 2 phases (success after one failure).

In order to build further the real risk management an **easy organisational structure** with simple internal and external communication lines was conceived with local technical responsible persons and financial managers reporting on risks. Reporting was organized through existing structures (management committees and executive committee).

Tip 7: find simple solutions and good internal co-operation

Tip 8: important to bring people together, work in team and lead (which is really something ladies are specialised in (dixit McKinsey)) as the RM process is really team based and more collaboration is needed the further the process is realised.

A lot had to be changed and could only be realised after convincing top management. This important communication process was built on 'facts and figures' so several risk management databases were built and successfully used to convince managers and create change.

As on the way corporate strategies were and are continually changing (process mgt, process re-engineering, out- and insourcing, ..) risk management has to capture these and has to be integrated within the **broader strategic framework**. In a changing world I also was involved in all **M&A and divestments** from the start of the projects. So Risk Management has to move up in rank. I became group risk manager and member of the finance committee reporting to the CFO functionally and to the CEO on risks.

Tip 9: be aware of what is changing in your company and convince your bosses of the need of right involvement and place of risk management.

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The success in risk management is linked to staying flexible: deal with **different cultural risks** (Brazil, China, Czech Republic, Turkey,..), deal with different business segment needs (large business (SC) versus SME's (new materials))

As already said **communication** is key. This has to be adapted to the situation and the type of person internally. Good external communication with partners (insurers, brokers, lawyers, loss adjusters, ...) is also key to get the right product and the right service at the right time. That is why I always have been active in the risk management associations BELRIM (president 1994-2005) and FERMA (president 2005-2009).

Tip 10: to grow in risk management exchange of views between colleagues and partners is crucial and has to be organised, so membership of associations is of utmost importance and has to be positively valued by your company, sometimes effort needed.

Important is also that **risk management training** is becoming more and more important. Within our risk management department we built a lot of internal training sessions. Also outside Bekaert and since end of the 90's I have been teaching risk management and enjoyed exchanging views.

As Bekaert has (or had?) a 60 year pension rule, I left the company when I was 61.

Arriving in **the third phase of my life** I had the opportunity to work at Vlerick business school and promote risk management research in different departments (operational management, IT, performance, finance ...). Soon I was involved in **practical project management at FERMA** where I support the projects headed by board members, for the moment I am involved in the certification project. In 2012 I became a **board member** at Belfius Bank and Belfius Insurance, where at Belfius Insurance CRO and CFO are young ladies. Next to my other board memberships at Vinçotte and Partena this keeps me quite active. At all these boards my focus is global and practical risk management and strategy in a changing world where risks, e.g. IT and cyber risks, are changing rapidly and increasing every day. Teaching at a business school in Paris and assisting MBA students in their professional project gives me the opportunity to **coach young people** and transmit my love for risk management. And I hope I will have a lot of time to continue coaching young managers!

And to conclude:

Each career is different: different person, different family situation, different time, different sector, different bosses, different environment, ... You have to consider where you come from, where you are and where you want to be in 5 à 10 years' time, and look not only inside your existing work environment, but into the broader world. There are lots of opportunities out there!

**“If opportunity doesn't knock,
build a door.”**
~ Milton Berle

**The only place where success comes before work
is in the dictionary.”**
~ Vidal Sassoon

I wish you all the luck in your further careers!

MGD

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