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Don't settle for Average, strive for Chubb

By HARVEY MACKAY

Mediocrity is not an option if you want to be in business forever.

And at Mackay Envelope Co., that's exactly what our motto is: "To be in business forever." Sure, that's a pretty ambitious goal, but we're completely serious about it. So should any company that wants long-term success.

In contrast, a friend sent me an amusing story about the fictional "Average Co.," a tale I'm sharing because, if you're getting bored with excellence and want to settle for just doing a pretty good job, you may want to apply for a job there.

At Average Co., the corporate vision is "To be no worse than any other company"; the value statement is that "the greatest labor-saving device of all is tomorrow"; and the sales goal: "To match last year's sales goals, if it works out."

My favorite is its management philosophy: "To not make a decision is to make a decision." It's a philosophy I'm betting many of you have encountered at least a few times — either with businesses or in personal dealings with people.

To be fair, any company has a few good years and the occasional bad year. Most companies, if well-managed, can weather the storm and bounce back strong and healthy. But those that don't survive were probably just a little lucky during the good years.

I'm of the opinion that you

make your own luck. I'm fond of the saying, "The harder I work, the luckier I get."

I study companies with reputations for excellence — I want to know what values, corporate culture and philosophy underpin them. One that stands out is Chubb, the insurance giant. Chubb gets rave reviews from those friends of mine who are independent insurance agents and brokers selling its products. Policyholders sing its praises and recommend Chubb to others. CEOs extol the coverage and service they receive with Chubb's corporate policies.

Chubb's commitment to integrity, promptness, courtesy and empathy has come a long way. What began in 1882 as a small marine underwriter is today an international insurance titan with assets of \$25 billion.

Chubb is known for its low employee turnover. Their employees tend to stay with them for years, often for their entire careers. That's a remarkable feat considering Chubb has more than 11,000 employees worldwide in 31 countries in 135 offices. They have a Quarter Century Club for employees — and it's crowded.

Their corporate recruiting philosophy, for employees, is to find and retain the best and the brightest. They preach personal accountability to all employees, no matter where they rank in the organization, and they pride themselves on their high level of

employee compensation. They also constantly and thoroughly monitor the performance of the independent agents and brokers who sell their products.

Chubb instills in all its employees and independent agents and brokers their core belief that insurance is more than a policy. Since its earliest years, Chubb has underscored the importance of providing superior service at all times. The company is legendary for the speed with which it processes and pays all valid claims.

All Chubb people have the company's culture impressed upon them. They are trained to embrace innovation and to value risk-taking. They are constantly reminded that each and every contact with a customer could be the last if their service does not exceed the customer's expectations.

Chubb's goal is not to be the biggest insurance company in the world. It's greatest emphasis is striving at all times to be the best at what they do. They want to be the pre-eminent specialty global property and casualty insurer.

Nobody will ever confuse Chubb with the Average Co.

Mackay's Moral: There's no traffic jam on the extra mile.

Harvey Mackay is author of the New York Times best seller "Pushing the Envelope" (Ballantine Books). He can be reached through his Web site: www.mackay.com; or Mackay Envelope Corp., 2100 Elm St., Minneapolis, MN 55414.



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