

# The Strength of Diversification

An Interview with John F. Barrett, Chairman, President, and Chief Executive Officer, Western & Southern Financial Group

**EDITORS' NOTE** As Chairman, President and Chief Executive Officer of Western & Southern Financial Group (Western & Southern), John Barrett serves on a wide range of boards and is highly active in the business and nonprofit communities. He joined Western & Southern in 1987 as its Chief Financial Officer. He was named President in 1989, Chief Executive Officer in 1994, and Chairman in 2002. Barrett serves on the board of directors of Cintas Corporation with past board memberships that include The Andersons, Inc., Cincinnati Bell, Convergys Corporation, Fifth Third Bancorp, and Touchstone Investment Trusts. He is a director and past chairman of the American Council of Life Insurers, a member of The Business Roundtable, a member of The Financial Services Roundtable, and a trustee for Americans for the Arts. He also serves as a member of the Board of Overseers for the Hoover Institute at Stanford University. He is past president of the Association of Ohio Life Insurance Companies and a member and past chairman of the Ohio Business Roundtable. An active leader in the rejuvenation of downtown Cincinnati, Barrett launched the United Way Women's Leadership Council to increase giving among top female contributors. He also founded The Herbert R. Brown Society in Cincinnati to encourage greater African American engagement with the local United Way. Dozens of Cincinnati area organizations and community causes benefit from his civic leadership. Currently, he is spearheading a \$100 million+ fundraising campaign to help the University of Cincinnati's Barrett Cancer Center and other members of the Cincinnati Cancer Consortium pursue National Cancer Institute designation for cancer research excellence.



John F. Barrett

**How do you define Western & Southern Financial Group's mission and purpose?**

We strive to help our customers achieve their financial goals along life's journey, whether that's protecting their loved ones when they're gone, preparing for retirement, and helping them reach their financial goals and dreams. That's our simple, high-level mission, and it is top of mind across our enterprise. Of course, the way we accomplish it is a bit more complicated, and we believe that's what sets

us apart.

**What have been the keys to Western & Southern Financial Group's industry leadership and how do you describe the Western & Southern difference?**

When you look at all of the businesses in our financial group together, you'll notice that they're very different. They operate differently, focus on different types of customers and financial solutions, and their expertise lies in different areas – investments, retirement, life insurance and annuities, and real estate.

But while the differences are by design – diversification is our strength – what our businesses share and how they fit together is the foundation of Western & Southern Financial Group. They each contribute in different ways to what has long been one of the strongest balance sheets in our industry. There's an intense commitment to providing superior

service to our customers. And there's a deep focus on our workplace culture – investing in the growth of our associates, and ensuring that this remains an ideal place to build a career.

Put all of that together, and you get what we feel is the strongest, most secure financial services company in the industry.

**Will you provide an overview of Western & Southern Financial Group's service offerings?**

On the service side, we offer life insurance, retirement planning, investment advisory, small business solutions, and pension risk transfer. Our products fall into four main categories – life insurance, annuities, investments and the "additional insurance" category, which includes accidental death, critical illness, Medicare supplement, and disability income.

**How is technology impacting Western & Southern's business and will you highlight the company's investment in technology?**

Information Technology is one of our larger departments at Western & Southern. It never ceases to amaze me just how much ground our IT team covers.

If we're going to single out one current area of emphasis, it has to be cybersecurity. We've invested heavily in it, and there's a great deal of attention being paid to it. Our associates are constantly undergoing trainings and tests, and we invest time and resources to ensure our associates are informed and prepared. It's imperative that we take this seriously and remain vigilant in order to protect our clients

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**COMPANY BRIEF** Western & Southern Financial Group ([westernsouthern.com](http://westernsouthern.com)) is a Cincinnati-based diversified family of financial services companies with assets, owned and managed, of more than \$100 billion. Western & Southern is one of the strongest life insurance groups in the world, with a capital-to-asset ratio more than double the average of the 15 largest publicly traded life insurers doing business in the United States.

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and their information. Our incident response team and our processes are the best in the industry.

We take a thorough approach to the many questions technology requires companies to ask themselves. How do we stay on the cutting edge in a particular area? What technologies exist that we need to explore? How do we protect ourselves and our customers? How do we retire legacy technology and manage efficiencies with new solutions?

As with all areas of our company, it always comes back to how we can best serve our customers. We invest heavily in technology because it's critical to how they expect to do business with us. We want them to have a smooth and efficient experience – that's ultimately what technology helps us achieve.

**How critical is innovation to Western & Southern's business and where is innovation taking place in the company?**

Innovation is taking place across our entire enterprise. If you're going to maintain an intense focus on providing value to all stakeholders – our stated objective – efficiency and innovation are critical.

When you hear the word “innovation,” you probably think of technology, and there's certainly no shortage of that kind of innovation at Western & Southern. But we also have multiple departments that are dedicated almost entirely to using innovation and maximizing efficiency, whether that impacts our customers, our associates, or both.

An example of this is a team we created to implement new technology and establish new processes. Over the years, we have acquired a number of companies and also built new ones. Through this initiative, we are creating more consistency across different lines of our business so that our customers, producers and associates have a smoother experience. It involves standardizing processes, integrating and consolidating data, and in general simplifying the way we interact with our systems and each other. Why is this critical? We know that to continue thriving in a highly competitive and ever-changing industry, we must keep adapting. A while back, we established a Strategic Venture Capital Team

to look at investments in Insurtech and Fintech firms. Firms like these are mostly start-up companies focused on financial services solutions for consumers in banking, budgeting, financial planning, investing, life insurance and retirement. By partnering with these companies, we can explore new technologies and use the learnings to inform our long-term strategy. The opportunities ahead for us are great. To be successful, we must keep growing our client base, building our capital base, providing first-rate products and solutions, and continuing to enhance the experience we deliver to our customers.

**What do you see as Western & Southern's responsibility to be engaged in the communities it serves and to be a force for good in society?**

We're committed to serving the communities in which our associates live and work. Of course, some of our most notable community efforts over the years have been centered in Cincinnati. It really is hard to beat all that this place has to offer – sports, entertainment, parks, history, location, the business community, the arts, our culinary and brewery scenes, our thriving downtown. We love this city.

Western & Southern's work in Greater Cincinnati takes many forms, whether it's development, charitable donations, or serving as title sponsor of the W&S Open tennis tournament. As a matter of fact, we just received the results of a study – conducted by the University of Cincinnati's Economics Center – detailing Western & Southern's economic impact on Greater Cincinnati. From capital expenditures to jobs to tax revenue to charitable giving, the impact is huge – more than \$27 billion in just the last 15 years. But the key point is not the number – it's the meaning behind the number. Consider the difference one highly successful and properly focused company and its people can make. We are all called to do our part. This is a vibrant place, and we feel it's our duty to not only keep it that way, but also to shine a light on it and help it grow.

**What do you feel are the keys to effective leadership and how do you describe your management style?**

In my experience, building and maintaining the right culture has been the most

significant driver of our success at Western & Southern. You can get a real sense for it when you walk our hallways, eat in our cafeteria, or sit in our meetings. There's a camaraderie and genuine sense of togetherness. It's a point of pride here. We spend a lot of time together and ask a lot of each other, but we all care for one another on both a personal and professional level. Our company aims to hire good-natured and team-oriented people, and we've found that when you get a group of those kinds of individuals working and collaborating together, great things happen.

My role has been to foster that culture. There's a standard to uphold here – one that dates back 135 years – and part of being a leader is ensuring that associates are accountable to that standard. But when you have the type of people that we do, a lot of your effort as a leader involves letting them know that they're appreciated, removing the barriers in their way, and reciprocating their hard work and loyalty. We're one of the last remaining Fortune 500 companies to offer a pension. Our home office associates can enjoy breakfast and lunch in our cafeteria at no cost to them. We have a workout facility on site. We maintain an award-winning talent development program to help our people grow. The list goes on. It's my job to maintain Western & Southern's high standards while allowing the wonderful talent and dedication of our associates to impact our company's growth.

**You joined Western & Southern Financial Group over thirty years ago. What has made the company so special for you?**

The people. I've been lucky to work with so many special individuals over the years who have not only had a profound impact on our company, but who also hold a special place in my heart on a personal level. To work alongside those kinds of people as our company grows and reaches new heights, that's extremely rewarding. I'm incredibly grateful for the people around me.

**What do you tell young people about the type of careers the industry offers?**

The financial services industry offers such a wide range of opportunities, particularly with a company like ours that puts so much emphasis on innovation and growth. Our largest and fastest-growing area at Western & Southern is the Information Technology department – that probably wouldn't be your first guess for a financial services company, but it's true. There's so much opportunity here just within that one department.

I came up through the ranks in finance, so of course I'm proud when I see the types of careers and opportunities available now in that area. There's never been a better time for a career in finance. But you look around and it's really that way across the board in our industry – investments, sales, communications, marketing, legal, human resources – you name it. There's something for everyone. Western & Southern is constantly growing and innovating, and that allows for even more opportunity. I might be partial, but this is a truly outstanding place to be. ●