

## How one woman's first job in insurance is as a CEO

by [Gerv Tacadena](#) 26 Jul 2018

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Many insurance professionals can attest to the fact that there is no definite timeline one should strictly follow to thrive in the industry. If there's anyone who can truly stand witness to this claim, it is Pamela Davis (pictured) of Nonprofits Insurance Alliance.

Davis was not raised with a silver spoon - her parents' biggest aspiration for her was to have a happy marriage and kids, to which Davis said, "I failed on both counts!" After high school, she took several jobs, trying to find where she truly belonged. Without a college education, she spent time in Harlan County, Kentucky, as a substitute grade school teacher and a hand weaver. Time passed and she decided to start her own business: a natural food store in Ohio. In her 30s, as if living as carefree as before, she took a cross-country road trip with her 18-year-old boyfriend, ending in Santa Cruz, California. Little did she know that this is where she would start making her mark on the industry.

Davis took a leap of faith when she decided to enter the University of California. With her will and determination, she was able to earn a degree in Economics with the highest honours in her mid-30s. She then pursued higher education, receiving her Master's degree in Public Policy from UC Berkeley where she wrote a thesis exploring the difficulties non-profits were having in finding liability insurance.

With her study, Davis discovered that insurance companies have an unwarranted influence on what social services could be offered by non-profits due to insurance underwriting restrictions. She wanted non-profits to be well-served by their insurance company.

For two years, Davis tried to paint her canvas with all the ideas running through her head. After many trials and errors, Nonprofits Insurance Alliance of California (NIAC) was born, giving Davis her first insurance job: as CEO.

*Insurance Business* had an insightful discussion with Davis about her firm, the initial hurdles it had to overcome, and its greatest achievements so far. In this exclusive interview, Davis also shares her view on how women can break through the glass ceiling.

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**Tell us briefly about your company and its role in the insurance industry. What makes it different from other companies in the same space?**

We are a group of cooperative insurers—risk pool, RRG and captive, all of which are 501(c) (3) charitable non-profits themselves. We are governed by our 18,000 member-insureds in 32 states and are public benefit organizations, just like the non-profits we serve.

Started with a \$1 million loan from foundations led by the Ford Foundation, our group is nearly 30 years old. We pride ourselves in providing free loss control and risk management services, as well as continuity of pricing and coverage. Because of how they are funded, non-profits are not able to accommodate significant price swings, therefore steady pricing is one of our key commitments that has helped to keep our member retention rate at 95%. We are known for writing new ventures since part of our mission is to support the overall non-profit sector, which itself is often on the forefront of social change. We were also the first to offer a form to specifically cover sexual abuse liability.

**What are some of the challenges your company has had to face over the years and what are its greatest achievements so far?**

Challenges? It's hard to know where to start. We began with a \$1 million loan for capital and \$40,000 in the bank so we had no margin for error. And then, the day we moved into our office to start operations in 1989 was the day of the Loma Prieta earthquake. We were at the epicenter! We got through that and then two large insurance companies tried to kill us in our early years so we wouldn't compete for business that, frankly, they didn't even want!

A couple of times, I had people actually tell me that they didn't think a woman could run an insurance company and I am sure that many more thought it but kept it to themselves. I believe I am the first woman to have founded an insurance company.

Our greatest present challenge is trying to get the Nonprofit Property Protect Act through Congress to allow us to offer coverage our members need, but that is not offered by commercial carriers.

Greatest achievements? Staying true to our mission to put non-profits first and continue to offer broad and appropriately priced insurance while following our philosophy of trying to find coverage when a claim occurs, rather than finding a way to decline.

Despite plenty of naysayers predicting we would go insolvent our first year, we are now rated A (Excellent) VIII by A.M. Best and have returned \$42 million in dividends to non-profits. We continue to grow by about 1,000 new member-insureds each year.

**Do you believe that a glass ceiling exists and hinders women from getting opportunities in the insurance space? What should women do to break through?**

Yes, there definitely is a glass ceiling in the insurance industry. I have no doubt that if I had come up through the ranks in a traditional insurance company, I would not have had this success. Women I know are already doing everything they should be doing to be considered for the most senior roles, but white men hold the power in this industry, and, sadly, they typically look for others who look like them when opportunities open.

Few industry leaders seem to think that the best person for the job is not necessarily the person with whom you feel most comfortable socializing after work. It really needs to be about who is the most qualified for the job, regardless of sex. And, I completely disregard the often cited excuse that women get behind in their careers because they take time to have children. Both the female CFO and the CRO at our organization had their children while employed by us, and they haven't missed a beat. We have a very diverse senior leadership team, and we benefit from multiple viewpoints in our decision-making processes. If artificial impediments are removed, more leadership teams might resemble ours.

**If you could witness one event (past, present or future) what would it be?**

I look toward a future when we have a sustainable view of what adds value to our communities. Now we laud and reward financially the CEOs who deliver shareholder monetary gains without regard to what is best for the environment,

their communities and their employees. I look forward to a day when we truly honor and reward the contributions of people such as teachers, daycare providers, fire personnel, and yes, non-profit employees. These workers are the people who create real value in our communities.

**What do you think a stranger would remember most about you?**

My passion. I care deeply about the income inequality and lack of opportunity in this country, not just because it hurts the poor, but because it diminishes all of us. I know we can do better.

**What are your passions or hobbies outside insurance?**

I am an amateur artist, mostly portraits shown at pamelaspaintings.com. I also enjoy gardening and have a healthy vermiculture practice!

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