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Real Time,
Real Advantages



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Real Time, Real Advantages

By **LISA PARRY-BECKER**
vice president
William B. Parry & Son Ltd.

AS A FIFTH-GENERATION principal, I could probably rely on our eight-person agency's reputation and continue doing business just as we have for more than 100 years. However, that's not me. Yes, I enjoy serving customers. I'm energized by solving their risk management and insurance needs. I love being able to present options. You might say being an independent agent is in my blood.

However, customers have changed, and the independent agency system must find better ways to meet their needs. This belief led me to get involved with my agency management system user group, with an industry coalition of other user group leaders and a consortium of agencies, vendors and carriers seeking to improve independent agency workflows.

My participation puts me on the road quite a bit. Through my travels, I have a relatively unique chance to observe and interact with other agents and brokers—thousands a year, I'd say. These observations give me confidence that our industry is responding in a big way to changing

consumer needs. Real-time transactions are the cornerstone of this response.

Real time is the ability to click on a button from a client file in an agency management system or comparative rater for immediate access to carrier information on that client. It could be a quote, billing inquiry, claim inquiry/loss run, policy view, endorsement or request for information. The approach provides a single workflow for servicing or quoting.

INCREASED INTEREST AND USE

Among my "outside" activities is a leadership role in the industry-wide Real Time/Download Campaign. I travel to state agent

and user group association meetings to talk about real time and its progress and benefits. At each meeting, we ask for a show of hands of those using real time. A year ago, perhaps a quarter of the hands would go up. Now, it's consistently well over 50 percent.

I also am called to advise agencies on ways to get more out of their systems with real time, download and other workflows. The number of calls is on the rise, as is the number of conference call and Webex presentations I give.

It's not just agents. Every month, I'm asked to speak with carriers who've seen the momentum and are eager to learn more. Many are smaller regional carriers. Because of the prevalence of these smaller carriers in agents' offices, their interest is significant. As additional carriers offer the capability, agents will enjoy a more consistent workflow, allowing them to deliver better customer service in less time.

When the campaign began a year or so ago, we set a goal of doubling the number of real-time transactions in 12 months. We appear to have met that goal, at least if you ask carriers. One reports a 10 to 15 percent per month increase. Another saw usage double year over year. Yet another said transactions

increased by 105 percent in 2007.

Most of these are inquiries. That's the logical point of entry for agents and brokers, and it's the easiest for carriers to introduce. Rating and quoting transactions are on the rise, too, perhaps at a greater rate, because of the relative newness.

UNDERSTANDING THE TREND

Usage is up for many reasons. The campaign, which has the financial support of 20 industry organizations and the participation of nearly a dozen associations and user groups, has made an effort to spread the word. The Web site, www.getrealtime.org, contains practical information including contact info for vendors and carriers to testimonials and detailed guides explaining how to get involved.

Local agent associations and agency management system user groups are actively communicating the value of real time and download to their members through meetings, publications, Webinars and more. Carriers, vendors, agents and brokers are conducting desktop-by-desktop education and promotion. Industry publications are tracking the issue and reporting on progress as well.

Real-time usage also is up because it works. I often say that once people start using real time, they just want more. It addresses frustrations agency employees feel dealing with multiple user IDs and logons, redundant data entry and workflow inconsistencies resulting from the need to access and navigate various company Web sites. With real time, agency personnel can answer questions more quickly, offer more quotes in less time and focus on customer relationships rather than data processing.

Getting multiple quotes enables an independent agency to fulfill its promise of being a multiple-company agency. To seek quotes from only the carrier whose Web site is most familiar shortchanges the customer and delivers a level of service that misses the mark. It also fails to sustain the independent agency distribution system.

An additional benefit of real time is easier employee training, because agencies are deploying a consistent workflow. Some agencies find that after training a new employee on real time, seasoned staff members see the ease of doing business and become converts themselves. Another benefit is that real time automatically records an activity in the management system, adding an extra level of E&O protection for the agency.

CONTINUAL IMPROVEMENT

Many agents remember when commercial lines download first came on the scene. Data problems led many to abandon what promised to be a real timesaver. These issues have been addressed or are being handled by agents, brokers, carriers, vendors and others who formed a working group to address data quality.

Because some real-time functionality depends on database information quality, there's a relationship with download. Today, these working group individuals recognize quality issues up front and start resolving them quickly, in order to improve workflows and agency experience.

At the same time, industry groups are pushing for development of real-time capabilities using the latest technology and standards. For instance, we encourage carriers to use the industry's accepted electronic data communication standard, ACORD XML, rather than scripting, which is a string of commands in a macroinstruction that performs the same function as real time, but in a less direct—and sometimes painfully slower—manner.

Scripting is an interim step for carriers that are not prepared to devote the resources needed to implement XML transactions but want to offer a better and more consistent workflow than manual processes allow. Scripting generally produces a result similar to XML-based real time, but takes minutes rather than seconds to complete.

JOINING THE MOVEMENT

What surprises some agency principals and staff is that, in most cases, real time already is part of an agency's automation. Beyond making sure the agency uses a current version of the system software, there's generally no additional cost involved. Once they learn this, they're even more eager to take part.

Doing so requires some education, commitment and a vision for the future. Follow these steps:

- **Learn about real time.** Visit the campaign Web site and review available resources, including the Real Time Implementation Guide's agent implementation section. Click through to relevant vendor and carrier sites from the real-time links pages. Attend state association and user group sessions—live or online—that discuss real time and how it works. Live demos are often part of the programs.

- **Investigate options.** Talk to your vendor and lead carriers—probably the top five or six—about real time and what they can

offer your agency. Visit Web sites to learn about capabilities and find “getting started” instructions. Check out the Agents Council for Technology (ACT) capabilities Web site (www.acttech.org). If carriers or vendors don't offer real time, let them know you want them to do so.

- **Make a commitment.** It will be difficult to keep doing business the old way. Using the current version of your management system, get your office using workflows built around real time. Do business with carriers that invest in your future by offering this technology.

- **Prepare for change.** Explain to your staff your reasons for adopting real time. Show its potential positive impact on their ability to serve customers. Change brings concerns. Address them frankly. Ask others—your trade association, management system users group or outside consultants—to help. Consider using ACORD's Power of Change Program (www.acord.org/resources) as a resource.

- **Educate staff.** The more your employees know about how real time works, the more successful the transition will be. Tap carrier and vendor staff, as well as association and user group volunteers and staff, to assist with training. Demonstrate how real time will work in the agency and show how it will help employees make the most of the agency's technology and their own time.

- **Take charge.** Employ a mix of management and leadership. Require employees to take part and monitor them through your management system. Don't rely solely on mandates; consider incentives as well. One agency awarded a free lunch to the person completing the most real-time inquiries each week. Remember, broad adoption encourages further carrier technology investments.

- **Have an advocate.** Someone in the agency who “gets it” needs to help drive workflow changes and real time implementation. That person—the principal or someone he or she designates—should keep staff and business partners focused on the agency's goals and keep everyone motivated to make the changes work.

- **Communicate with partners.** Take charge of your communication with carriers. Use AUGIE's (ACORD User Groups Information Exchange) Productive Agency Visits Guide (www.acord.org/augie/augie_resources.aspx) to help formalize your agenda. Ask carriers that don't offer real time to do so. Those that won't support you may not warrant your loyalty.

Reward carriers offering real time with more business, and ask them to expand

REAL TIME
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their offerings. Offer feedback to help drive improvements and enhancements.

• **Get/stay involved.** Take part in association and user group events. Use them to keep up to date on enhancements and improved workflows. Go to others for

advice when your agency encounters issues it hasn't faced. Give back. Share your experiences and offer yourself or your staff to answer questions from those just starting down this path.

• **Plan for growth.** Your employees—customer service reps in particular—will save time by using real time. Decide how you'd like them to use that time. Some agencies are working to refocus service staff

to more of a sales and relationship-building model. Talk to employees and see how they feel about using found time to build revenue and strengthen customer loyalty.

RETURN TO YOUR ROOTS

Between traveling and coaching, I'm still an independent agent. Real time is making me feel more like one than I've felt in years. Recently, it enabled me to deliver six personal auto policy renewal quotes to a long-time client—not two or three, as many agents provide and as I did just a couple of years ago when getting quotes meant jumping from carrier Web site to carrier Web site.

I generated all six quotes in about 30 minutes. These were predictive-modeled, credit-scored, real quotes, not just indications or manufactured rates. A few years ago, it would have taken a half-hour to generate one quote, let alone six.

The policy the client chose was from our agency's No. 2 carrier. Five years ago, this carrier was ranked No. 4 in our agency. Its combination of technology, product features and claim service has dramatically moved it up in rank.

We're at the point where we rarely quote carriers who don't offer real time. This makes my dad, the fourth-generation agency owner, extremely uncomfortable, because we will not meet our production goals with those few carriers. Yet, this tough love encourages progress—for the carriers and for the agents that represent them. The carriers are getting on board.

If I want to build customer relationships and provide 21st-century service, I don't have time to switch among Web sites. By driving change and taking advantage of available technologies, I'm not only responding to what customers need today, I'm ensuring that the agency has the opportunity to see its sixth and seventh generations of agency leadership.

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Lisa Parry-Becker is a fifth-generation agent at William B. Parry & Son Ltd. in Langhorne, Pa. She is vice president of the agency and is responsible for sales

and marketing. She also is a director of ASCnet (Applied Systems Client Network) and co-chair of the Real Time/Download Campaign.