

Automation Helps Agencies Cut Costs, Boost Revenues

by Karen S. Youngman, CPCU

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Editor's note: Real Time is a group of agents and brokers, carriers, technology providers, user groups, and agent and industry associations united to advocate implementation of Real Time and Download interface applications by independent agents and companies.

Time equals money. Apply the equivalence property of management algebra to that statement, and you realize that saving time equals saving money and making time equals making money.

Of course, agents and brokers realize that in today's marketplace, it is increasingly difficult to make or save time. One area this is happening involves the effective use of agency automation.

A recent survey conducted by the industry wide Real Time/Download Campaign (www.getrealttime.org) found that agencies save up to an hour per employee per day using Real Time tools for sales and service transactions. Eighty-nine percent of users indicated that use of the tools save their agencies time. According to survey results, operations that save time report an average of just over 60 minutes saved by personal lines staff and 45 minutes by commercial lines.

The effective use of agency technology is far-reaching. More than two-thirds of surveyed agencies use Real Time, which is the ability to click on a button from a client file in your agency management system or comparative rater for immediate access to carrier information on that client, to start inquiry and service

transactions. This is up 30 percent from a year earlier.

Some 57 percent use a real-time rating tool for personal lines policies — a jump of more than 32 percent over 2009. For commercial lines, the use of real-time rating tools is close to 22 percent, up 20 percent from last year. It is encouraging to see this growth — not just for growth's sake, but for the benefits Real Time brings.

Saving and Making

Agents and brokers find that with Real Time, they can provide immediate answers to client questions, eliminating needless back-and-forth communication. They can reach more markets more quickly, allowing greater coverage and price options they can present to prospects and clients. By dealing with data once — through their existing agency technology — they reduce the need to correct errors that often result from redundant data entry. In addition, because Real Time generally operates in a single, consistent workflow, agencies are able to reduce staff training time.

All of these factors save agency staff time. Some principals are finding they can get the same amount of work done with

fewer employees. As a result, if someone resigns or retires, the agency has the option of not replacing the employee, which translates into a direct cost savings.

Other agencies approach it differently. Rather than reducing staff as efficiencies grow, they are refocusing employees. They are teaching service staff to talk about rounding accounts — a key element of service that can translate into more sales. Many are actually training customer service professionals to be more comfortable in sales — and rewarding them based on increased revenue or higher policy-per-account ratios. Many are driving growth by using strategies and ideas found at Real Time (www.getrealttime.org/active/GROWTH.asp).

Capturing Time

Many agents and brokers find it easier than they expected to start reaping the benefits of Real Time. Quite often, the technology exists within their existing agency systems. It just needs to be turned on — and then used. Don't worry — the vast majority of users who took part in the survey described the tools as "easy to use."

A wealth of information exists about Real Time and its use. A good starting point for agents and brokers is the Campaign's *Real Time Implementation Guide*, which is available at www.getrealttime.org/active/RealTimeGuide.asp. Management system and comparative rater vendors have information, as well, as do agent associations and management system user groups.

With a basic understanding, a good next step is to pull out — or click through to — your agency technology vendor's implementation guide. If it is dust-covered, it might make sense to request an updated version. Use the guide or other vendor resources to find out which of the contracted carriers offer real-time functionality for what transactions. Many





vendors post this information on their websites and update the lists frequently.

To get the most out of real-time functionality, it is often important to be current — or close to current — with system upgrades. This is a good idea for a number of other reasons, of course. Maximizing benefits of Real Time is among the most important. Talk to your vendor to find out what to do to enable Real Time and then flip the switch.

Specific, step-by-step ideas for making Real Time an agency habit are available at www.getrealttime.org/21DC. Many agencies start small — often with basic inquiry transactions — and then build on that. Once employees see the benefits, they are often eager to do more.

The key is to start somewhere. To not make use of available tools wastes precious staff time. And time wasted is money wasted. ■

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