

A View From The Press Box Sam Friedman



[Click Here For The Latest Breaking News From NU](#)

[« How Can Risk Managers Crash The C-Suite? | Main | Have You Spoken To Your Customers Lately? »](#)

Clock Running Out For Those Without Real Time



Independent agencies and their insurance carriers that fail to embrace real-time data processing will soon start losing marketshare and could find themselves out of business over the long haul, a trio of cutting-edge agents warn.

“Technology will increasingly become the critical factor in the agency-company relationship,” according to Edgar Higgins Jr., president of Thousand Islands Agency in Clayton, N.Y.

“We’re building a bridge on better business processing, and need to work together with carriers to meet in the middle,” he added during a panel on “The Future Of Agency Technology,” at the ACORD LOMA Insurance Systems Forum here today in Las Vegas.

Mr. Higgins, the 2008 Champion in the inaugural National Underwriter P&C Agency Technology Achievement Award program, run in partnership with ACORD, said that “most agencies will soon recognize the critical importance of real-time transactions, and those that don’t get on board will be left behind and aged out of the distribution system.”

Mr. Higgins said the burden is also on carriers to “embrace ease of doing business as a process and help agents get transaction headaches out of their systems. They are the ones that will be rewarded with greater market share.”

He added that “company proprietary agent portals are the most overrated tech options we’re offered” because they add more time to an agency’s workflow than they save. “As a company, if you think that’s a silver bullet to solve our problems, they’re not,” he said.

SEARCH

Search this blog:

ABOUT

This page contains a single entry from the blog posted on **May 14, 2008 6:42 PM**.

The previous post in this blog was [How Can Risk Managers Crash The C-Suite?](#).

The next post in this blog is [Have You Spoken To Your Customers Lately?](#).

Many more can be found on the [main index page](#) or by looking through the [archives](#).

[Subscribe to this blog's feed](#)
[\[What is this?\]](#)

Powered by
[Movable Type 3.32](#)

Liz Tluchowski, chief information officer of Couch Braunsdorf Insurance Group in Liberty Corner, N.J.--which received an Honorable Mention in the NU award program--said that "without adopting standards and real-time processing, we cannot survive as an agency system."

She added that carriers that fail to facilitate real-time transactions will see agents start steering business to competing insurers that do make that option available.

Johnmichael Monteith, CIO of Parker, Smith & Feek in Bellevue, Wash.--winner of another NU Honorable Mention--said that "while everyone talks about real time, we like to use the phrase, 'no-time,' because we want the process with carriers to become automatic and instantaneous."

Adding that "all of us see what the utopia is," Mr. Monteith explained that agencies "seek complete integration with our carriers, with no time wasted on authentication access passwords and other artificial and time-consuming tech roadblocks."

Standards play a key role in facilitating multi-company interface with single data entry, the panelists agreed.

"I don't have to know how the car works--just be certain that I can get in and drive it with maximum engine efficiency," said Mr. Higgins. "ACORD XML standards have been absolutely phenomenal as an enabling tool. I don't know how XML works exactly, but I know standards make my job easier and faster to do."

He added that "if I can do something in 15 seconds thanks to standards that used to take me three minutes, that's two-minutes and forty-five seconds my people can devote to more productive work." He warned that it won't be long before most agencies refuse to work with carriers that do not offer more efficient, standardized access systems in real time.

The panel's moderator, NU Tech Editor Ara C. Trembly, noted that some carriers believe agents are the problem, complaining many fail to take advantage of real-time options already at their disposal.

"I can appreciate the frustration of carriers--particularly their [information technology] managers, who sold their CEOs on the idea that, 'if we build a real-time system, the agents will come,' and then they didn't rush to embrace it," said Mr. Higgins.

"I say, be patient," he added. "Agents will soon recognize this is not only the best way to go, but the only way to go if they want to stay in business."

Mr. Monteith said a "critical mass" is approaching, likening adoption of real time processing to the cellphone. "Not everyone carried it around when it was a huge brick, but now everyone has one," he noted. "As long as we focus on the pain points in the transition and fix them, everyone will eventually get with the program."

Whose fault is it that real time transactions with single data entry remains more of a dream than a reality for far too many agency-carrier transactions? Are carriers dragging their feet to try to ensnare agents with proprietary portals? Or are agents failing to make the necessary commitment?

TrackBack URL for this entry:
<http://property-casualty.com/mt/mt-tb.cgi/373>

Charlie:

TCM ran Irma LaDuce the other night. It reminded me of the old joke where the punch line went something like--"we already know what you are; what we are doing now is establishing your price."

That is the essence of Real Time. Little wonder it is not being embraced by carriers, who like to think there is more to their proposition than price--and their willingness to line up with the other ladies.

Posted by [Charlie](#) | [May 15, 2008 11:46 AM](#)

Posted on [May 15, 2008 11:46](#)

Aaron Stein:

I've said this before and will say it again. The reason the carriers don't cooperate on this is because they perceive it as making it too easy to shop their business around to other carriers.

Everybody's been talking for years about SEMCI (single-entry, multi-company interface) and other initiatives, but they never happen because the carriers only get half-way behind them, and then at the end they come up with other things that still must be done in a proprietary manner, which then pretty much negates the most recent efforts at improvements.

Posted by [Aaron Stein](#) | [May 15, 2008 3:32 PM](#)

Posted on [May 15, 2008 15:32](#)

Edward Kalbaugh:

Think about it! If Google wanted to start an an insurance company, all customer interaction would probably be via cell phone or computer interface that appears more like some form of social networking, not like the ridiculous 1970s stuff customers must deal with now.

Insurance companies and agencies have been beating the dead horse of integration for decades without progress.

It's now time for Google to take over.

Posted by [Edward Kalbaugh](#) | [May 16, 2008 1:17 PM](#)

Posted on [May 16, 2008 13:17](#)

Thomas J. Dietz, CPCU:

Congratulations to Ed Higgins. His contributions and willingness to share his knowledge over the years has guided many independent agents through the labyrinth of agency technology.

His efforts to make "Real Time" a reality will long be recognized by our industry

Congratulations to NU for spearheading this effort, and publicizing the rewards and necessity of "Real Time."

Posted by Thomas J. Dietz, CPCU | [May 18, 2008 11:33 AM](#)

Posted on [May 18, 2008 11:33](#)

Caren Farinelli:

SEMCI has been mentioned for years. I believe we agents should try to convince our carriers to embrace it NOW. What are we waiting for?

Posted by Caren Farinelli | [May 20, 2008 3:43 PM](#)

Posted on [May 20, 2008 15:43](#)

POST A COMMENT

(If you haven't left a comment here before, you may need to be approved by the site owner before your comment will appear. Until then, it won't appear on the entry. Thanks for waiting.)

Name:

Email Address:

URL:

Remember personal info?

Comments: (you may use HTML tags for style)

[Preview](#)

[Post](#)