THE KEY TO BROADENING AGENT AUTOMATION ADOPTION ACROSS INSURANCE DISTRIBUTION CHANNELS

By Jim Ferrell, VP, FireLight Product Management, Insurance Technologies

The key to influencing agent behavioral transformation relative to business automation adoption appears to be the topic most insurance back office operations teams are eager to solve. They are all asking the questions, "How do we build upon the automation investments already in place?" and "How do we influence behavior change in the remaining distribution channels that remain paper based?"

As an industry we must provide the end user with added value in an automated business processing platform that does not exist in the paper world, and it must be value that is sufficient enough to drive the desired change. The solution is simple, but not at all an easy task.

Some may ask, isn't built-in in-good-order submissions that added value? Isn't faster commission payments that added value? And, isn't saving on the postage to mail in paperwork that added value? And the answer to all these questions and more is, YES. These do provide added value, but it's proven itself over the years that these added values are simply not enough to invoke widespread behavioral change. These once desired additional values are today viewed as baseline requirements in an automated business processing platform. There must be additional values that will encourage end user adoption and behavior change, and

it must be delivered at a price point that enables successful ROI implementations.

In order to broaden automation adoption across multiple distribution channels, you must first understand what motivates and drives each target audience. You must begin to truly understand the end user and not assume what is important and motivating for one agent/channel is a universal truth, as each agent/channel needs are truly unique. By understanding the unique channel focus, you begin to understand that the only common universal truth is that the end user could honestly care less about how the business is actually processed. All this business automation is considered post-closed "noise" that is generally not their concern, until it presents an issue with getting the business processed.

This does not mean agents don't care. Agents do begin to become concerned with the process when their attention gets pulled from the focus and care of their clients when a processing issue happens, or when a carrier is repeatedly asking for this or that missing information on a submitted application. And while the automated platforms can remove most of the "nagging" not-in-good order issues, most agents have become so accustomed to the products they sell they would rather continue to free form it on paper forms rather than tackle the learning curve and leverage the automation available today.

The real question we have to ask

ourselves is how do we provide enough value to entice the agent, who really needs to consciously make the initial decision to migrate to an automated solution, to elect trying something new and to adopt an alternative automated approach to processing business?

While the existing value propositions

Visit our Members Only Website at www.myIRIonline.org

of in good order, faster commissions and no need for paperwork are baseline requirements for certain, we need more, but what?

The automated processing of business must take into account the complete business picture and not simply focus on the business requirements of automating business submissions. You must take a complete user experience design approach and leverage the understanding of your unique end users to design a process that brings added value.

The technology simply must meet the user where they already are. Meaning, a sales agent armed with a form and a pen has the flexibility to engage with a client anywhere at any time. If the technology handcuffs their business processing to a desk or an Internet connection, this does not meet them where they already are, or more importantly, where they need to be. If the technology is reliant upon an Internet connection and the agent is unable to connect while meeting with a client, the technology or process isn't meeting them where they already are. In these situations the agent will revert to the way they know how to process business, with paper.

With our perceptions today so focused on an always connected world, with social media making it appear that we are "always connected", I would argue that being unable to update your Facebook status is much less impactful than an agent telling his high net worth client that he is unable to initiate his business because he cannot get an Internet connection. Agents simply cannot assume this type of risk, especially with the solutions and benefits provided and readily available today.

Meeting the agent where they are is the key to the carrier's question, but exactly how? Today's automation must deliver the sales processing benefits and added abilities like supporting their tablet devices while leveraging a single business process across devices, disconnected support, automated payment capabilities, and electronic signatures that enable the agents to close the sale the same way they do today, face to face.

Providing an intuitive process without the heavy burden of training and learning curve is an absolute requirement. By leveraging existing carrier forms that agents are familiar with, an automation solution can be simple for agents to adapt and adopt. A process providing these additional end user values, while at the same time meeting the end user where they already are, presents a solution that drives behavioral change and provides values that agents did not know they needed.

I welcome your feedback or additional insights you feel I may have missed from your own experiences. Feel free to reach out to me directly at jferrell@insurancetechnologies.com, I welcome the discussion.

A SHIP BUILT FOR SPEED

By Ryan Johnson, Vice President of Strategy Development, se2

During the days of the imperial empires, winning maritime battles was critical to maintaining a kingdom's competitive advantage. The geopolitics and the strategies supporting these global enterprises were simple and relatively unmanaged in comparison with today's world. The resulting "business model" was underlain by a vast matrix of supporting interests that was ultimately quite effective, up to a point.

Negotiation, intimidation, capital formation, logistics, engineering, risk taking and a number of other core competencies supported the model. But one seemingly unimportant factor was possibly the critical driver for success: speed. Ships that could move at 6 knots when the rest of the world was at 5 could control the seas or at least elude those attempting to do so.

For businesses looking to dominate the market – or simply find a niche – relative speed is important as ever. Today's relative speed differential is quantified not in knots but in nanoseconds. High-frequency traders move stocks around frantically in an attempt to consistently earn fractions of a cent in profit. By moving as physically close to an exchange as possible, they gain nanoseconds of advantage over competing trades coming across town at the speed of light. This tiny advantage can produce billions of dollars in profits.

So relative speed – though measured differently today – is still the basis by which businesses and empires are built.

Those looking to sustain, find or gain market share must constantly evaluate and highly prioritize it. At almost every point of differentiation, competitive, relative speed is critical. Time truly is money.

The world of insurance technology and operations is not exempt from this universal economic truth. If anything, it is becoming a major force of change. Organizations are looking for already-built and operating platforms to assist them in the race for markets and efficiency. Business process outsourcing (BPO) organizations can greatly reduce the time it takes to successfully convert a block of policies or launch a new product. The benefits provided by such a platform are magnified when the BPO organization