

## Why Agents Should Maximize Agency Management Systems

By: Jeff Holmes

Traditionally, independent insurance agents have invested in agency management systems (AMS) to automate their business and work more efficiently with real-time data at their fingertips. These systems give agents the ability to learn about various insurance solutions, review existing personal and commercial policies, compare rates, keep contact information, launch marketing campaigns and process claims — all in one place.

However, because this wise investment in software requires hours of training and research, not all independent agencies use them to their fullest potential. Agents and staff who utilize their AMS fully can accelerate their capacity to effectively communicate with clients, supercharge the sales process, measure agency key performance indicators (KPIs) and improve efficiencies through integration.

How do agents maximize their AMS to get the most of their investment while managing transactions, improving quality and increasing client sales? There are a variety of features to increase AMS efficiency that should not be overlooked.

### Understanding AMS Capabilities

The average independent insurance agent juggles many tasks within a day: engaging clients and prospects, producing sales, tracking claims, keeping client data and communication schedules, generating leads, analyzing reports and more. If used properly, an AMS can hold vital agency information and help make sense of it quickly. It can be customized for your business to transform data into sales and make projections for future business.

Start by providing ongoing AMS training opportunities to your team. Training will allow more opportunities to work together on shared goals. For example, staff members can:

- Segment AMS contact data and define the agency's most important clients, using tags or an ABC analysis to categorize individuals by loyalty, premium values or types of insurance purchased. Agents can then build email campaigns, directly engaging these clients, or sell them additional products specific to their risks, such as umbrella policies

or recreational vehicle insurance.

- Identify client groups for targeted campaigns such as home and auto bundling discounts or small business acquisition opportunities. Schedule additional client contact to engage more of them and cross-sell products to groups with similar characteristics, such as selling cyber security to small businesses or life insurance to young families.
- Enter policy expiration dates to enable X-date conversations before renewals happen. Understand lead-to-close ratios and their impact on overall business sales.
- Enter quote information into AMS to ensure timely and thorough follow-up. Agents and customer service staff can then contact the client or prospect to answer questions and close these sales.
- Use notifications to receive alerts on account activity, such as when payments are made or are overdue or to notify the agent when clients have

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questions. These simple actions may prompt a team member to swiftly remedy a situation or reach out with solutions.

Extensive reporting capabilities in an AMS can provide valuable transparency needed to grow an agency and strengthen its team. AMS reporting can measure KPIs, such as the monthly rate of quotes converted into bound policies, quote rates by producer, contact rates for clients and prospects, costs for each acquisition and premium written per lead source.

## Change Can Be a Challenge

Agency principals can encourage their staff to discover more about the AMS, sharing the benefits of their investment of time and training. With further AMS training, the team may soon have more time to develop leads, meet with clients, strengthen relationships, and ultimately increase sales. Discuss the short-term and long-term goals of the agency with

staff and get buy-in from everyone.

After formulating a plan to use the AMS to its fullest potential, it may take some time to see the results. Remember, the team may be caught on the path of least resistance, doing what they already know rather than challenging themselves to learn something new. With persistence and encouragement, each staff member can eventually take advantage of all that the AMS offers.

Prioritize new AMS capabilities and implement them to the existing system one at a time. In this way, using the AMS won't overwhelm agents and staff. Simultaneously adding multiple tasks can prove difficult — try outlining a schedule for staff members to learn and master the use of each feature or process gradually.

It is helpful to discuss the benefits of the AMS with the team regularly. Share business successes and improvements

to maximize AMS value, including discussing what is working and what is not. Share ways to improve results to create momentum and positivity. This exercise will add transparency to the agency and inspire teamwork as each staff member goes through the learning process.

Reward those who have increased AMS operational efficiency. Offer small incentives to reward and change behavior. Positive encouragement around the AMS and its functions can create enthusiasm for the entire team.

An AMS is an essential part of any independent agency today, and by maximizing the use of its capabilities, it can boost business growth for years to come. ■

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