



Personal Lines Growth Alliance

Independent agents for a profitable future

Personal Lines Profitable Growth Agency Assessment

Introduction

This Assessment is designed to ask questions and get answers that will determine how you and your agency will manage Personal Lines for growth and profit. It will be the foundation for planning, implementing, communicating, and monitoring Personal Lines in your office.

If you haven't already done so, you may want to complete the "PLGA Quick Assessment Form." That will give you some basic information that will determine if Personal Lines is worth the effort in your agency, and what that effort may be.

Once you have completed the attached form, you can determine what is required for a proactive Personal Lines focus in your office. Is it worth the time and effort? Should you aggressively write and retain this business? Can you continue "as is" and get the same profit/loss results? Should you simply sell it off and be done with Personal Lines?

Whatever the decision, some action will be needed. What will it be?

If you would like to get some input, get or share some ideas, or find some additional resources, we may be able to help. Send this completed form to PLGA at info@personallinesgrowth.org and we will call to explore the opportunities and challenges.

<u>Agency:</u>	<u>Contact:</u>
<u>Phone:</u>	<u>Email:</u>
<u>Date:</u>	<u>Best time to call:</u>

1. Agency Organization

First, consider your current organization, focus and potential. A team with clearly defined, proactive responsibilities for sales and service will lead to profitable growth. Reactive responsibilities lead to backlogs, lost business, expense and frustration.

Question	Y/N	What is Needed
Do we have a clearly documented plan to <u>obtain, maintain and retain</u> Personal Lines business? Last updated _____		
Is Personal Lines revenue a significant and stable part of our overall profit?		
Do we have Job Descriptions for all staff that reflect responsibilities for <ul style="list-style-type: none"> • Sales • Total account development • Cross referral 		
Do we establish and monitor personal monthly sales, account development, cross sell goals? <ul style="list-style-type: none"> • Producers • CSRs • Other 		
Do we have PL growth incentives for <ul style="list-style-type: none"> • Producers • CSRs • Other 		
Are incentive levels different for <ul style="list-style-type: none"> • new business (reactive) • new business (proactive) • renewal business? • additional policies for accounts • referral business to other departments 		

2. New Business Considerations

Do we try to write whatever comes to us?

Do we continually consider our E&O exposure?

Question	Y/N	What is Needed
Do we have agency-defined standards to identify potentially profitable accounts?		
What standards do/should we use? <ul style="list-style-type: none"> • Total Account (policies) • Total Account (\$) • Claims History • Credit Score • Current Coverage • Current carrier • Lapse in Coverage • Location • Other 		
What happens if the account does not meet our standards? <ul style="list-style-type: none"> • Simply do not write • Refer to another agency • Write the account anyway • Only write with a non-standard company • Require they come into our office 		
Will we accept brokered business?		
Do we always capture information for <ul style="list-style-type: none"> • All P&C exposures? • Flood, earthquake, mine subsidence • Life, Health, etc • Identity Recovery • Etc. 		
Will we require total account information before quoting any policy?		
How will we track new business? <ul style="list-style-type: none"> • Code in agency management system? • Other? 		
Will signed applications be required? If so, will they be electronically filed and attached to the management system?		

Question	Y/N	What is Needed
If a producer is involved, will completed apps be required?		
What will happen if the apps are not complete? <ul style="list-style-type: none"> • Returned to the producer? • CSR will collect missing info? • Other? 		
How will we collect the down payment? <ul style="list-style-type: none"> • Direct Bill • Virtual Check • Mail in • Other 		
Will we encourage the use of EFT?		
If yes, will we require a signed declination form if the customer does not choose to pay by EFT?		
Will we require a signed Privacy Notice?		
Will dec. pages that are accessible on-line be saved in the management system?		
Will upload/download be used to enter the policy information in the ACORD form?		
Who will update the Agency Management System, if necessary? <ul style="list-style-type: none"> • CSR • Support • Producer 		
Who will be responsible for registering the new customer on our agency website? <ul style="list-style-type: none"> • Producer • CSR/Account Manager • Support 		
If the account is written with a non-admitted carrier, will we require a signed disclosure?		
Who is responsible for creating the Auto ID Cards? <ul style="list-style-type: none"> • Producer • CSR • Support 		

Question	Y/N	What is Needed
Will we send a welcome letter from our owner?		
Will we send any other introduction letters from any of the following? <ul style="list-style-type: none"> • CSR • Claims • Accounting 		
If yes, at what intervals <ul style="list-style-type: none"> • 1 week • 2 weeks • 1 month 		

3. Renewal Considerations

How do we maintain and retain our business?
Do we continually consider our E&O exposure?

Question	Y/N	What is Needed
Do we conduct annual reviews for <u>all</u> customers? <ul style="list-style-type: none"> • Based on Policy Renewal date • Based on Annual Account Review date 		
If not for all accounts, how do we decide? <ul style="list-style-type: none"> • large accounts • single policy accounts • certain carriers 		
Do we <u>proactively contact</u> each client annually? <i>When?</i> <ul style="list-style-type: none"> • Annual account renewal date • Policy renewal date • Other 		
Do we <u>proactively contact</u> each client annually? <i>How?</i> <ul style="list-style-type: none"> • Snail mail • Email • Fax • Phone • Visit • Insured in office 		

Question	Y/N	What is Needed
<p>If we review on a policy level, how far in advance will we make contact?</p> <ul style="list-style-type: none"> • < 30 days • < 60 days • < 90 days • Effective date • With policy delivery 		
<p>Will the renewal review be split by alphabet or in a centralized manner?</p> <ul style="list-style-type: none"> • Alpha • Central 		
<p>Who will be responsible for distributing the Expiration List?</p> <ul style="list-style-type: none"> • CSR • Support • Manager 		
<p>Who will monitor the expirations for completion?</p> <ul style="list-style-type: none"> • CSR • Support • Manager 		
<p>How/who will we decide whether to remarket or requote the account?</p>		
<p>What activity code will we use?</p>		
<p>Who will be responsible for invoicing?</p> <ul style="list-style-type: none"> • CSR • Support • Accounting 		
<p>Who will update the agency management system?</p> <ul style="list-style-type: none"> • CSR • Support 		
<p>How will we notify the customer if there is an increase in premium?</p> <ul style="list-style-type: none"> • Email • Letter • Phone • Don't 		
<p>Will minimum limits be quoted on every account?</p>		

4. Worksite Marketing – Leveraging Your Commercial Lines Accounts

The following questions are designed to help assess the Personal Lines new business potential using a process of “Worksite Marketing.” Worksite Marketing simply refers to a way to market and sell personal lines insurance products at the workplace; which is good for the client (employee), the employer, the agency and the carrier(s).

Worksite Marketing is not for everyone. It is, however, for those interested in, and committed to, a structured program for dramatic growth and retention. Worksite Marketing may be a tool for dynamic growth of Personal Lines sales through proactive marketing and prospecting.

Question	Y/N	What is Needed
Commercial Lines Accounts <u>written by our agency</u> with number of employees: <ul style="list-style-type: none"> • 30-50 _____ • 50+ _____ • 100+ _____ • 500+ _____ • 1000+ _____ 		
Are we interested in writing 35% - 50% of these potential numbers over a 3-4 year period? Total # Employees x .35 x average premium per account <u>x average commission</u> \$\$ Revenue		Calculations:
In our Marketing Area, number of <ul style="list-style-type: none"> • School districts _____ <ul style="list-style-type: none"> ○ Employees _____ • Hospitals _____ <ul style="list-style-type: none"> ○ Employees _____ • Government municipalities _____ <ul style="list-style-type: none"> ○ Employees _____ • Other large employers _____ <ul style="list-style-type: none"> ○ Employees _____ 		Name: <ul style="list-style-type: none"> • • • • • •
Carrier appetite for Personal Lines <ul style="list-style-type: none"> • Competitive products • Competitive rates • Aggressive marketing • Growth bonuses • Profit sharing • Worksite Marketing program in place 		Name: <ul style="list-style-type: none"> • • • • •
Do we have staff that can/will do <ul style="list-style-type: none"> • Employer sale • Employee sale 		