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**Industry Pros Address Tech, Workflow Issues**

The Fall 2014 ACT meeting kicked off with a briefing by ACORD Director of Industry Relations Cal Durland and ACT Executive Director Ron Berg on the complementary roles of ACT and AUGIE.

Berg explained that ACT work groups tackle a range of strategic issues on agency-carrier interface and other automation-related best practices. “We dig deep on ‘hard’ technology trends and build consensus around actions we as an industry can take to move the Independent Agency Channel forward,” he said. “We push information out through our members, and we leverage Big “I” association resources – nationally and through the states – as well as our various partnerships.”

Durland noted that AUGIE organizes user group volunteers and other leaders to drive advocacy on interface issues, including Real Time and Download. “We complement ACT by delivering shared messages throughout the industry,” she said. “Our focus is uncovering barriers and boosting implementation, especially on standards-based issues”.

Each of the two groups is expanding its social presence and both welcome increased participation. AUGIE monthly calls are open to anyone in the industry and agent membership in ACT is free. “ACT and AUGIE are making a difference because of all of you here,” Durland told attendees. “We thank you for your support.”

**Armitage Recognizes Volunteers, Welcomes Newcomers**

Among the 150-plus industry professionals at the ACT Fall Meeting in Fort Lauderdale were more than a dozen first-timers. “It’s great to see so many new faces,” said ACT Chair Jim Armitage, of Arroyo Insurance in Pasadena, Calif.

Armitage announced that two companies—[**Motorists Insurance Group**](https://www.motoristsmutual.com/) and [**Insurance Technologies Corporation**](http://www.getitc.com/)—recently had joined ACT as supporting members.

Jim also thanked departing ACT Committee members **Lisa Parry-Becker**, of William B. Parry Agency in Langhorne, Penn.; and **Vance Stine**, of Sifford-Stine Insurance in Clover, S.C., for their service. Jim also welcomed two new committee members ACT members, **Claudia McClain**, of McClain Insurance Services in Everett, Wash., and **George Robertson**, of Rockingham Group in Eden, N.C.

Other ACT Committee members in attendance included Scott Rogers, Steve Aronson, Ron Berg and Spencer Houldin. “We’re really blessed to have such a dedicated group of agency leaders working on our behalf,” Armitage said.

He pointed out that ACT is working with InVEST and with the Young Agents. “We look forward to seeing them getting more involved, giving us feedback and their perspective on things like mobile technology and social platforms,” he said. “They are really attuned to that.”

Armitage also announced plans to expand ACT participation diversity. “We’re working with Latin-American and African-American agent groups to ensure that minority agents have access to the tools and resources that will help them thrive,” he explained, noting, for example, that members of the Latin American Association of Insurance Agencies will take part in the February 2015 ACT meeting in Tampa.

**FEATURE: Agents Panel Addresses Data Security**

Security issues took center stage at the ACT meeting, with a discussion led by a panel of agency employees who are driving improvements in their own operations. Steve Aronson, of Aronson Insurance in Needham, Mass., opened the session, saying, “Larger agencies have IT staff and they have put together and implemented well-designed plans for data security and communications.”

Things aren’t necessarily as good at the other end of the spectrum, he added, relating a taxi-line conversation he had upon his Fort Lauderdale arrival. “I met an independent agency carrier rep who used to be with a captive insurer,” Aronson recalled. “I asked about his comfort level with how agencies are handling data. ‘Scared to death’ was his response.”

Panelist Cyndi Tullos, of SouthGroup Insurance in Ridgeland, Miss., pointed out a challenge faced by agencies of all sizes. “We are a multi-site operation and manage a number of small branches,” she said. “We work hard to communicate the importance of handling and disposing of information and property properly. It’s a big concern. Hackers can enter systems in a number of ways and physical data is easy to lose or have stolen.”

George Robertson, a panelist from Eden, N.C.-based Rockingham Insurance, addressed the cost of data breaches. “A study that came out this year shows the average breach involves 26,000 records and costs $5.8 million to handle,” he said. “That’s a significant amount of money and should really get the attention of agency owners.”

**Causes**

Panelists identified leading causes of data breaches—negligence, disgruntled employees and system issues—and engaged audience members in a discussion of possible solutions. “We want to hear your ideas on how to better design and communicate the needs and implementation steps for data security,” Aronson said. “What is the low-hanging fruit?”

To help jump-start the discussion, audience members voted using a text-based tool on a number of topics, including what attendees viewed as the leading agency security concern. Top votes went to “Passwords,” “hacking” and “data.”

One audience member said, “Companies say it won’t happen to them. It actually does happen to a lot of small firms.” Another said, “Our industry is really vulnerable. Employees have as many as 30-40 passwords for MVRs, carrier access, etc. It’s a real challenge.”

An agency management system vendor added, “Companies are so security conscious they have to have agency passwords changed every thirty days. That creates the ‘sticky notes’ problem. Employees shouldn’t even know their own passwords. With single sign-on, they won’t.”

Businesses are sometimes challenged to even know a breach has occurred. Aronson said, “Agencies may have no idea something happened until the policies are moved.” An audience member added, “The last big announcement of a company getting hacked came out months after the fact. The only reason they found out at all—two months down the road—is they run reports every so often on these things. Agents don't have those capabilities. They just need to do a better job of protecting data.”

Aronson called on vendors and carriers to help. “Get involved in SignOn Once,” he said, “Carriers are getting rid of passwords. Once my agency management system validates me or one of my employees, we are able to get into the carrier system and we can do so more safely than before.”

**Communication**

The discussion then moved to identifying ways to communicate security topics. “It’s a big challenge in agencies—communicating that something like this can happen to us,” Tullos remarked. “In a lot of agencies, managers don't even know the terminology—things like ‘encrypt your hard drive.’ There needs to be basic education on technology information.”

One audience member said, “One of the best things we can do is find the real-life examples of agencies that have had events and then communicate them.” Another added, “The issue isn’t just how you get to multiple organizations. It’s a question of getting to the individual. Vendors can help provide information that supports what ACT provides. We need to deliver this information at the individual level.”

Robertson pointed out there companies focused on the data-breach arena. “They help businesses find out if employees are clicking on links they shouldn’t be clicking on,” he said. An audience member added, “There are firms designed to facilitate response that provide consultative services on how businesses can protect their data. Perhaps we can engage an organization like that to help communicate issues across the agency.”

A principal shared how he heightened awareness in his agency. “At one of our Monday morning meetings, I said that, over the weekend, someone had lost their iPad, which had corporate email on it,” he explains. “Everyone was looking around, wondering who did it. We discussed what we’d need to do, and then at the end, I said it didn’t really happen. It was very sobering and I’d highly recommend it for people on the agency side.”

“Develop guidelines agencies can use and then get them out in a multi-channel way,” said another attendee. “Use vendors, associations, carriers and user groups. Make contact even with those who aren’t part of a users group, those who may not even have a management system. We need to go out in a lot of different ways.

“If the 20 or 30 carriers who are in this room all send information out, agents will see it coming from all of them and realize it’s important,” added another attendee. “That will make them take notice.”

Aronson added, “I still get visits from marketing reps. Most agencies meet and communicate with these folks regularly. My staff has a better relationship and better communication with marketing reps than anyone else. Let’s use them.”

**Involvement**

Closing the session, ACT Executive Director Ron Berg announced that an Agency Security Issues Work Group was just launched. “We will look at existing resources and provide information that associations, users groups, vendors and carriers can disseminate to their audiences,” he said, “We’re determining the scope of the group’s work right now. If you’re interested in taking part, contact me.”

**[SIDEBAR]**  
In addition to the ACT website (<http://www.iiaba.net/act>), panelists discussed two resources agencies can use to better understand security issues. **MintzLevin.com** offers info on laws around the country on data security. “For example, the site tells you when notification is required and what the fines and penalties are,” George Robertson explained. “It also defines what is ‘personally identifiable information’ in various jurisdictions.”

[DataLossDB.org](http://www.datalossdb.org/) provides information on reported data breach losses. “You need to sign up for it,” Steve Aronson said, “but when you do, you can search ‘insurance agencies’ and find information on actual agency breaches.” The site also is a resource for agents who sell cyber coverage and want to show prospects that breaches occur in their business. ”

**Making Sense of Mobile**

Witnessing—and narrowly missing being a victim of—an auto accident led Matt Aaron, of GoInsuranceAgent.com, into the insurance business. “I was jogging with my son when a minivan hit this tree,” he recalls. “I thought to myself, ‘What would I do if something like this happened to me?’ I realized that I didn’t even know my agent’s name.” Once he remembered the name, he asked his agent why he had no agency mobile app. The answer—or lack thereof—led Matt to develop the IndependentAgent app.

At the ACT meeting, Aaron discussed the explosive growth of mobile device use. “Sixty percent of all Internet traffic comes from mobile devices,” he said, “and 86% of time spent on mobile devices is with apps.”

He also stressed the need for agents to have a mobile app presence and contrasted websites, mobile-optimized websites and mobile apps. “A real mobile app is downloaded from an app store,” he said. “It uses the native device features, it offers features and benefits not available elsewhere and it is proactive and engaging.”

He said it’s important to have a purpose for an app. “Also, in your app you should know who is using it and how,” he added, “and it should facilitate the upsell and cross-sell of policies. Mobile apps let you communicate in ways you can’t otherwise. They contribute to better loss ratios, offer quicker claims reporting.” He also asked, “If your customers have your app, will they be as inclined to leave you?”

Aaron added, “Web, mobile-optimized site and mobile apps complement each other, but development can be difficult. You need people who understand the differences or you need to find a consultant,” he said. He recommended a book, *The Mobile Mind Shift: Engineer Your Business to Win in the Mobile Moment*, which is available in [Kindle version](http://www.amazon.com/Mobile-Mind-Shift-Engineer-Business-ebook/dp/B00KADTR74/ref=sr_1_1_title_0_main?s=books&ie=UTF8&qid=1414594729&sr=1-1&keywords=mobile+moments) and “talks about how to identify mobile moments and how to executive on a mobile strategy.”

An audience member and Aaron customer stressed the importance of apps being agency-based, not carrier-based. “This is at the heart of our survival,” she noted. “If we as an industry can’t do that, the customer will get tired and find someone one who can do it all. And that will be State Farm.”

She said if vendors can download data from carrier systems where it all resides and then represent it as an agency, the client would see no change in their user interface. “I ask everyone in this room to work together on this,” she added.

ACT Executive Director Ron Berg said the ACT Strategic Future Issues Work Group, which focuses on hard trends and drives other work groups, will look at mobile as part of its work. “The pace of development and use are unreal,” he said. “For our members to survive, we need to do something about this. There’ a lot ACT can do.”

**New ACT Logo Unveiled**

During the Communications Work Group presentation, Peter van Aartrijk, work group chair, unveiled ACT’s new logo. “We had a subgroup look at our brand identity—our name, logo and tag line,” he explained. The group used ACT’s vision as the foundation for its work.

“A vision describes what the world will look like if we are successful,” he explained. “At ACT, our vision is to foster an independent agent system where stakeholders are fully educated on technology and workflow issues. We’re motivated to improve agency technology skills to continuously improve the customer experience.”

With that vision, the group looked at the logo as if it were an employee. “We basically asked whether it is still doing the job what it was brought on to do,” van Aartrijk added. “We looked at the brand persona. We put attributes on it just like we would a person.”

Work group participants agreed that a new, refreshed look was in order. Working with a design team at IIABA, the group came up with a new logo – “act” in lower-case letters – in modern colors that describes action.

**act.TM**

“The old logo was about designing the future. We’re not just about designing. We’re about *doing* something. We’re all about action.”

A style guide is available from IIABA to help organizations accurately display the logo electronically and in print.

During the presentation, van Aartrijk also provided updates on other Communications Work Group Initiatives, including:

* A review of the overall ACT communication strategy and how to implement new communication tools that will complement existing ones;
* A review and revamp of the ACT website as part of an effort to make the existing site content more accessible and easier to navigate; and
* Exploration of how to boost the value of meetings and networking, with an eye on making content more actionable following events.

**Pilot Agencies Share Customer Experience Activity**

The ACT Customer Experience Work Group has been examining customer-focused trends and, in May, presented information on the insurance customer journey—from pre-purchase through renewal and beyond. “We collected feedback from that meeting, updated touch points, added best practices resources for agents, and then streamlined it,” said Work Group Co-Chair Judy DeLaRosa, of Chubb.

Since then, pilot agencies have tested findings. Fellow Co-Chair Claudia McClain’s agency, McClain Insurance in Everett, Wash., was one of these. “We did e-signatures, web site changes, soliciting and hosting reviews, and implementing blogs,” she said. “One of the biggest challenges agencies face is getting consistent buy-in from their employees. It takes more than just having a principal say, for instance, ‘Yes, we will have a blog.’ You need to look at how you will do that.”

Eden, N.C.-based Rockingham Group tackled e-signatures and testimonials/reviews. “With e-signatures, we’re using what our carriers are using and are in the process of implementing that,” said Rockingham’s George Robertson. “On the other piece, we started using our website to get testimonials. Our homepage has a ‘Leave a Review’ icon customers can click to provide feedback. We have several testimonials on the site and are moving forward.”

Cyndi Tullos, of SouthGroup Insurance, Ridgeland, Miss., said her agency focused on renewal advocacy. “We identified key experience improvements and are rolling them out one at a time, monthly,” she explains. “We’re starting with personal lines letters. We sent out handwritten post cards with the customer’s account manager’s picture on them and are getting great feedback.

“As with any change, we’re finding some push back,” she added. “We need to communicate multiple times so people hear and implement. But we’re moving to shift what we do to improve the customer experience.”

ACT Executive Director Ron Berg said that, by year-end, a recommendations document would be available. “Want it to be useable and consumable,” he added.

**Tech Agreements Update**

ACT Chair Jim Armitage, of Arroyo Insurance in Pasadena, Cal., shared progress made by the Agency Technology Agreements Work Group, which he also chairs. “We did a very confidential review and found there’s really no uniformity when it comes to technology agreements and agency contracts,” he explained. The work group created a six-page [summary review](https://www.independentagent.com/Resources/AgencyManagement/ACT/SiteAssets/Pages/carrier/AgencyCarrier/2014%20Tech%20Agreements%20Update/ACT%20Review%20and%20Recommendations%20for%20Agency-Carrier%20Technology%20Agreements-2014Oct14%20-%20FINAL.pdf).

“It is concise and easy to digest,” Armitage said. “We focused on a number of areas, including e-signatures, click-throughs, telematics, third-party access, unauthorized users, access for terminated agencies and more. Our overriding principle all the way through this—and it dates back to 2004—is that we really should have a combined agreement and that the agency contract should be controlling document.

The Work Group is teaming up with the Communications Work Group to share its findings and recommendations. “We are delivering something that will be helpful for the states, for the Big “I,” and for the carriers,” he explained. “And we’ll continue to review this as changes occur.”

**Next Meetings**

ACT Executive Director Ron Berg announced the next in-person meeting will be held in conjunction with AUGIE at the Embassy Suites in downtown Tampa, February 18-20. “AUGIE and ACT each will have a full-day meeting—beginning in the afternoon and continuing the next morning,” he said. Registration information will be available online.

“Thank you all for your dedication and time,” he added. “We can do our committee work, but having you here—having you interested, engaged and providing feedback on what we’re focused on and what we can do better—is really valuable.”

**Other Future Meetings**

**May, 17-20 2015 ACT Meeting**

ACT meeting to be held in conjunction with AUGIE. Aartrijk Brand Camp will also be held in the days prior to the ACT & AUGIE meetings.The meetings will be held at the Magnolia Hotel in St. Louis, MO.

***\*\* Agenda and registration information forthcoming prior to meeting.***

**Sep 30-Oct 4, 2015 ACT Meeting**

This ACT meetingwill take place in conjunction with the IIABA Fall Leadership Conference running from Sep 30-Oct 4 at The Roosevelt New Orleans Hotel in New Orleans, LA.

***\*\* Agenda and registration information forthcoming prior to meeting.***

**Feb 17-19, 2016 ACT Meeting**

This ACT meetingwill be held in conjunction with AUGIE and take place Feb 17-19 at the Embassy Suites Phoenix/Scottsdale Report and Convention Center in Scottsdale, AZ.

***\*\* Agenda and registration information forthcoming prior to meeting.***