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Measure and Manage: Agencies Focus on Sales Results

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Anybody responsible for tracking his or her agency's sales results can tell you—it can be a daunting task. Getting producers, support staff and management on the same page presents some interesting challenges. Details can get lost in the shuffle of day-to-day business activities. A worse situation exists when nobody is responsible for tracking the agency's sales results.

Making sure sales information is centralized, shared and tracked is key to ensuring optimal performance. This thinking led to the development—by an agency—of a Web-based sales tracking and management tool called MySalesResults.com. The product seeks to streamline the tracking process and present a full picture of an agency's sales strengths and weaknesses, with a goal of maximizing profits.

Jessica Stevenson, who handled business development for an independent agency in Michigan, developed the program around a simple premise. "What gets measured and managed gets done," she explains. The product was launched in 2006. Since then, agencies throughout North America have tapped the product as a useful complement to their existing processes and work-flows—one that focuses specifically on insurance agency and brokerage operations.

Among these are Applied Systems users Falkins Insurance Group, in British Columbia, and Kemner-Lott, an agency based in southeastern Michigan.

Multi-line Michigan Agency

Kemner-Lott is a 45-person agency founded in 1954. In the early nineties, when founder Stanley Kemner retired, the company created an employee stock ownership plan. Eligible employees, many of whom have been around since the '90s and before, now collectively own roughly half of the company's stock.

The multi-line agency is active in personal and commercial lines, with a focus on contractors and small- to medium-sized businesses. Its mission is "to be Michigan's premier single-source provider of insurance and financial services, forging a partnership for success between our

company, our clients and our employee owners." The agency prides itself on having a highly trained staff that gets the most out of technology, says Joy Smith, agency vice president, business development.

A demonstration by Stevenson of MySalesResults.com at a statewide independent agents meeting caught the eye of agency president Dan Iott, who passed the information along to Smith.

According to Smith, the product presented an opportunity to help agents who "knew they needed a hand with tracking activity in a way that didn't take a disproportionate amount of time." Smith recognized that deploying a Web-based system would help centralize information for the agency, which has 12 producers spread among three offices that cover all of southern Michigan.

The agency introduced the system to all of their producers at once, via a group teleconference. Everyone had an opportunity to share concerns, ask questions and consider the advantages of using the product, Smith notes. "We then made the system available to all users and allowed them time to enter prospect information or have it transferred electronically from a spreadsheet."

Most producers embraced the system and quickly realized they could leverage it to replace the tracking they had previously been doing manually. Some producers initially resisted, worrying that such a process could lead to micromanagement.

Using the system requires some discipline, Smith notes. "Those who are more technically savvy seem to do better at tracking activity and results, as well as finding ways to get the most out of the product," she explains.

Ten Sites in British Columbia

Falkins Insurance Group's experience mirrors that of the Kemner-Iott agency. In business for more than a century, Falkins serves customers from 10 locations throughout southeastern British Columbia. The 80-person TAM brokerage writes a relatively even mix of auto, personal and commercial lines business.

Falkins' decision to implement MySalesResults.com was driven by management's desire to track whether or not their producers had enough leads in the pipeline to meet their personal goals. Sales Manager Sam Cowan says, "We implemented the system as a non-optional behavior, and it was accepted as such." Falkins' use of the product is based on "one user per personal lines property team (one team per office) and one user per commercial account executive," he notes.

While management initially faced resistance similar to what Kemner-Iott encountered (Cowan describes it as a perception of "Big Brother" methods), employees have since found the system "to be useful in setting goals and seeing them through," he explains. This employee buy-in was the main hurdle to making the most out of the system. "The key to implementation is to sell it to employees as an organizational tool," he explains. This helps drive acceptance.

Staff found the product to be "very user friendly and easy to understand," he says. When issues did arise, replies and solutions were speedy, he adds.

For the management team at Falkins, accountability was the main reason they chose to implement the system, and it has been in that area that they've seen the greatest gains. "One of the main benefits is it creates accountability for results," Cowan says.

The value of any system—sales management or other—is largely dependent on the quality of data it contains. "It's only as good as the information that is put in it," Cowan says. At the onset, he sat down with each individual account executive and discussed what they thought they could produce in commission income. "We loaded the goal into the system," he recalls. "Now they can

see how they are doing year-to-date and what they have to do in the coming months to reach their goal." Today, he notes, management can see when and where account executives are facing difficulties in closing deals and following through with prospects.

Managing for Success

Stevenson, who has talked to hundreds of agencies and brokerages about sales management and has helped scores of organizations go live, says the experiences are typical. "The micromanaging concerns seem fairly common," she says. "When producers discover the system can help them increase production—and income—these concerns fade."

Technology issues sometimes surface, too. "By and large, producers' personalities lend themselves much more to personal interaction and sales than to process," she admits. "We've found that, in many cases, using a product that's designed to track insurance agency workflows, rather than off-the-shelf sales management software, helps smooth these issues."

In the end, agencies are finding that Stevenson's philosophy of "what gets measured and managed gets done" does, indeed, hold water. In the first full month of system implementation, Kemner-Iott saw more new business commission than it recorded for that specific month in any year in its history. It was also the best month for new business the agency had seen in any of the previous nine months.