



5

STEPS FOR
SELECTING THE
RIGHT AGENCY
MANAGEMENT
SYSTEM
for your agency

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AgencyBloc helps life and health insurance agencies grow their business by organizing and automating their operations using a combination of an industry-specific CRM, commissions processing, and integrated marketing automation.

**Start organizing, automating & growing
your agency right now!**



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CHOOSING THE RIGHT TECHNOLOGY

Seventy-four percent of the life and health insurance industry is using either a generic CRM or an industry-specific agency management system (AMS) to manage their book of business. This means most of the industry has moved away from manual spreadsheets or paper files and have opted for software.

Technology has become an extension of an agency's employees. It's no longer if you adopt technology, it's which technology. The tools your staff has access to can either make them more productive or hinder their performance. That's why choosing the *right* technology is so important. And that's what this eBook is all about.

There are five steps we've identified to help agencies choose, but first let's discuss what an AMS is and why insurance agencies are turning towards them (23% plan to adopt one this year!).

WHAT IS AN AGENCY MANAGEMENT SYSTEM (AMS)?

An agency management system (AMS) is usually a cloud-based (though some are still client-based) SaaS (software as a service) technology that insurance agencies use to organize their book of business and more effectively run their operations.

The difference between an AMS and a CRM is specificity. An AMS is built for insurance agencies, often even for a niche (like life and health). However, CRMs are used by businesses of all sizes and types. Therefore, more customization is needed to make a CRM work the way it needs to for insurance agencies.



Further, CRM vendors are focused on helping a wide range of customers, whereas AMS vendors cater to insurance agencies. That's their focus.

When it comes to functionality, an AMS generally has many more capabilities that are, again, focused towards the insurance industry:

- Track clients & prospects
- Track agents
- Track policies
- Track carriers
- Process commissions
- Automate workflow (like emails & activities)
- Run custom reports
- Show real-time analytics

An AMS not only helps you organize your book and automate tasks, but any good AMS will also help you grow your agency.

[Agents Council for Technology](#) says that an AMS leads to "... improved profitability and professionalism. Efficient operations result in higher profit. Clients are provided more professional service when your staff is able to devote more time to service by not having to deal with unorganized pieces of paper."

Not only does an AMS help you be more efficient with clients, but as an agency owner, it allows you to consistently monitor the health of your agency. An AMS is a must for any agency looking to be more proactive and make smarter business decisions. Without a way to monitor all of the aspects of your agency, you're simply *[making guesses in the dark](#)*.



The right AMS also helps your agency operate with accurate data every day.

WHAT IS “ACCURATE” DATA?

Accurate data is:

- Organized. This is crucial. It’s like when you are working on a group project, and someone has done some work but it isn’t clear where they left off or what they even did in the first place. The data needs to be super organized to the point where someone can look at it and understand where to pick up quickly. For an insurance agency, this would mean having your data in an agency management system first and foremost. Otherwise, there really isn’t an easy way to maintain organization. Maybe your spreadsheets or paper files have worked for you, and that’s fine. But when it comes to selling your agency, a buyer probably won’t want to take on that data knowing they have to do the data migration themselves with your data.
- Updated. This goes with organized, but it’s important to mention because often times, agencies will get their data into an agency management system and then do nothing with it. An agency management system is made to make your life easier, so take advantage of that.

AgencyBloc is an AMS built specifically for life and health agencies. We’ll talk more about AgencyBloc later, but first let’s take a look at the five steps to selecting the right agency management system for your agency.



1

IDENTIFY YOUR
PAIN POINTS /
GOALS

STEP 1 IDENTIFY YOUR PAIN POINTS / GOALS

Before you can even begin looking at software solutions, you must identify the problem you'd like to solve. If there wasn't a problem, you wouldn't be looking for a software solution, right?

Oftentimes, pain points and goals tend to coincide. For example, let's say an agency hates the way they can't easily run reports to see performance. That's a pain point. However, it's likely a pain because they have a growth goal they'd like to monitor their performance towards.

Goals are often driven from the current issues your agency is facing, potentially due to your current CRM/AMS or lack of one. So, it's important to identify both in this step and understand that you're not buying software just to solve issues—you're buying to reach your goals.

Some example pain points and subsequent goals might be:

- You want to improve client relations, but you can't quickly pull up client records to answer questions on the spot when they call in
- You want to renew X% of policies each year, but you don't have a way to automate the communication and/or agent tasks for these
- You want to decrease the amount of time processing commissions, but your staff is still working in spreadsheets



These are just a few simple examples, but it gives you an idea of the pain points and goals you could be identifying for your agency.

A long term goal that some agencies might be facing is succession planning. When you started your agency or acquired it, what was your initial goal? To grow it and pass it on? To eventually sell it? To pass it down to a family member? All of these questions are important to answer because they'll guide your purchase decision.

If your end goal is to eventually sell your agency, remember that you're *selling your data, not your agency*. To get the most value out of your agency, both when you're operating it and when you go to sell, the right technology is crucial.

No matter what your goals are, the right technology can either make or break these. Like we said, technology is ultimately an extension of your staff. They either have the tools to be more efficient, or they have tools that inhibit performance.

In order to ensure your team can alleviate pain points and meet goals, an AMS that fits your needs is crucial. The next step is identifying your agency's specific needs.



2

IDENTIFY
YOUR NEEDS
(AND WANTS!)

STEP 2 IDENTIFY YOUR NEEDS (& WANTS!)

Based on your pain points and goals, there are certain functionalities of a new system you'll need. Many agencies find it helpful to create two lists: a "must-have" list and a "wish list". Anything your agency needs to alleviate pain points or meet goals is a need; anything else that would be nice to have is a want.

Take the examples we used earlier:

- You want to improve client relations. Your needs could be the ability to track clients and their policy details and the ability to search on all criteria to pull records up quickly.
- You want to renew X% of policies each year. Your needs would likely include automated workflow and ability to track agent activity.
- You want to decrease the amount of time processing commissions. Your new AMS would need to have integrated commissions tools, then.

If you come to the vendors with a specific list of needs, you'll be able to quickly weed out systems that won't work for you. Rank your needs in order of most important to least important to prioritize; this will help you stay focused on what you're after.

Other needs life and health insurance agencies often identify are:

- **Accessible 24/7 from anywhere.** How important is it for you to access your book of business from anywhere on any device? Cloud-based systems allow you to access your book on any device with an internet connection.



- **Workflow automation.** Every business is aiming to work smarter, not harder. If you're looking to automate mundane, time consuming tasks, automated workflow is likely a need.
- **Real-time analytics and custom reporting.** Looking to make smarter business decisions based on real data? Real-time graphs and charts are available in the best AMS/CRMs to give you a quick glimpse at your data. Dig deeper with custom reporting. With these insights, your agency is able to steer in the right direction.

Needs are those “must-haves” that would make your agency move to a new system. However, your wish list will likely come while you're researching new systems, discovering what you could be doing.

For instance, in our [2018 Insurance Agency Technology survey](#), we found that 30% of agencies would project commissions if they had the technology to do so. So, it's not a need for them currently, but they would if they could.

Sometimes, items on wish lists are what ultimately makes the decision on one system over another. And some wish list items even end up becoming “must-haves” once the agency is exposed to them.

Bottom line: Wish items are important to consider once you begin researching, but let those needs guide your search.

Use this [Needs & Wants List template](#) to create your lists!



3

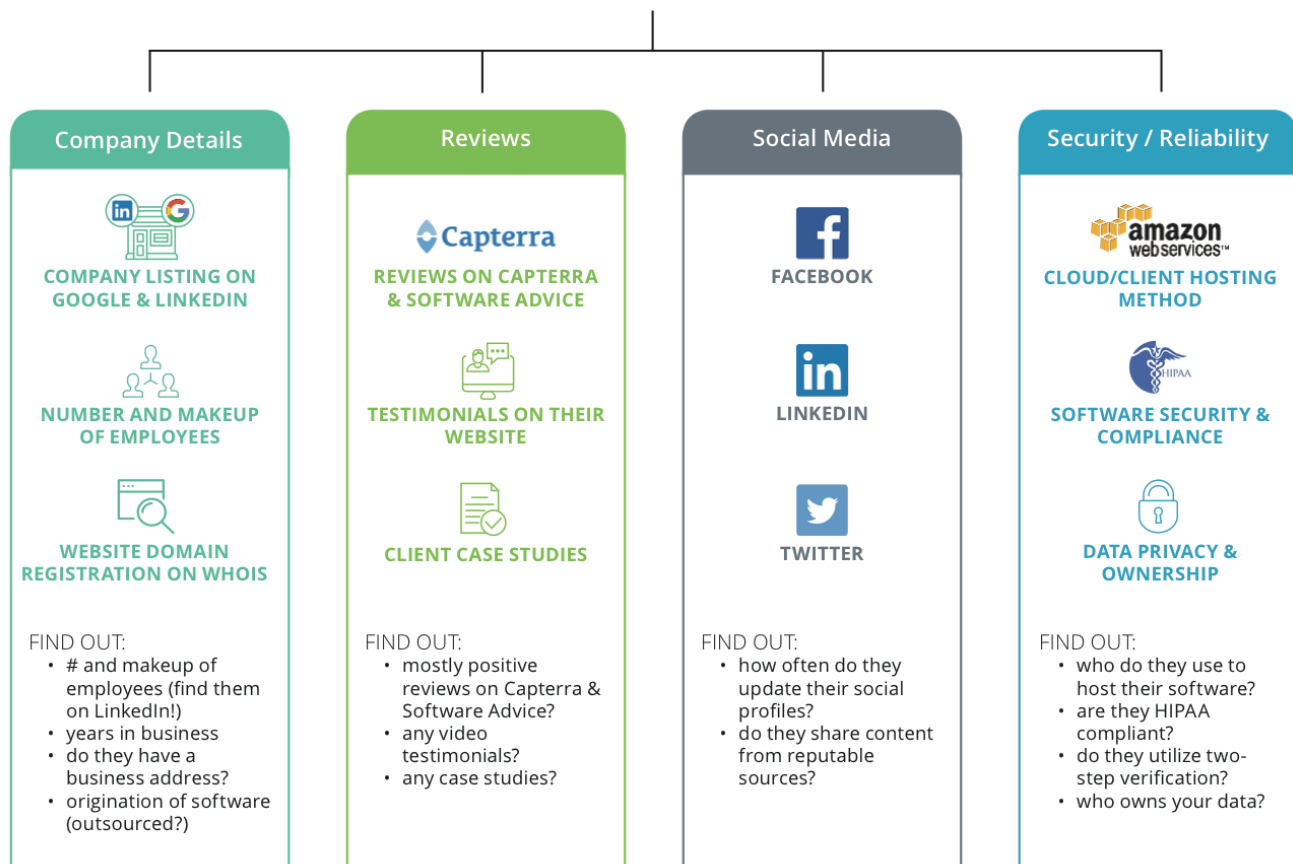
RESEARCH
YOUR
VENDORS

STEP 3 RESEARCH YOUR VENDORS

Researching your vendors is arguably the most important step in this process. You aren't just buying software; you're looking for a software partner. That means looking beyond the product into the company itself.

BEYOND THE PRODUCT RESEARCH TOOL

Are you buying software or investing in a partner? Your book of business is too valuable to risk the wrong choice. Use this tool to go beyond the demo and really know the company behind the software.



Use this illustration to guide your research—it's helpful to understand the different areas to look at.

Again, it's about getting to know the people behind the product and ensuring they're people you're comfortable partnering with. To get a good picture of this, check these areas online:

- **Google search.** Do they have a valid business address? Does their website come up with multiple links to browse? Do reviews come up? All of these are signs the company is well established.
- **Capterra.** Review sites like Capterra compile user reviews for all kinds of software. Look up each of the vendors you're considering, and pay close attention not only how good the reviews are, but also to the number of reviews they have.
- **Company LinkedIn page.** How many employees can you find on LinkedIn? What are their employees' titles? First, you can figure out whether the product is outsourced this way. But it's also to understand any potential conflicts of interest—for instance, if the software owner is also an agency owner.
- **Company Facebook page.** Besides LinkedIn, Facebook is another area the company should be active. See how often they post and if what they're posting is relevant to you.

All of these things help you better understand the company's history and its people. Knowing their experience level and credibility in the industry are both truly important aspects of the purchase decision.



4

**MAKE A
DECISION**

STEP 4 MAKE A DECISION

Here is where the rest of your agency/team comes in. Although you likely gathered feedback and suggestions from them while you were identifying your pain points, goals, and needs, here is where you all come together to make the best decision.

Making a decision for a group is challenging, no doubt. [*Your Office Coach*](#) identifies some “common decision-making pitfalls” (borrowed directly from their website):

1. Rushing to Conclusion

Groups sometimes rush into decisions without considering all the facts or gathering needed data. Leaders who want input from their group should never start a decision-making discussion by saying ‘Here’s what I think. Now, what’s your opinion?’ Having declared their own views, they may not get much disagreement. Whenever a team seems to be making a hasty decision based on hunches, assumptions, or past personal experiences, someone needs to slow down the process.

2. Analysis Paralysis

The opposite of rushing to conclusion is to spend so much time gathering and analyzing data that nothing ever happens. While using data is important, groups seldom have all the data that they could possibly wish for on a subject. The key is to identify the critical information needed and not waste time collecting data that is only marginally useful.

3. Voting

Voting is often used to resolve situations where clear preferences for opposing choices are expressed by group members.



The advantage of voting is that it resolves the issue quickly. The disadvantage, however, is that it creates winners and losers and tends to polarize people. For any important decision, voting needs to be avoided if possible.

4. Vocal Minorities

Sometimes decisions are determined by small numbers of people who strongly express their opinions. If those who disagree remain quiet, the result is a decision that is only supported by a minority of the group. When this appears to be happening, someone needs to encourage other members to speak up, in order to assess everyone's support for the decision.

5. Lack of Response

Sometimes decisions are made by default, when no one responds to an idea or suggestion. If one person suggests a course of action, but no one comments on it, the group will just go on to the next topic and the idea is dropped. A decision has thus been made not to pursue that idea. The hazard for the group is that good ideas may get lost this way. If a suggestion seems to have some merit, the group should be encouraged to at least discuss and consider it.

6. Groupthink

"Groupthink" occurs when members of a group are reluctant to express disagreement. The result is that everyone agrees on the surface without expressing their underlying concerns or reservations. Decisions are made without the careful scrutiny that occurs through open discussion, often resulting in unfortunate outcomes. Groupthink is frequently caused by leaders who discourage disagreement and shut down discussion.



7. The Abilene Paradox

The Abilene Paradox occurs when a group makes a decision that no one actually supports. This usually occurs because everyone is being polite and believes that other members support the decision. The name was coined by a consultant who took a miserable trip to Abilene with his family, then later learned that no one really wanted to go.

You can see why going into a group discussion unprepared is the wrong choice for this decision. There are countless articles out there about the right way to do it, but it'll differ agency by agency.

Keeping these pitfalls in mind, come to the group with the 2-3 options you have narrowed it down to. Come prepared with all of the reasons why these options were chosen, and be ready for discussion.

Team members may have experience with or have heard things about vendors you've chosen, so they might have opinions. You know your team, so you know whether a group discussion or individual meetings would be best to hear out opinions on the choices.

The main idea is to get buy-in for the decision. You don't want to make an executive decision that nobody else supports, and you want your team to feel included in the process. After all, they'll be using the system too—and likely in different ways than you will.



5

MANAGING
THE CHANGE

STEP 5 MANAGING THE CHANGE

And last, but not least, everyone's favorite word—change.

Change is nerve-racking for everyone, no matter how involved they've been throughout the process. You're overhauling—for the better, but nonetheless—their day-to-day. They'll have to learn new processes and get used to the new system.

However, there are a few things you can do to ease the transition:

- **Get a recording of your initial training with the vendor.** Ask your vendor to record your initial training with them and provide the recording to you. Share this with the rest of your team so they can reference it when necessary.
- **Encourage use of the vendor's help section.** Ensure your team is aware of your vendor's help section and how to navigate it. Also point out other avenues the team can reach the vendor (live chat, email, phone, etc.).
- **Assign an "expert" from each department.** Pick someone from each department of your team to learn the new system and be the expert for questions and concerns from their respective departments.
- **Roll out slowly.** Sometimes, agencies find it beneficial to roll out the new system to each department separately while still using the old system. This way, your agency doesn't experience a major slow down while everyone is learning the system. Plus, each department will provide tips and tricks as they learn to the other departments.



- **Throw a launch party.** Get everyone excited about the new system and meet with the rest of your team in a casual way that encourages open conversations about any concerns.

Using these five steps to choosing the right AMS for your agency, you've identified your pain points and goals, made a list of your needs and wants, thoroughly researched your vendors, considered your team, and guided your team through the change.

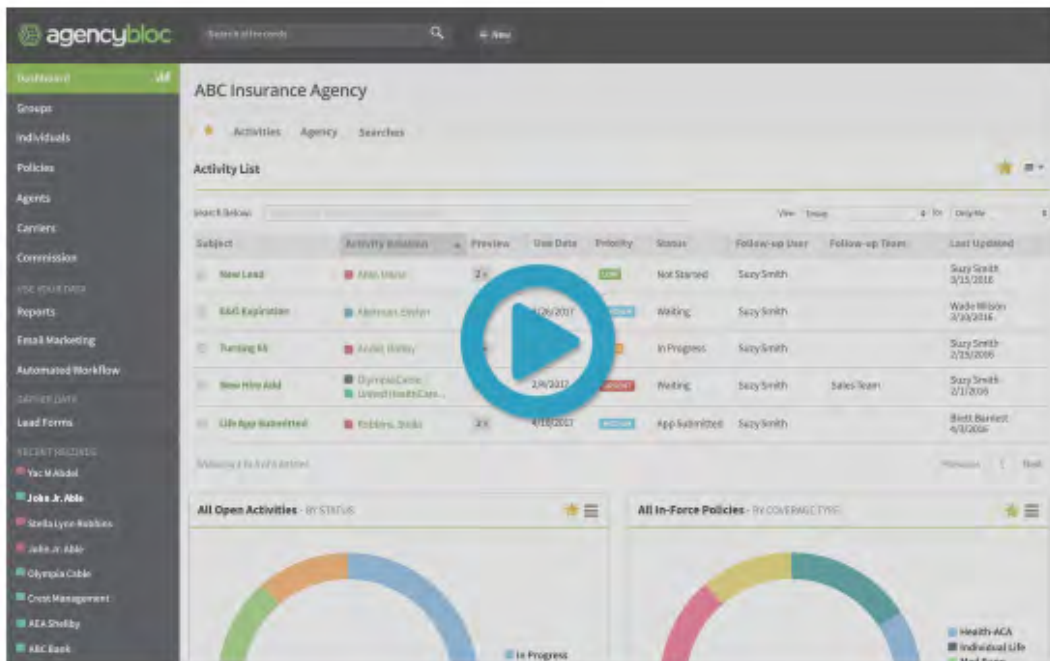
So, which AMS will you choose?



SEE AGENCYBLOC FOR YOURSELF

AgencyBloc is an agency management system that helps life and health insurance agencies grow their business with an industry-specific CRM, commissions processing, and integrated business and marketing automation.

Learn more in our overview video:



“

AgencyBloc is exactly the tool I was looking for, and the support and guidance is absolutely what I need. This is an amazing group of people that know their business and understand and get my needs.

—Susan, Health Insurance In Kansas City



THE **#1 AGENCY RECOMMENDED** MANAGEMENT SYSTEM

**Sign up for a live, one-on-one demo
of AgencyBloc.**

*You'll be able to discuss your agency's specific
needs and see the software in action.*

