THE AGENCY'S GUIDE TO DITCHING SPREADSHEETS:

Working smarter, not harder to effectively run your agency

AgencyBloc

AgencyBloc is the #1 Recommended Insurance Industry Growth Platform serving the health, benefits, and senior insurance space. Our suite of insurance-specific solutions can help your independent insurance agency, GA, IMO/FMO, or call center remain compliant and accelerate growth.

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IN THIS EBOOK...

Almost twenty-five percent of insurance agencies use spreadsheets or paper files to manage their book of business. However, many agencies are now switching to an industry-specific agency management system (AMS) to run their operations. Why? In this eBook, you'll learn the history of spreadsheets, the downsides of using them in your agency, and why (& how) agencies are making the switch to an AMS.

SECTION 1:

The Use of Excel Spreadsheets

THE USE OF EXCEL SPREADSHEETS

Excel's history began in 1978 at Harvard University when a student, Dan Bricklin, created a program called *VisiCalc* that could "manipulate a matrix of five columns and 20 rows." The next seven years included several improvements to the original VisiCalc until Microsoft Excel version 1.0 became the "first spreadsheet program to use a graphical interface with pull down menus and a point and click capability using a mouse."

What followed were new version releases from Excel about every other year, with new capabilities for users. Excel is still in the business of spreadsheet calculations and data manipulation, with its latest version being Excel for *Office 365*.

Now, there are several other spreadsheet applications, including *Google Sheets*.

Spreadsheets are indeed very powerful with many business applications. So, why then, are we writing an eBook about why you *shouldn't* use them? Well, it has to do with *how* you're using them.

Spreadsheets are built to handle very specific number crunching and data manipulation. What it isn't built for is the kind of *relationship management* that is required within insurance agencies and the tracking contact information, policy data, commissions, client and prospect communication, and more.

In fact, there are many downsides of using spreadsheets in this way, and yet almost one-fourth of the insurance industry is still using either spreadsheets or paper files to manage their book of

business. Spreadsheets and paper files are time consuming, disorganized, costly, and much more as we'll discuss in this eBook.

For these reasons, more insurance agencies are moving to an insurance-specific agency management system (AMS) to manage their book of business. In fact, as reported in our 2019 Insurance Agency Technology Survey, 42% of agencies use an AMS.

What is an agency management system (AMS)?
An agency management system (AMS) is a SaaS (software as a service), or sometimes server-based, technology that insurance agencies use to organize their book of business and more effectively run their operations.

Though the terms "AMS" and "CRM" are sometimes used interchangeably, there are important differences. A CRM is defined as Customer Relationship Management software. At its core, it's software that businesses use to manage their prospects and clients.

An AMS includes prospect and client management but often has additional capabilities to help you manage your insurance agency, like policy management and commissions processing. An AMS is also tailored to the insurance industry.

So how does an AMS compare to spreadsheets? An AMS is built specifically to help insurance agencies manage all parts of their business, beyond simple data housing and calculations that spreadsheets handle. That's why the best insurance agencies mainly use an AMS with spreadsheets as a complement, when needed.

SECTION 2:

Problems with Spreadsheets

PROBLEMS WITH SPREADSHEETS

Spreadsheets have limitations that all insurance agencies should be aware of when using them, from being error-prone to being a disservice to your sales team.

Spreadsheets Are Error-Prone
It's easy to see how errors within spreadsheets occur because data is manually entered and edited, multiple people likely access the same sheet, and saving the latest version of a sheet is also manual. But it's a larger issue than most agencies realize — *88% of Excel spreadsheets contain errors!*

That means that the sheets that contain your client and prospect information, commissions data, and policy data most likely contain errors. So, you very well could be working your leads, managing clients, and paying your agents based on data that isn't accurate.

Forty-four percent of respondents to a *survey* said they "grapple with multiple, inconsistent spreadsheets." Again, when you have several people manually editing the same spreadsheets, it's inevitable that somebody is going to forget to save their work or accidentally work off an old version. Collaboration within spreadsheets can be just plain difficult — more on that later.

Spreadsheets Are Time-Consuming
The last thing you have is free time in your workday to spend constantly updating spreadsheets. *Survey respondents* said they spend 12 hours a month "consolidating, modifying, and correcting the spreadsheets they collaborate on with others and reuse frequently."

Between manual entry efforts, identifying and fixing errors, and searching through the rows and columns of numbers, spreadsheets can be a major drain on productivity.

However, the reason spreadsheets are so time-consuming and inefficient isn't just because of manual data entry or fixing errors; it lies in the inability to automate. Within spreadsheets, you can't really put your data to work for you. You are unable to build "actions" off the static data in the cells, so you're losing time you didn't even know you could gain back.

As you'll see, an industry-specific AMS allows you to use your data to create efficiencies and, ultimately, save time.

Spreadsheets Hinder Client Service

When your clients lack communication and personalized service from you, they're more likely to leave. If you're using spreadsheets to manage your relationships and communication with your clients, you might not be able to provide the service they expect.

Spreadsheets can't alert you when a client's renewal is approaching or when it's their birthday. So, it's less likely you'll remember to reach out to each of your clients when events like these pop up is slim.

Clients also expect timely service; there's a *74% increase in customer satisfaction* if you respond quickly to questions or requests. How quickly can you find your clients' information within a spreadsheet? Can you see all of the previous conversations you've had with them? What details can you quickly view on the policies they have (and the statuses of those)?

An AMS is built for customer service and client retention. You're able to automate some of your communication with clients and can quickly pull up detailed information when needed. We'll go over some examples of this in the next section of this eBook.

Spreadsheets Aren't Built for Commissions Processing
When it comes to receiving payments from carriers and, in turn, paying agents, the last thing you want are errors. And as we've already mentioned, most spreadsheets contain errors.

Agencies experience the most difficulty when trying to identify missing commission payments from carriers. It can be near impossible to find these when solely tracking in spreadsheets, but agencies have found *thousands of dollars* in missed commissions when switching to AgencyBloc, an industry-specific AMS.

Processing and tracking commissions in spreadsheets can also be very time consuming. Managers can spend as much as *90% of their time* simply updating spreadsheets with new numbers; thus, they have no time for any actual analyzation. But even if they did have more time for data analyzation, spreadsheets aren't necessarily the best for that, either.

Though you might think number-crunching tools like spreadsheets would be great for data analyzation, many agencies find the rows of raw data too cumbersome to pull any insight from.

Creating the visuals from spreadsheets necessary for data analyzation can take a decent amount of time and resources, so many agencies simply aren't doing it.

Spreadsheets Don't Support Team Collaboration

Without a way to attach important documents, assign activities, or add notes, spreadsheets don't lend themselves to effective team collaboration. It can be difficult to see where someone left off, or if you're even working on the most updated file. There can be a lack of an audit trail to go back and review what's already been done or what still needs to be done.

Many people thrive when working in a team environment, but, on average, we still *spend 15 hours a week* on isolating manual processes like spreadsheets and emails. In an agency with many moving parts, it's crucial to have a way for everyone to collaborate and be on the same page.

Spreadsheets Make Data Analyzation Challenging

We mentioned this when talking about commissions data, but data analyzation for any part of your business can be challenging within spreadsheets.

A few metrics or data points your agency might be interested in are:

» Your agency's activity list — where you can see tasks assigned to you and your staff

» A graph showing the status of all of your policies — what stage are they all in (active, pending, enrolled, etc.)?

» A graph displaying all of your in-force or active policies by coverage type — what do you sell most of (health, life, med supp, dental, etc.)?

» Top producing agents — who is bringing in the most business for you?

» Actual vs. projected commissions — are you bringing in what you thought you would be?
» Your groups and individuals by type — where are they at in the sales cycle?
» All policies with renewals in the next 60-90 days (or whatever time frame you prefer) — being proactive in communicating with your clients about policy renewals is an important aspect of keeping those clients.
» A list of agents with licenses or E&O expiring soon (choose a timeframe that you prefer) — if your agency supports internal or contracted agents, you can monitor this and set up automated emails to remind these agents of upcoming expirations like these.

These are just a handful of the metrics your agency might find important to monitor on a regular basis.

"Visualization gives you answers to questions you didn't know you had." —*Ben Schneiderman, Professor of Computer Science, University of Maryland*

In order to plan goals for where you'd like your agency to go, you must know where you've been and your current trajectory. And the only way to do this is through analyzation and strategic reporting, both of which can be time-consuming and ineffective within spreadsheets.

Spreadsheets Can Cripple Sales Productivity
Closing a deal is arguably all about a timely follow-up. Of course, you have to offer the right products and make your agency known. But once a lead reaches out, you also have to respond almost immediately to ensure you get their business.

In fact, if you *follow up with web leads within 5 minutes*, you're 9 times more likely to convert them. However, static spreadsheet cells can't alert you when a new lead comes in, nor can they send out an automated follow-up email to the lead.

Hubspot points out that companies that automate lead management see a 10% or greater increase in revenue in 6-9 months. This means moving from your spreadsheets to a system that can help you better manage your leads.

So now that we've pointed out some drawbacks to using spreadsheets to manage your book of business, let's look at how switching to an agency management system can help.

Benefits of an Agency Management System

BENEFITS OF AN AGENCY MANAGEMENT SYSTEM

When agencies switch from spreadsheets to an industry-specific AMS, they often feel significantly more organized and productive.

Beyond increases in organization and productivity, you should consider switching from spreadsheets to an AMS if:

>> You want to reduce errors in your data
>> You want to save time in data entry or manipulation
>> You want to improve your client retention
>> You want to process, track, and project commissions easily and efficiently
>> You want your employees to collaborate better
>> You want to learn from your data to make smarter business decisions
>> You want to improve your sales process and close more deals

Let's now discuss how an AMS benefits agencies in all of these ways.

Industry-Specific Record Tracking

An AMS built for the insurance industry can track client, prospect, agent, policy, and carrier data. With all of these types of records managed in one place, your agency can be efficient in initial data entry, searching for records, and tying records together. This becomes extremely important for tasks like service clients or following up with sales leads.

Individual Record in AgencyBloc

The above screenshot is an Individual Summary page in AgencyBloc. This is just a small snippet, but it helps you see how records for prospects and clients, for instance, can be extremely thorough, yet organized.

From this screen, you could click through to view the individual's policies, which group he's associated with (Olympia Cable), any activities to be completed or already completed related to him, notes and paper files (attachments) for him, relationships (like his spouse or children), emails your agency has sent him, and any workflows he's part of. We'll talk more about email and workflows later in this section.

Again, this is a very thorough, yet streamlined way to manage a client record. You and your team are always working from the

most up-to-date information, and errors are far reduced using drop-down menus and formatted fields as opposed to open cells.

You also save serious time retrieving contact records. A simple type-to-search will pull up the record, or use an *Advanced Search* to find records that meet certain criteria you're looking for.

Effective Client Service & Communication

Client records housed in an AMS can be pulled up instantaneously. For instance, when a client calls in to ask a question about his or her policy, you're able to pull up his or her record from your computer, phone, or tablet and answer right away. But another benefit of managing your clients within an AMS is the ease of cross-selling.

Cross-Selling Email Campaign in AgencyBloc

When you sell multiple policies to clients, you're more likely to retain them. The above screenshot of an Email Campaign shows you one of the ways within AgencyBloc that you can identify and immediately act upon *cross-selling opportunities*. With these filters, you can then send a mass email to these clients who have a health policy with you but not dental. The other way to identify cross-sell opportunities is to simply run a Cross-Sell Report.

Like this cross-sell example, *automated emails* can be sent in the same way for birthday wishes, policy renewal reminders, and more. Here is a policy renewal example:


Automated Workflow Setup in AgencyBloc

When you can give your current clients the same amount of attention you give new leads, you're much more likely to retain them. The trick is being able to automate much of this communication — otherwise, agents might have difficulty finding the time to reach out to clients on a regular basis.

Process, Track, and Project Commissions

Whether you are paying out commissions to the house or have more complicated splits, an AMS can streamline the process. You'll save both time and money (finding missing commission payments!) when you switch from spreadsheets.

Put simply, AgencyBloc takes the carrier statements, calculates the commissions, and generates statements. Agencies have *spent 75% less time* and saved thousands of dollars in employee time processing commissions with AgencyBloc. This time savings comes from the elimination of manual data entry and calculation through spreadsheets, plus the overall reduction of errors.
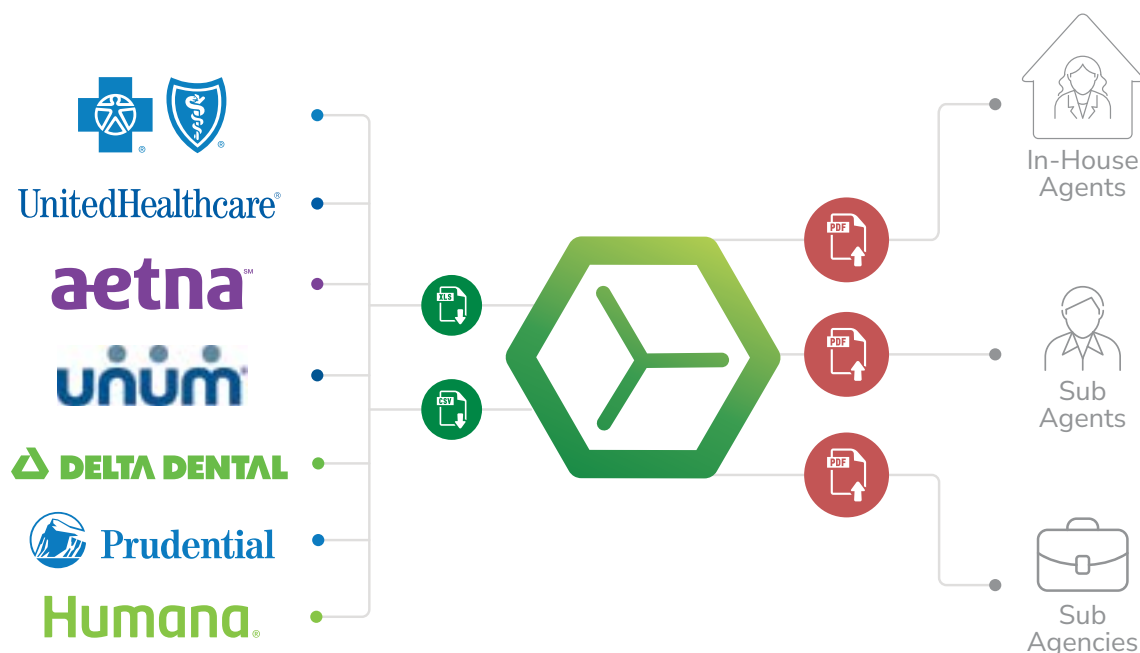
Commissions Processing in AgencyBloc

Then, agencies take it a step further and start *projecting commissions* in order to analyze performance and make smarter business decisions. Projecting revenue and examining commissions received against what was expected are both beneficial for agencies to make decisions like:

» Hiring support staff — when will you need to and financially be able to hire more staff?
» Expanding or maintaining current client base — how much do you need to sell to reach your financial goal?
» Deciding which products to sell — what products bring you substantial revenue? Do you need to expand into other areas of business?
» Identifying new sales opportunities — how will expanding into a new market or simply selling more of the current products affect revenue?
» Finding missed or inaccurate commissions — are there discrepancies between what you expected to receive vs. what was actually received? How does that affect future plans?

Overall, the ability to project commissions helps you confirm your agency is receiving accurate payments on what you have sold, plan better for future events, and be more proactive in your operations.

Team Collaboration and Accountability
Work gets done when everyone is on the same page and held accountable, and this is achievable within an AMS. The first thing you see when you log in to AgencyBloc is your Activity List ("to-do" list).

Activity List in AgencyBloc

These Activities have notes, due dates, priorities, statuses, assigned users, and are tied to individuals, groups, and/or policies — much different than using sticky notes, notepads, spreadsheets, or other makeshift to-do lists.

Beyond simply reminding you of upcoming tasks, you're also held responsible by being assigned with a due date. With these Activities, attach documents and related notes. Keep everyone focused with priority statuses, as well.

Tasks can be automatically created using Automated Workflow in AgencyBloc. Check out the "New Lead" task on the screenshot above, for example. This was automatically created and assigned when a prospect filled out a lead form on their website. This way, the agent knows this is a new lead that needs to be reached out to immediately, and this was all done without manual effort from anyone.

Other examples of tasks or communication you can automate include:

- » Birthday wishes
- » Policy application submitted
- » Group policy renewal
- » Agent license and/or E&O expiration

The ability to automate ensures that those mundane, yet vitally important tasks like follow-ups and client communication are completed in a timely fashion.

Powerful Data Analysis & Reporting

Spreadsheets, as we've said, are highly capable of number crunching, but it isn't always easy to pull powerful insights from rows and columns of data. It's a manual process to manipulate the data in a visual way that can be used for strategic analysis, so it doesn't always happen.

It can often become more of a headache to manually pull the numbers and create the graphics to analyze, so many agencies simply don't do it. However, it can become second nature for you if you have an AMS with data reporting and analysis tools.

In AgencyBloc, graphs and charts are generated in real time, meaning they're always up-to-date. So, your team can draw insight every day from the ever evolving data in your book of business without any extra effort.
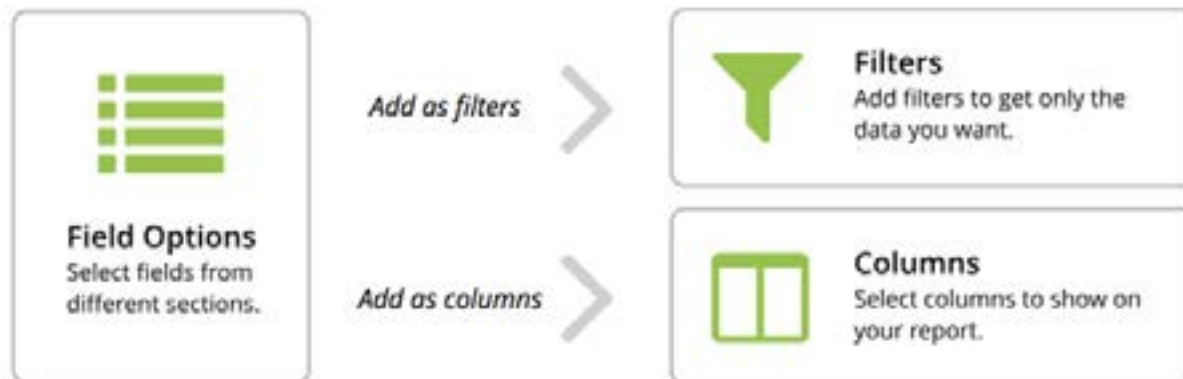
Diving deeper, you can also run industry standard reports or build custom reports of your own for all areas of your business, providing another way to assess the health of your agency.

Policy Graphs in AgencyBloc

Building a Custom Report in AgencyBloc

If you'd like to learn more about reporting tools in AgencyBloc, check out our webinar: *The Secrets Your Data Holds & How to Unlock Them!*

Improved Lead Management
Switching from spreadsheets to an AMS can improve your lead follow-up time tremendously to ensure you have the best chance to close the deal.

Using the *Activity Dashboard* in tandem with Automated Workflow in AgencyBloc ensure that a follow-up is never missed by alerting you immediately to new leads and sending automated emails to the right people at the right time.

Using *Advanced and Saved Searches*, you are able to monitor leads closely. The example below shows group prospects that haven't been contacted yet. You can save this search to your Dashboard, as well, to keep an eye on these.

Finally, once you've sold the policy, you're able to tie that policy with their original individual or group record, continually adding more information as you get it.

Advanced Search in AgencyBloc

SECTION 4:

Migrating to an Agency Management System

MIGRATING TO AN AGENCY MANAGEMENT SYSTEM

Data migration can be scary for insurance agencies, but migrating from spreadsheets is actually usually easier than extracting data from another CRM or AMS.

However, no matter if you're switching from paper files, spreadsheets, or another AMS to AgencyBloc, we try to be as helpful as possible. Every situation is different, but the process of data migration to AgencyBloc generally includes these steps:

» **Initial conversations with your sales rep about the data migration process.** This is when you'll discuss any concerns about the current state of your data.
» **Data consultation with an Onboarding Specialist or Data Migration Specialist.** They will look at your data with you and discuss the best plan for import.
» **Work with Onboarding Specialist or Data Migration Specialist to get data in the right format.** Like we said, each situation is different, but we'll guide you on getting your data in the right format with the help of an import template we provide.
» **Receive continued support from the Client Success Team throughout transition and ongoing as a client.** Customer service is an incredibly important aspect of our business, and we take pride in building one-on-one relationships so that you receive the best service possible.

Further, whether you're switching to AgencyBloc or a different AMS, make sure you ask these questions of your vendor upfront:

» Do they help with data migration? Or, do they expect you to import on your own?
» Do they offer templates for import?
» How much communication can you expect throughout the process?
» **IMPORTANT:** Who owns the data? (Some AMS or CRM providers will charge you to get your data out of their system, essentially "owning" it. AgencyBloc does <u>not</u> do this.)

We've helped many agencies move from spreadsheets to our system, and we take pride in building one-on-one relationships so that you receive the best service possible from onboarding to ongoing client.

While you already knew and could identify all of the drawbacks of spreadsheets, this eBook highlighted some of the major concerns. They often contain errors, are time-consuming, can be productivity drains for client services and sales teams, are inefficient for processing commissions, and don't lend themselves to quick data analysis.
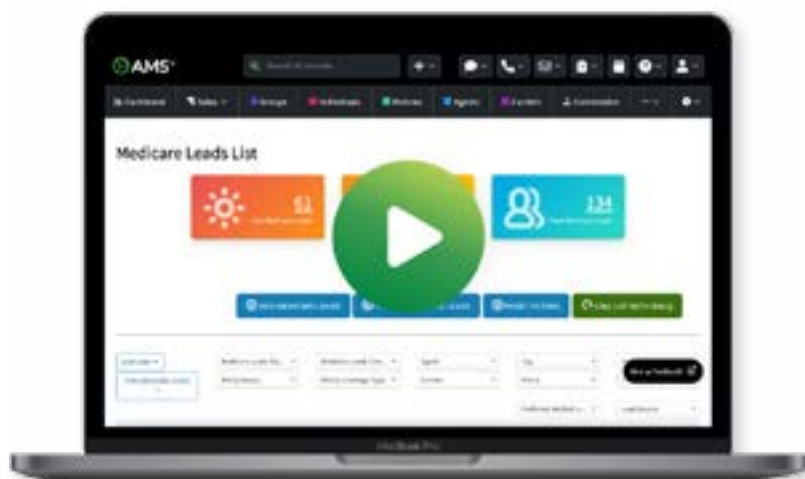
For these reasons, insurance agencies are switching to industry-specific agency management systems (AMS). With an AMS, your agency is able to maintain accurate, up-to-date records, quickly service clients, manage sales leads effectively, process commissions efficiently, and more.

AgencyBloc is an AMS tailored to life and health insurance agencies with an industry-specific CRM, commissions processing, and automated workflow all-in-one.

ABOUT AGENCYBLOC

AgencyBloc is the **#1 Recommended Insurance Industry Growth Platform** serving the health, benefits, and senior insurance space. Our suite of insurance-specific solutions can help your independent insurance agency, GA, IMO/FMO, or call center remain compliant and accelerate growth.

Learn more in our overview video:

"Before AgencyBloc, our office used a separate spreadsheet for every activity. One question from a client could take 5 minutes to answer simply because we had to locate in WHICH spreadsheet the info was hidden. Now, all communications, policy, and follow-up information is in one place. We would be lost without this product!"

SaraMarie B.
Insurance Advocates

Ready to see if AgencyBloc is the right fit for your team?

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

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

AgencyBloc