Beyond 2015: Building a Strategic Multi-Year Technology Plan for Your Agency

All the analysts and research firms have forecasted the industry's 2015 agenda. I've picked out a few that are representative of all the studies and prognostications that I've read.

- Continued focus on upgrades to core processing systems by replacing components or implementing a suite from a single vendor.
- Shorter time-to-market is becoming even more critical.
- Agility of operations and systems is key to implementing change.
- Growth and operational effectiveness continue to be the key drivers of IT strategy, not expense reduction or competition. (Some of us might disagree with this last point!)
- Older systems without flexibility or which require coding changes to respond to product needs or customer demands can't survive.
- Data and Analytics are key! This is more important than "ease of doing business" which is the number two priority.
- A new focus on security especially with cloud and SAAS offerings.
- Technology budgets will continue to increase.
- The ability to focus on the right technology for competitive differentiation is key.

So, really, what's new here? This sounds like table-stakes to me!! None of these by themselves are game changers. I would suggest that there are many questions that you need to consider as you think about a strategic multi-year technology plan for your company. Some of these questions are posed below.

1. How is your company preparing for "the internet of things?" Think about what might be possible from the technological changes and the digital shift we are seeing from a fully connected world. What does that mean to your product, your rating plans, your customer segmentation, your service, etc.
2. How are you addressing the buying behaviors of your next generation customers? You know as well as I that they don't like mail, they love to text and they want speed and simplicity. They also know how to use technology and probably have more computing power in their home than our employees do on their desks.
3. Stop thinking that "if you build it they will come." They won't. Find out what they want and then build it. They won't be forced to use something they don't want. They will simply look elsewhere for a company or an agency who gives them what they want.
4. Create a culture that supports innovation. Learn from your history (mistakes and successes) and from your competitors. Reinvent yourself and take a leap of faith – dare to be different than your competition.
5. While data and analytics are a key focus, a better strategic focus is how you use that data to identify how to improve your processes, better price your products focus on your customers and identify new product needs or enhancements. Use the data to your strategic advantage, not just to look at what happened. A rearview mirror doesn't help prevent a head on collision.

Your systems, the processes around those systems and the ultimate service you provide your customers is what will differentiate you from your competitors.   You need a roadmap to help you guide the technology and systems change that will be required to support business growth and profits. We all have systems or processes – new and old – that we rely on. Implementing new systems is now commonplace.

As you build your strategy, use a partner in that analysis and development, who knows insurance and has the benefit of understanding it from the viewpoint of other customers. You want to engage someone who understands the current technology environment and who can help identify solutions to meet your needs in servicing your customers and meeting their needs as well as yours as efficiently and effectively as possible. Whatever you do and whatever approach you take, know that you need to be technologically astute to be as efficient and profitable as possible while staying ahead of your competitors and servicing your customers.

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