

Pennsylvania Lumbermens Mutual Insurance Company

Background

It was the autumn of 1895, and a group of disgruntled lumber dealers and woodworkers from adjoining eastern states met to discuss issues of mutual concern. This group believed that the weak insurance coverage and the rates being charged to members of their group were too high – the carriers of the time didn't understand wood business. More than 100 years later, Pennsylvania Lumbermens Mutual Insurance Company (PLM) continues to fill this gap. Today, PLM writes tailored coverages for the lumber and woodworking industries, and has grown to include building material dealers, sawmills, manufacturers and distributors. PLM provides protection for 5,000+ Policyholders nationwide with primary lines including Property, General Liability, Inland Marine, Business Automobile, Commercial Excess Liability and Equipment Breakdown coverages – a mix that is designed to protect every aspect of the wood business.

Key Benefits:

- Productivity gains and efficiency by automating manual processes
- Policy Administration integration to automated submission management and VIN verification
- \$18m in new business during first year of production

Challenge: Transform Legacy Systems, Spreadsheets, and Data Re-entry into Automated and Streamlined Process.

“It took me and my team almost 10 years to convince upper-level management that both IT and the company was up to the challenge of replacing the technology,” says Joseph McGurrin, Vice President of Information Technology for PLM. “I had been keeping an eye on the players out there, and after our official search, PLM decided on Instec’s Quicksolver® policy lifecycle platform.”

What was the technology and processes that McGurrin was looking to overhaul? PLM’s Casualty rating was done on a DOS-based quoting system, and Property rating was done in spreadsheets. It was completely manual – underwriters would print the policy documents, send them to the processing department, where the information would be re-entered into PLM’s COBOL-based policy administration system. From there, the processors would collate the declarations and forms, which were generated via a separate utility, and then manually assemble the policy – a very manually intensive and paper intensive process.

PLM narrowed their search by looking at 3-4 key vendors. “We specifically wanted a best-of-breed rating/forms system,” says McGurrin, “because rating is the heart of the business – it’s mission critical.” The key factors that led PLM to partner with Instec included accuracy and bureau-compliant rating, ability for PLM to control changes locally, new integration to PLM’s CRM-based submission management system, and the ability to interface with web services (like R.L. Polk for VIN verification). Late in 2010, PLM executives traveled to Instec’s headquarters to

cement the relationship. “There was a seamless cultural fit between PLM and Instec,” says McGurrin, “we knew that cultural fit would be key for a strong, long-term partnership.”

End Game: Bottom-Line Savings through Standardization, New Systems added incrementally, and improved Productivity.

PLM went live on Instec’s Quicksolver in 9 months. Immediately, PLM realized productivity gains through automated submission handling, rating and policy management system integration. No more re-keying data into disparate systems, and the resources in the policy production area were re-deployed to servicing the business. Moving to Quicksolver afforded PLM an opportunity to standardize procedures and improve data quality during the transition for added dividends.

“One of the most significant outcomes of the transition to Quicksolver was the production of a new proposal that our producers were able to present to the insured,” says McGurrin. “We, as a company, believe this 4-color, professional-looking proposal gives us competitive advantages in adding new business, and Instec helped us make this happen,” McGurrin concludes.

Are these the kind of results you’d like for your business? Get in touch with Instec today.

Questions and Feedback

If we have raised questions or encouraged ideas, please contact us.

Instec
1811 Centre Point Circle
Ste 115
Naperville IL, 60563
ph: 630.955.9200
www.instec-corp.com