



## A Change For the Better

### A Conversation with American Surety Company

A good way to gauge your success is to talk with your customers. A better way is to have a third party talk to your customers. We asked O'Brien Communications Group (OCG) to talk with Bill Pearce, Project Development Manager at American Surety, and to record the conversation. The following transcript derives from that conversation:

#### OCG: When did you first start working with Finys?

**Bill:** In November of 2020. American Surety's been around for 30 years. But we were starting a new division, Miscellaneous Surety, for small commercial surety bonds. I was working at another surety company and was asked to come on board. They had hired a consultant in the industry and were in the process of deciding to move forward with Finys. I started on a Monday, and Tuesday morning was the big Finys demo. I had one day to learn everything.

#### OCG: No pressure there.

**Bill:** I felt like I was drinking from a fire hose. But right from the get-go, I was impressed with the guys from Finys. They showed us a demo of the interface they built for us, using real ASC data; the basic screen flow of Bond Management, Billing, Documents, and Diary; agency Management screens; payment processing for agencies and applicants; financial

reporting; and next steps, including their implementation plan. They were very open to working with us to solve problems.

#### OCG: What kinds of problems did you encounter?

**Bill:** I've worked in IT since the late '70s, and I've worked with various surety companies for about 30 years. We had no software when I arrived here. We weren't going to build it, which happens a lot in the surety business because it's fairly complicated, and there's not a lot of stuff off the shelf you can use. We'd already selected the bond-issuance system. So, Finys would do billing, claims, financials, accounting, and some reporting. Even though Finys has its own insurance front end, it's hard to process bonds through an insurance system. We'd signed a contract with another software vendor to provide a bond-issuance system a year earlier but hadn't made a lot of progress in getting it implemented. Finys came in curious, eager, and responsive.

#### OCG: How did Finys convince you they could get the job done?

**Bill:** They made it clear they saw working with us as a long-term relationship. They were doing surety for the first time and knew they'd probably struggle with some of the business

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capabilities at first. But they were very, very good at listening to us and finding out what we expected. I'm sure some things were more challenging than they expected. But they were curious and determined to get things done. They were upfront about time and cost. That gave us the opportunity to prioritize our objectives. And it gave them the opportunity to recognize and suggest things we'd never anticipated.

**OCG: What stood out to you about that?**

**Bill:** Gigantic monolithic companies are largely indifferent to what you're trying to do and how you're trying to do it. If you don't do it their way, nothing works. And nobody explains anything. Finys was a marked contrast. They were sincerely interested in making sure we succeeded. Yes, they had a steep learning curve when it came to surety bonds. But they told us that. Their response to every challenge was, "We'll figure this out and make it work the way you want it to." They never balked, and they never said we had to do it their way.

**OCG: Given all that, what was the timetable like from hiring Finys to production?**

**Bill:** I arrived in November of 2020, and we went live in June of 2022. We spent the first few months documenting how we did things. Then Finys configured a testing environment so we could see what the software would do. That took a few months, and my management team was getting antsy. But Finys delivered an environment that was functionally accurate and flexibly configurable. Compared to the year we'd spent with a prior vendor, it put us all at ease.

**OCG: If that's something like the big picture, were there any specific challenges Finys overcame?**

**Bill:** We weren't going to use the front end of the Finys Suite. And we were using a bond-issuance system that was completely foreign to them. So, Finys built an interface between what we were using and what they were building. In fact, when I arrived the first morning, this incredibly clever woman demonstrated she'd already figured out how to migrate data from our system into the Finys software. I know how hard it is to build interfaces between two systems, and she did it as a demonstration before we'd even signed a contract!

**OCG: That sounds like whatever comes after good faith.**

**Bill:** Exactly. And while that first interface wasn't perfect, they said, "Okay, we can modify what we do so it looks much closer to what you want." And by the first half of 2021, we ready to move into user acceptance testing (UAT). From there, we built a gap list to show where we were vs. where we needed to be. Which helped us with prioritization. We could put the things we needed into production first and were able to recognize we'd tackle the rest after that. And it worked out well because we'd only have a relatively small amount of premium coming through at first.

**OCG: Home free?**

**Bill:** Not exactly. The week we were supposed to go live, one of our agencies agreed to pilot the system. We agreed they'd enter bonds in the system on the morning of Monday, May 15, 2022. Late in the week prior, Murphy's Law kicked in, and Finys experienced some kind of technical hiccup which caused them to shut everything down as a security precaution. They put all hands on deck, and I got a call at 10:00 o'clock Sunday night telling me everything was fixed and ready to go. The agency came online Monday morning. Everything went off without a hitch. And nothing like that has happened since. While we may have been nervous during the shutdown, Finys's commitment to keeping us updated and fixing the situation gave us the utmost faith in them.

**OCG: What's the old expression? It's not whether you get knocked down but how you get up?**

**Bill:** That's it. The truth is, given the fact that Finys had never done surety work before, they'd gone out on as much of a limb as we did. But they

offset any inexperience with the surety business with their determination to learn, to see us succeed, and to earn our trust. Companies like ours sometimes get themselves in so deep into vendor relationships that go sideways. But the time they figure that out, they've invested too much time and money to back out. And they could have just as easily have said, "These guys are impossible to work with. They want too much. This is a mistake. We should never have gone into this thing. It's going to cost us an arm and a leg to get them up and running and we may never get our money back on this." But

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they didn't. And there was never any discussion here about not completing the journey with Finys. We now know Finys is the company for us to be working with.

**OCG:** Since you didn't want to build the system yourself, and since Finys hadn't done surety work before, it's almost as if you found a middle ground.

**Bill:** Very much so. Finys was very direct and very efficient. From the very beginning, we even had their development people on all the calls. And again, there were times at which they came up with innovations we hadn't thought about that were amazingly useful.

**OCG:** Is there anything else you may not have shared with us at this point that you'd like to?

**Bill:** One more thing, yes. During the pandemic, we couldn't meet with Finys in person. But in October of 2022, I went to their Innovation Advisory Board (IAB) meeting in Michigan. Prior to that, I imagined Finys was the same four or five people I'd been meeting with on Zoom. At the IAB meeting, I found out Finys is a very substantial organization with a ton of very clever people who were looking after the infrastructure, the security, the databases, the claims system, the reinsurance system, and everything else. There were teams of people sharing what they'd been doing in the prior year and what they'd be doing in the future. Once I realized the size and sophistication of the Finys

organization, it became even easier to add things to the list of things we were going to need.

**OCG:** That's a positive reassurance.

**Bill:** The other thing that's reassuring is that turnover at Finys is so low. We don't have to explain things to new people. We don't have to wait while new people get up to speed. We get the kind of continuity that inspires our confidence and keeps things on track. And everyone we work with is good. We recently started getting updates in UAT for both systems. Finys said it might take down the system for a short period and suggested we do it after business hours. We told them to do it immediately. It took 15 minutes. Our prior vendor would do it at unscheduled times, when it was convenient for them, with no notification, and take hours to get it done. All we get from Finys is solid performance, measurable value, and peace of mind.

**OCG:** I'd like to thank you for being so transparent with us. We love talking to Finys customers about their experience and this conversation is a beautiful portrayal of why.

**Bill:** You're welcome. I'd like to end by saying we're grateful that Finys approached our relationship with curiosity, not rigidity. We worked together as a team from the start of the project until today. What more could you ask for in a long-term partnership?

