



An Investment in Trust

A Conversation with Wayne Insurance Group

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 Tim Suppes, president and CEO at Wayne Insurance Group in Wooster, Ohio, and to record the conversation. The following transcript derives from that conversation:

OCG: When did you first look for a new system, and what were the objectives that drove you to do that?

Tim: We started looking in 2009. I came to Wayne in 2000, and the vendor who we were using changed hands several times and weren't providing a path forward for us. We started to think about looking at that point. Then we got hit with some storm activities and did an affiliation with another company. So, the timing wasn't right. In 2012, we started looking seriously again at systems. We were looking at several. We signed a contract with Finys in 2013 to do a pilot project, to make sure it worked for us and for them.

OCG: Why a pilot?

Tim: Too many times people get into these systems, large amounts of money changes hands, and they're not successful. We weren't in a position to take any chances. So, we committed to a certain budget and Finys had to deliver. If it succeeded, we'd continue on. And that's what we did.

OCG: At that point, what was your direct written premium [DWP]? And how long did it take to do put the first line of business into production?

Tim: Our premium \$39 million in 2013. We signed the contract in July of 2013 and went live with BOP in 2014. That was our first line, and we hadn't offered BOP at the time. So, if it failed, we weren't losing anything at all. Then we signed a full implementation contract in November of 2014 to do the 12 other lines of business.

OCG: What was that initial experience like?

Tim: Many times companies want to change systems for internal reasons. When we took on this project, I told my staff, "We're doing this for the agents. We are not doing this for us." The agents had to be satisfied with the project. We have a number of former agents working for us now. One of them worked with an agency that had 20 different carriers. She had experience working with multiple systems. When we had to demo the BOP program, I gave her a user ID and a password and said, "Go to it and tell me what you think." She came back with a few suggestions, but overall, she was very impressed with the ease of using Finys. If she could pick it up without any other instructions, we knew our agents would be satisfied. When we started rolling out other lines, we could tell the agents didn't need a lot of training and appreciated the ease of it. Once we got all the lines up, the agents realized the flow and functionality for all the lines were the same. And they really liked that. We still get compliments on the Finys system from our agency force. That's important.

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OCG: If the agents are happy, everybody's happy.

Tim: We're on Finys NT1 [the prior version of the Suite]. But when we implemented our new personal auto, we migrated to NT2 [the current version of the Suite]. Finys was good about incorporating our suggestions into that build. And again, our focus is on our agents. Whenever we make changes, it's always in the front of our minds that we're doing it for the agents, not for us.

OCG: Did your agents cite any particular efficiencies they achieved with Finys?

Tim: We had three different systems before. Some of our lines of business had Excel spreadsheets. We could only quote new business personal auto and home online, everything else was manually done. So, we came a long way in a very short time. We updated our products at the same time, too. I didn't want to go back to update our products post-launch. The difference for our agents was tremendous. We stepped forward 10 years or 15 years when we did this.

OCG: I just want to jump back to your being at \$39 million in DWP when you first started working with Finys. Where are you today?

Tim: \$101-million.

OCG: Have your employee counts changed to accommodate that growth?

Tim: Yes. I was in charge of operations before I became president. In 2013, at \$39 million, my group had 40 people in it. After the implementation in May of 2019, we were at \$66 million. That's about a 64 percent increase in premiums. Since then, our employee count's only gone up 15 people. Part of that is because we outsourced our printing. There were a few people who were dedicated to printing and mailing and stuff. But we were able to reassign them as we grew.

OCG: Given that, has your profitability gone up commensurately?

Tim: I look at our expense ratio. Our expense ratio dropped post -Finys. We had a surge during the conversion because we were paying for Finys, the conversion work, and our old systems. But the expense ratio dropped afterwards. If you drop your expense ratio, you're going to make proportionately more profitability. We had a string of underwriting profitability from 2012 until 2022. But Mother Nature took care of that in '23 for us, like just about

everybody else in the insurance industry. We've grown tremendously and we've been profitable. If Mother Nature would calm down for a little bit, we might return to that.

OCG: Have you noticed any improvements in your claims' operations?

Tim: We haven't yet undertaken some of the user interfaces others have taken with texting, auto repair, estimating, and other things. But the biggest change from an agency standpoint is all the notes adjusters are putting in and our claims staff members are putting in that are viewable by the agents. They really appreciate that. My brother is our VP of claims. He's worked at six other carriers, and he says Finys beats every other system that he's ever worked on for ease of learning.

OCG: At the beginning of the conversation, you mentioned other vendors and having a fixed budget. If you accept the idea that insurance processing functionality is insurance processing functionality, were there deciding factors other than their implementation plan and the cost that led you to choose Finys?

Tim: A lot of vendors show flash, right? Finys was about the least flashy vendor I've ever seen at trade shows. Because we were smaller, most of the vendors who wanted to work with us hadn't done as many lines as we have. Finys has done all the lines we have. So, it was a combination of a good, fixed price, Finys's no-flash approach, and the relationship we established. The relationship is so important. We all make mistakes. The vendor's going to make

mistakes, The question is whether you're willing to work through them together to get stuff done? I'm a get-'er-done type of person, and I want to deal with get-'er-done people.

OCG: As work got underway, what was your experience with the Finys team? Do you see them as a committed long-term partner, or would you just consider them to be a vendor?

Tim: Our key project lead was very intelligent and hard-working. We had a very quick timeline to get all this done, and they committed to it and got it done. It was give and take on both sides. You have to be willing to do that. I find so many companies that think their way of doing things is the best. Sometimes I'd probably be charged with that as well. But I try to look at things from the perspective of our agents and policyholders. So, we did a lot of perspective-altering on this project. And I think the benefits were mutual.

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OCG: It sounds like more than the standard give and take.

Tim: Yes. That's part of the relationship. If you think all the problems are attributable to one party in the transaction, you're wrong. It's both of you. You have to be willing to step back, be objective, and be willing to learn. After BOP, we signed the full implementation and we were done by May of 2019 — 13 lines of business done and converted over. I know people I used to work with and friends who have been trying to implement fewer lines than that for 10-plus years on other systems.

OCG: Do you have the entire Finys Suite?

Tim: Yes. But there was no Design Studio on NT1. We're now evolving to NT2 with personal auto. I always find the Finys staff wanting to help and produce for us. It's never adversarial at all. Again, we make mistakes, they make mistakes, and that's going to be forever. My background is IT, so I've been in their shoes and understand the challenges. My expectations are high, and I expect 98 percent quality assurance.

OCG: There's always room for the two-percent error.

Tim: We're human, right? They're going to be human.

OCG: Do you use Design Studio?

Tim: Our personal auto product on NT2 was our first attempt to use Design Studio. We're no experts at it, but right now we're focusing on expanding into Indiana over the next 18 months in the system. Then after that, we're upgrading to NT2.

OCG: Just part of a technology process, right?

Tim: Yes. My big saying here is, "It's easy to do nothing, right?" It's easy to be fat and happy, but you're not going to be around long.

OCG: We were talking about your agents and how much they appreciate the Finys experience. Do you have many policyholders using the customer portal?

Tim: Right now, we have about 17 percent of our active policies in the customer portal. Eighteen months ago, it was about 12 percent.

OCG: What kind of reporting capabilities are you taking advantage of with the BI module?

Tim: We're not using it as extensively as we could. We get some data out of it and do agency experience reports from it. But for rate-making, created a number of flat files. They provide a lot of the information we get to at certain levels of data. It's not all encompassing like the BI tool may provide, but it provides most of what we need.

OCG: This entire conversation seems like endorsement for Finys. Is there anything we may have neglected to ask you or you'd like to share?

Tim: I've done a number of reference calls and visits with people. I'm always willing to talk about Finys. It's harder for smaller companies to find someone to partner with. So, I've talked with a number of them. It's important to share good experiences. I've done four system implementations in my career. They're never like dropping Word onto your PC. They take a lot of effort. I'm always willing to help them find the right client. The key is right clients. I've seen vendors pick up clients that drove them absolutely crazy, and it affects everybody.

OCG: Considering where you were with your legacy systems and where you are today, what would you say to someone who was looking for a legacy replacement?

Tim: My career spans a long time. The technology is so much different from my days of coding. So, I don't look at the technology as much as I look at the relationships and the ease of doing business with the vendor. You have to think about your business needs, not the technology. And you have to remember who your client is. Our agents are important to us. We have to satisfy them. We have to make wise decisions, so we don't get spun up. It takes 10 years for some implementations because IT is trying to satisfy all the different internal user groups. You need a champion who can say, "We're not doing this. Here's the business reason." And move on. If you get hung up on little things, you'll just drive yourself crazy. There's no way in the world I would have a 10-year implementation. Something would have changed. I don't know how you put your staff through something like that. So we put our heads down, we got this done collaboratively, and that's the key message.

OCG: Tim, this has been as enlightening as it was enjoyable. Thank you very much for your time.

Tim: You're quite welcome.

