

2024 Outstanding CSR of the Year Essay

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2023 was a challenging year for property placements with rates expected to increase again 2024. Underwriters are pushing for higher deductibles, wind/hail deductibles, value adequacy and, at times, declining to offer coverage. I have been seeing an increasing number of insureds not being able to find property coverage in standard markets and are sometimes going without any property coverage because the excess market pricing is so high. In this volatile market, I have learned to evolve, engage new tools and methods to ensure that my customers continue to have a best in class experience and their businesses are protected.

An example of how I've been able to bring unique solutions to challenging client situations in this market happened in 4th Quarter of 2023. I had a manufacturer who deals with highly flammable products reach out to our team looking for help. Their current agent had not warned them of the state of the market, nor did they prepare them for possibility of getting non-renewed by their current carrier and having to search for alternative options. All this business knew was that as of their renewal date, which was two months away, they would no longer have property coverage. After receiving the call, my team and I immediately jumped in to help and scheduled an in person meeting to talk through the situation and take a tour of their facility. It was important to talk about why this happened, help them understand the marketplace and help them to understand their own risk. We walked through what a typical renewal would have looked like with our agency. In our discussion, I could tell how stressful this was for the client but how our guidance was already giving them some reassurance.

After our meeting with this manufacturer, we began to work on coverage options. To help better position the insured in the market, I was able to help facilitate a walk through with an independent contractor. The goal was to pre-loss control the account and get recommendations from him along with a full risk management report. This would give us a starting point as we began to approach the markets that were still available. Through this process we were able to guide the insured and help them understand why an underwriter does not see their business as favorable even though they had no loss history. For example, they have a sprinkler system which they thought made them safe, but after conducting the risk assessment, we found it to be inadequate for their operations and how their flammable products were stored. This really opened their eyes to start making changes and adapt to the new market. For instance, we started with some of the low hanging fruit like tidying things up and bringing down stacks of flammable material that were too high, which made their risk more marketable.

Once we felt the insured was in a good spot, I started to reach out to our markets to tell their story. We were able to quantify everything we were saying with the risk management report that was done. That piece was very impressive to the underwriters and was paramount in showing how committed the insured is to safety and open to making changes. Several carriers who may have originally seen the class of business and declined, were sending out loss control and taking the risk seriously. In the end, the insured was able to get coverage in the standard market for a reasonable price thanks in large part to our efforts in educating them and positioning their business for success in a difficult market.

While this is one story with a happy ending, I have learned the value of listening to my customers, understanding their risk, and helping educate them about the market and what is in their power to obtain competitive coverage. In order to effectively advise my clients, I have conversations with underwriters early in the process to get a feel for what they intend to do with rate and coverage for

a renewal. I find it invaluable to have a good relationship with underwriters so that we can have open communication and they will share as early as possible if they are delivering a large increase or non-renewing an account. It is an important first step in the renewal process to understand what you are up against. Armed with this information, we can then meet with the insured and set expectations on the renewal. Another way I educate my clients is with technology that benchmarks clients against other clients in similar size and class of business and review rates. This helps us make informed decisions with them on whether or not to market their policies and gives clients the confidence that we are advising them with data. As a best practice, we also discuss the state of the market and how nuclear verdicts and catastrophic losses are significant factors in rising rates. This helps them understand how global events and economic instability drive rates locally.

While this market has certainly been a challenge, it has also been an opportunity. I have learned so much about the value of transparency in relationships. With best-in-class strategies that I have described above, I have been able to help my customers weather this storm in the marketplace and continue to build deep relationships. I will continue to evolve and incorporate new methods that help instill trust and keep open communication with my valued clients.