

case study



NIP Group

ReSource Pro Client Since 2005

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David Springer, NIP Group

NIP Group adds non-revenue generating staff effectively, capitalizes on growth and turns into a virtual 24-hour operation.

NIP Programs – an MGA specializing in insurance packages for arborists and landscapers – was in a growth mode in 2005. David Springer, president of NIP Programs, knew he needed to invest in that growth and provide better levels of service to NIP’s customers. This investment meant adding non-revenue-generating staff and activities. But how to do that cost effectively?

Step 1: Process Evaluation

Springer set out to re-engineer his operations. He did a complete core process redesign: evaluating his operations and creating detailed process maps. The key was identifying NIP’s core skills. “I looked at all the tasks performed in our critical functions and identified those tasks we absolutely had to perform in house,” he says. “Anything that wasn’t a core function, I looked to outsource.”

He identified pricing, decision-making and underwriting as core competencies that he wanted to retain in house. But routine tasks, such as processing new submissions, could be outsourced to ReSource Pro.

Step 2: Task Selection and Roll-Out

ReSource Pro provided NIP with a dedicated processing team in China, logging submissions and confirming clearance, entering application data and verifying the application. If the submission was accepted, NIP would assign an underwriter.

Any concerns Springer had about a language barrier and the 13-hour time difference with the processing staff in Qingdao were quickly dismissed. The project manager in China assigned to NIP impressed Springer, “Violet is the team leader who was originally assigned to our project. She worked with us while we mapped out all of our processes and decided who would handle what and how quickly it would be handled. She has been a terrific team leader: very

effective, very conscientious, a terrific communicator and a good manager.”

The time difference added to NIP’s productivity, turning Springer’s agency into a virtual 24-hour operation: As his staff left for the day, ReSource began processing submissions. So a process that took three to four days now was done in 24 hours.

Step 3: Re-Evaluate and Grow

NIP continued to give new tasks to ReSource Pro in 2006 – processing GL policy audits received from carriers, new and renewal policy billing, endorsement and cancellation billing, renewal letters, sending carrier-issued policies to brokers and assisting the underwriting staff with general follow-up. The remote staff in Qingdao that served NIP grew to 10 people. Springer’s summary, “I couldn’t be more pleased with the responsiveness and the thoughtfulness of how the team covers questions and raises questions.”

In the Final Analysis ...

Through the outsourcing process, NIP retained all staff at its Woodbridge, N.J. headquarters and did not have to add additional data processing staff. NIP’s business continued its strong growth, improving both its productivity and service levels. In fact, the company provides responsive service that Springer says is in the top quartile of his peer group of agencies, and using ReSource played a big part in significantly improving revenue per full-time employee. For the future, Springer says that remote staffing gives him the flexibility to re-allocate resources easily and manage the ups and down of the business cycle.