

Best Practices Agencies

The History

The annual *Best Practices Study* originated in 1993 as an initiative by the Independent Insurance Agents & Brokers of America (IIABA) to help its members build and maintain the value of their most important assets, their agencies. By studying the leading agencies and brokers in the country, the association hoped to provide member agents with meaningful performance benchmarks and business strategies that could be adopted or adapted for use in improving agency performance, thus enhancing agency value.

The IIABA retained the principals of Reagan Consulting to create and perform the first *Best Practices Study*. Annual updates conducted by Reagan Consulting continue to provide important financial and operational benchmarks, and the study is recognized as one of the most thoughtful, effective and valuable resources ever made available to the industry.

The Process

Once every three years, the IIABA asks insurance companies, state association affiliates, and other industry organizations to nominate for each of the studies' revenue categories those agencies they believe to be among the better, more professional agencies in the industry.

The nominated agencies are then invited to participate. They must be willing to share key business practices/philosophies and to complete an in-depth survey detailing their financial and operational year-end results. Those results are then scored and ranked objectively for inclusion on the basis of operational excellence.

This year, the beginning of a new three-year study cycle, more than 800 independent agencies throughout the U.S. were nominated to take part in the annual study, but only 195 agencies qualified for the honor. ***To be chosen, the agency had to be among the 25-35 top-performing agencies in one of six revenue categories.*** Their year-end results and business practices were compiled to create the 2007 Best Practices benchmarks.

Taking part in the *Best Practices Study* has become a prestigious recognition of the superior accomplishments of the top insurance agencies in the country.

