

Decision Map

- Improve customer segment skills
- Set service levels by segment
- Monitor loss ratios
- Establish new and renew commissions
- Advertise and promote the agency
- Set minimum account size for commission

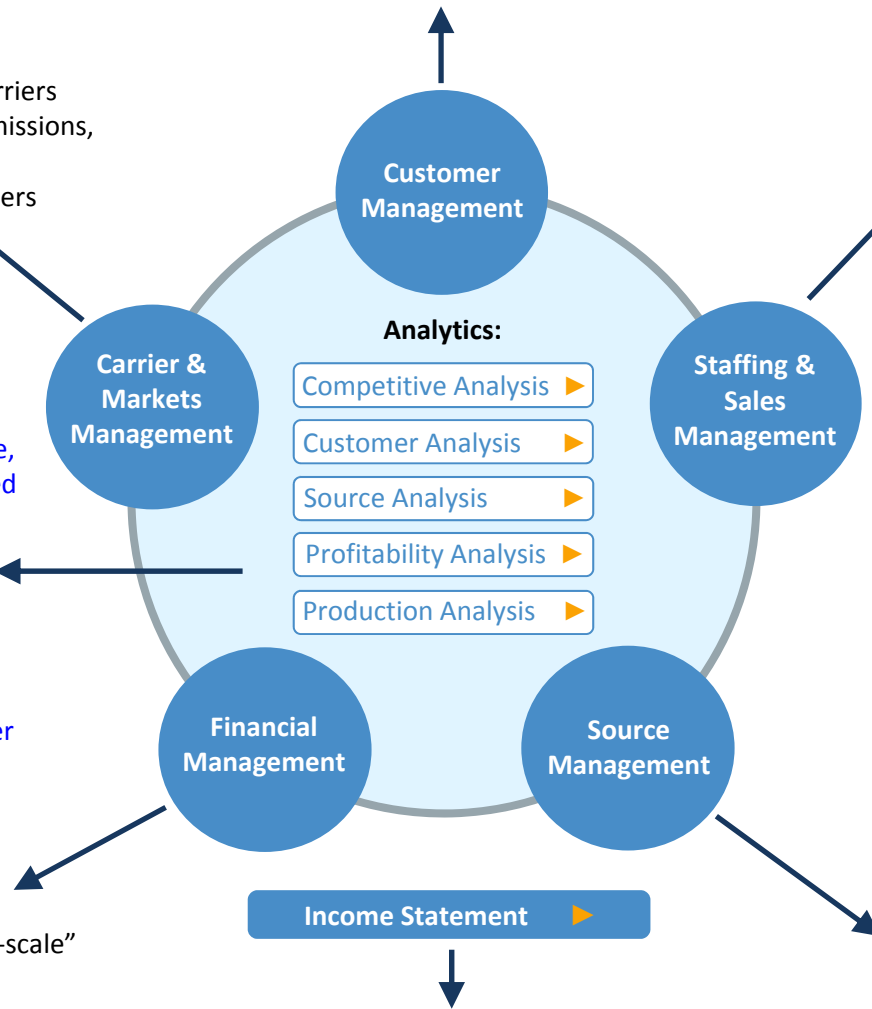
Legend

- **Items in Black Font** represent decisions that can be entered
- **Items in Blue Font** are information to be analyzed

- Review performance of appointed carriers
- Research carrier competencies, commissions, pricing, and financial strength
- Request appointments with new carriers

- Research customer expectations and competitors' performance by customer segment
- Analyze customer sensitivities to price, reputation, expertise, and value-added services
- Determine total customer demand and growth rates
- Evaluate customers, demand, and conversion efficiency by source
- Determine premiums, profitability, and customer satisfaction by customer
- Identify competition by source and evaluate prospecting efforts

- Analyze forecasted performance
- Set accounts receivable policy ("large-scale" version only)
- Issue or pay-off short term debt
- Distribute profits to owners
- Business-valuation calculators



- Hire producers
- Set producer time-blocks/ activities
- Increase agency servicing capabilities
- Improve agency billing competency ("large-scale" version only)
- Increase cross-selling competency

Notes:

- Some decisions have more leverage than others.
- Decision-making is not necessarily sequential.
- Strategy should drive your decisions.
- Beware of sub optimization (e.g. tweaking one area and not paying attention to the whole).
- Forecasts are based upon previous competitive information.

- Improve source capabilities
- Set sourcing strategy by allocating Lead Generation effort between sources

- Proforma Income Statement
- Proforma Balance Sheet
- Proforma Cash Flow Statement