Standardized Quest

Inside ACORD's new digital standards

By Malou August

Standardizing the way agents, brokers and underwriters exchange information used to mean that every actor in the insurance business could use the same paper form to share data.

To keep up with the pressures of a changing information environment, those paper forms evolved into an extensive library of electronic data standards, which allowed agents and carriers to adapt their existing workflows to take advantage of the efficiencies of straight-through processing.

Now, in an age of unprecedented mobile connectivity, it's the systems themselves that must be even further modernized to suit the new ways that information travels between all the actors involved in an insurance transaction.

No one knows better than insurance agents the importance of digital speed and accuracy. With a new generation of streamlined digital standards designed specifically to transfer insurance data with optimum efficiency across mobile and Internet of Things-enabled devices, agents can spend more time caring directly for client needs.

This principle of bottom-up streamlining of information exchange is the same one that has motivated innovations at ACORD since the days of paper recordkeeping. Like those original paper forms, data standards are practically structured groupings of information presented in a communally accepted format.

The next phase of the evolution of these standards will streamline the communications process with the help of new digital formats that enable information to be exchanged in smaller packets directly between mobile applications, agency management systems, carriers and even insureds.

From the agent's perspective, the difference between the new digital standards and the old will be less hassle, more efficiency and fewer technical holdups. Think of it as having a plumber replace the pipes in an old building—you may or may not be interested in the technical specifications of the new materials and hardware, but when you turn on the faucet and everything works better, you're happy.

Some of the most exciting areas unlocked by the new generation of digital standards are in unprecedented mobile capabilities. For agents, that means the potential of using one system for mobile communications with multiple carriers and insureds, so that quoting, binding and filing claims can all happen just as seamlessly in the field as they do in the office.

But it also means interoperability with the future of digital information transfer, in whatever form that may take. Whether the next wave in digital insurance interactions is IoT-enabled data collection, mobile client interactions, blockchain-backed insurance or something beyond the scope of our current imaginations, flexible and efficient digital standards will be crucial to the industry's continued ability to serve the needs of agents, brokers and customers alike.

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