

# NIPR 2.0:

A FOCUS ON QUALITY,  
SIMPLICITY & CONSISTENCY

## STRATEGIC PLAN OVERVIEW 2015-2017



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## INTRODUCTION

Since its founding nearly two decades ago, the National Insurance Producer Registry (NIPR) has played a pivotal role in transforming the way that the States and the nation's insurance industry share producer-licensing information. Once a very paper-intensive, time-consuming, and duplicative process, the producer-licensing process is now more streamlined, efficient, and technologically-integrated. In addition to enhancing the efficiency of the end-to-end process, NIPR has been able to significantly reduce end-users' costs associated with fulfilling their statutory licensing and licensing-related requirements.

Since the NIPR Board's first strategic planning retreat in 1999, the mission and vision of NIPR have played a critical role in shaping the organization's direction, annual business planning, and day-to-day execution. These guiding ideals presently read as follows:

*Mission:* NIPR is a unique public-private partnership that supports the work of the states and the NAIC in making the producer-licensing process more cost-effective, streamlined and uniform for the benefit of regulators, the insurance industry and the consumers they protect and serve.

*Vision:* NIPR provides one-stop shopping for all aspects of electronic producer licensing.

NIPR's first two decades of operation were largely focused on establishing the technological infrastructure to sustain the Producer Database (PDB) and the NIPR Gateway, and collaborating with the States to integrate their producer-licensing operations. Acknowledging the significant accomplishments of NIPR to date and understanding the importance of positioning the organization for a bright future, NIPR's Board of Directors and management team embarked on a strategic planning initiative to:

- Evaluate the organization's present-day strengths and weaknesses
- Identify key constituents, along with their needs and expectations of NIPR in the future
- Assess the organization's core competencies and capabilities
- Determine and prioritize key areas of focus for NIPR in the years ahead
- Evaluate the organization's operating environment and identify opportunities and threats that may exist
- Identify strategies that will enable the organization to move forward in a planned and coherent manner, while building consensus around a shared vision of the future
- Consider "what success looks like" and determine key performance indicators that can help leadership objectively evaluate NIPR's implementation of the strategy

While strategy formulation has been the principle focus of this endeavor, NIPR leadership has remained keenly focused on outlining a plan and direction for the organization that can be clearly and tangibly achieved. *NIPR 2.0: A Focus on Quality, Simplicity and Consistency*, the 2015-2017 Strategic Plan for NIPR, outlines a series of strategic priorities, objectives, and initiatives that highlight NIPR's key areas of focus going forward and is intended to serve as a roadmap to guide the organization in the years to come.

## BACKGROUND

The National Insurance Producer Registry was founded in 1996 as a non-profit affiliate of the National Association of Insurance Commissioners (NAIC). Governed by a Board of Directors representing the NAIC, industry trade associations, and producer trades, the organization was established as a public-private partnership with the goal of streamlining the producer-licensing process. Initially funded by the NAIC and Charter Members, NIPR had its first three states join its database in March 1997.

NIPR's offerings were, and continue to be, established around two core pieces of technology infrastructure – the Producer Database (PDB) and the NIPR Gateway (the Gateway). Each of these pillars of NIPR's operations is described below:

*Producer Database (PDB):* An electronic database consisting of insurance licensing-related information. The PDB, which complies with the federal Fair Credit Reporting Act, links participating state regulatory licensing systems into one common repository of insurance licensee information. The PDB also includes enforcement data from the Regulatory Information Retrieval System (RIRS) to provide a more comprehensive licensee profile.

*NIPR Gateway (the Gateway):* A communication network that links state insurance regulators with the entities that they regulate to facilitate the electronic exchange of licensing information. Data standards have been developed for the exchange of license application, license renewal, appointment, and termination information. All data flowing through the NIPR Gateway will conform to these standards.

Subsequent to NIPR's first strategic planning retreat in February 1999, the organization experienced significant growth. NIPR transformed how the States and industry interact with the producer-licensing process, and the organization was soon on a strong trajectory both operationally and financially. In fact, the organization was performing so well that, by 2004, NIPR was able to repay the initial startup capital provided by the NAIC and its Charter Members while also implementing two phases of price decreases for the benefit of the industry at-large.

In the years that followed, NIPR made significant investments in its technology and developed products/services in addition to Resident and Nonresident Licensing and Renewals, including the Address Change Request, Attachments Warehouse/Reporting of Actions, and Adjuster Designated Home State. In addition, as the organization was servicing increasing transaction volumes and experiencing greater economies of scale across its operations, NIPR implemented additional price reductions, including the elimination of credit card processing charges.

By 2013, all fifty states plus the District of Columbia, Puerto Rico, and the Virgin Islands used NIPR for nonresident licensing and renewals for individuals. NIPR had made significant strides to transform the insurance licensing-related process. NIPR's contributions and commitment to improving the effectiveness and efficiency of insurance licensing has been recognized by the NAIC, industry, and trade associations alike.

## NIPR TODAY

Since the establishment of NIPR and the formulation of its mission, NIPR has made significant progress to advance the efficiency, cost-effectiveness, and uniformity of the insurance licensing process. NIPR supports state-based regulation of the insurance industry by enabling members of industry to comply with state licensing requirements in a streamlined and centralized manner. The organization's establishment of its technological infrastructure, development of various products/services, and expansion to all regulating jurisdictions set the organization on a trajectory of rapid growth. Over the years, NIPR has successfully transitioned from a small, growing organization to an established and reputable entity that is central to the modern-day insurance licensing process.

At the start of 2015, NIPR is at a critical juncture in its history. The core operations are in a key transition phase – pivoting from an era of significant growth and new product development to a future where services and offerings can be refined to better meet the needs of constituents.

Through this strategic planning process, NIPR's Board of Directors and management team sought to thoughtfully and objectively evaluate NIPR's current organization, operating environment, and core competencies and capabilities to determine a path ahead.

Given the assessment of NIPR's constituent needs, internal assets and capabilities, and external environment, leadership has thoughtfully considered what would be required to position the organization for continued success in the years to come. The primary goal of this strategic planning endeavor is to outline and clearly articulate a strategy, along with a supporting roadmap, to proactively position NIPR to better deliver on its mission and enhance its contributions to insurance licensing in the future.

# LOOKING AHEAD

To position NIPR for the future and to optimally serve the diverse needs of its various stakeholders, NIPR's Board of Directors and management team have formulated a strategy to guide the organization from 2015 through 2017.

The key strategic priorities that will guide NIPR going forward are illustrated below:



Each of these strategic priorities are outlined in the sections that follow.

## I. STRENGTHEN AND REFINE THE CORE BUSINESS

From the time of its founding through the present-day, NIPR has been keenly focused on building its products/services and growing constituent awareness of the organization’s capabilities and value proposition. In this era of significant new product development and rapid growth, like most growing companies, NIPR was ambitious in its endeavors, established systems and practices to meet the challenges of the day, and maintained a resolute forward-looking view while tackling the next tasks at-hand.

As an organization that is now in less of an initial growth stage and is becoming increasingly mature, it is critical that NIPR shifts its values, mindset, and behaviors from that of a startup organization – primarily focused on new product development and expanding the number of States served – to one that aspires to deliver consistent quality to its constituents. While many of NIPR’s initial practices and decisions were made to get day-to-day operations up-and-running, the organization now aspires to enhance the level of sophistication in its operations, systems, and performance. As a result, the objectives outlined below and their supporting initiatives have been formulated to enable the core “machine”, or recurring day-to-day operations, to proactively and consistently deliver high quality performance and to continue to meet key stakeholders’ expectations.

**Collaborate with the NAIC to elevate NIPR’s IT infrastructure and processes to those of a best-in-class technology organization.**

- ❖ Continue to maintain data and system security to effectively protect customer, industry, and organizational data.
- ❖ Enhance system stability, availability, and performance to deliver a solid foundation on which NIPR's products and services are offered to the market.
- ❖ Improve NIPR’s current Software Development Life Cycle (SDLC) to deliver industry-standard prioritization of requests for maintenance, enhancements, and new applications and products, as well as testing and rollout.
- ❖ Establish and execute a multi-year IT strategic plan to create a long-term vision for IT and its future growth and evolution.

**Cultivate a culture of excellence that values high performance, consistent quality, and the efficient use of organizational resources.**

- ❖ Enhance teamwork and collaboration to deliver high-quality service to NIPR’s customers.
- ❖ Establish an environment in which staff members work in an engaged and motivated manner, with particular focus on mastery, autonomy, and purpose.
- ❖ Define NIPR core values and underscore these values through inspiring organizational leadership.
- ❖ Align motivation for NIPR managers and staff with constituent needs and expectations.
- ❖ Continually assess operational processes and systems to align with best practices and enhance efficiency, effectiveness, and controls.

**Attract, retain, and develop top talent.**

- ❖ Continue to partner with the NAIC to enhance NIPR’s recruiting and personnel function to align talent acquisition and retention, and the management of staff, with expectations of a high performing IT organization.
- ❖ Establish a formal training program to enhance employee skillsets with a focus on quality work and technical innovation.
- ❖ Clearly communicate the differentiating factors and value proposition of serving as an NIPR employee so that the internal and external perspectives better align with organizational needs.

**II. ADOPT A MORE MARKET-CENTRIC AND CUSTOMER-FOCUSED EXPERIENCE**

As a market-facing organization that serves as a critical intermediary for insurance companies, producers, and other licensees and the industry’s regulating authorities, NIPR and its systems, website, and customer service experience must not only meet basic requirements for functionality and performance, but should rival those of leading organizations. Since NIPR’s inception, the organization’s technology, website design, and functionality have all made significant advances.

In the coming years, NIPR will demonstrate its commitment to delivering quality service to its industry constituents by revamping, redesigning, and upgrading the organization’s web and customer service experience. With elevated expectations for quality, speed, and professionalism, NIPR will embark on a path to offer its customers a more integrated, seamless, and user-friendly experience – an interaction that will enable producers to complete their transactions in a fraction of the time currently required, and with fewer technical difficulties when doing so. To support the achievement of this strategic priority, we have developed the following objectives and supporting initiatives.



### **Deliver an excellent customer experience with NIPR's products and website.**

- ❖ Improve products' usability so that the interface is intuitive and needs for support decrease.

### **Provide unparalleled customer service and support.**

- ❖ Establish best-in-class, multi-channel support in which NIPR and its customers can communicate in an effective and timely manner.
- ❖ Enhance the current call center function and systems.
- ❖ Create feedback loops using information gathered through the call center to assist technology staff to quickly resolve issues.

### **Improve outreach and communication to industry.**

- ❖ Establish consistent means by which NIPR can get feedback from industry to gain insights about NIPR's customers and to build awareness of NIPR and enhance its reputation.
- ❖ Create ways by which external feedback can be efficiently and effectively translated into product enhancements and position NIPR to provide select new product development.

### **Enhance the timeliness and responsiveness of service to the States.**

- ❖ Collaboratively explore how to simplify State business processes and to drive efficiency for NIPR and its IT systems.
- ❖ Enhance NIPR's IT systems to enable NIPR to deliver efficient solutions and product enhancements to the States given their unique data and process requirements.
- ❖ Strengthen communication and information sharing among and between NIPR and the States.

### III. INCREASE NIPR'S ORGANIZATIONAL AGILITY AND ITS ABILITY TO ADAPT TO A CHANGING ENVIRONMENT

Beyond the organization's core, day-to-day operations, NIPR manages a variety of unique, one-time technology projects and legislative initiatives. An organization of NIPR's size, stature, and maturity cannot afford to have large, enterprise-wide projects unduly impact day-to-day operations. It is critical that the core "engine" of NIPR maintain stability and consistently perform through changing business volume and project activity.

To continue on a productive and stable path, NIPR must take deliberate steps to isolate the execution and impact of large-scale, one-time projects or longer-term initiatives from the organization's core workload. In the years ahead, NIPR will take deliberate steps to increase the organization's agility, foster an environment where projects and resource needs are thoughtfully planned and coordinated, and create the organizational capacity to capably flex and respond to short-term business needs. This strategic priority will be supported by the following objectives, and through management's implementation of their supporting initiatives.

#### **Establish a more nimble IT operation.**

- ❖ Create capacity within IT resources (systems and personnel) that can be leveraged in times of peak demand.
- ❖ Establish a software development methodology staffed by cross-functional teams to maintain systems and deliver enhancements to NIPR's applications in a flexible and efficient manner.

#### **Minimize surprises due to one-time and large enterprise projects by improving the level of advanced coordination and planning with the NAIC.**

- ❖ Build a strong team with the NAIC enterprise and technology services staff that recognizes the importance of timely and effective coordination.
- ❖ Create contingency plans and strategies to minimize the impact of potentially sizable one-time events.

#### **IV. STRENGTHEN WORKING RELATIONSHIP WITH THE BOARD OF DIRECTORS AND THE NAIC**

NIPR's Board of Directors and the National Association of Insurance Commissioners, NIPR's parent organization, remain critical to NIPR's future success. Just as NIPR is seeking to strengthen its internal operations and customer-service perspectives, the organization must also demand more of itself with regard to its interactions with its governance and leadership. We should aspire to maintain sound and productive relationships with these important constituents, founded upon trust and transparency.

Increasing organizational maturity, professionalism, and sophistication will guide NIPR's behavior and values in the years to come. Given our close operational interdependence, NIPR will work collaboratively with the NAIC Executive Team and will also make deliberate efforts to enable the NIPR Board to serve in an appropriate oversight role to guide the organization's planning and overall direction, while upholding their fiduciary duty to our organization. The following objectives and supporting initiatives will guide NIPR's execution towards this foundational strategic priority.

##### **Engage the NIPR Board in a manner that instills confidence in management and provides for informed, engaged leadership and oversight.**

- ❖ Establish clear roles and responsibilities to make certain that management is able to appropriately support the Board's oversight role and meet its needs.
- ❖ Improve the depth and quality of information provided to the Board and NAIC leadership, including enhancing accountability through metrics.
- ❖ Reinforce the value of an engaged partnership by increasing communication and education efforts between management and the Board, as well as the Board's constituents.

##### **Maintain a healthy and collaborative partnership with the NAIC executive leadership and staff.**

- ❖ Jointly agree upon a clear set of expectations of the two organizations and how they provide value to each other and partner to serve internal and external constituents.
- ❖ Establish a structure and processes to maximize service to each organization, their leadership, and their constituents.
- ❖ Improve awareness by educating management and staff of both organizations.

## Enhance NAIC's governance and committees' awareness of NIPR's operating model and value proposition.

- ❖ Promote greater collaboration with members and the States through relevant committees (e.g., PLWG, PLTF, and ISTF) to gather external trends, communicate and educate regarding NIPR, and build NIPR's reputation with the States.

## EXECUTING THE STRATEGY

In less than twenty years, NIPR has become an integral technology resource that is relied upon every day by state regulators and the insurance industry. Today, the PDB houses over 5.7 million records on producers, business entities, adjusters, navigators, and other entities regulated by the States' departments of insurance. Since 2004, NIPR has transmitted in excess of \$3.1 billion in State insurance licensing fees, with more than \$614 million processed in 2014 alone.

The formulation of strategy and the development of a strategic plan are critical first steps for NIPR as the organization looks to the future. However, the time, energy, and effort invested in the development of this plan will only yield meaningful returns if we are able to mobilize to effect change and integrate the tenets and objectives of the plan into the fabric of our organization.

*NIPR 2.0: A Focus on Quality, Simplicity and Consistency* has been developed in a very intentional manner with keen focus on aligning organizational resources to execute the strategy. The initiatives outlined within this plan are intended to facilitate achievement of the stated objectives; the objectives have been formulated to enable progress towards the organization's highest strategic priorities.

With ambitious plans for the future, NIPR must also consider the need for increased accountability across the organization. Our people are our greatest asset, and every employee of NIPR will play an important role in the organization's pursuit of excellence. Our State and industry customers will experience this excellence through high quality, straight forward, and consistent service from NIPR. It is our customers' experience that will be the ultimate determinant of our success in the years to come.

## **NIPR'S BOARD OF DIRECTORS AND MANAGEMENT TEAM**

The following individuals have played a critical role in helping NIPR formulate this plan. We thank you for your contributions and look forward to collectively working with you to build a stronger NIPR.

### **NIPR Board of Directors**

- Gary Allen, Second Vice President, Regional Director (West), AFLAC, Inc.
- William Anderson, Senior Vice President, Law & Government Relations, National Association of Insurance & Financial Advisors (NAIFA)
- Wesley Bissett, Senior Counsel, Independent Insurance Agents & Brokers of America (IIABA)
- John Fielding, Of Counsel, Steptoe & Johnson
- The Honorable Nick Gerhart, Commissioner, Iowa Insurance Division
- The Honorable Adam Hamm, Commissioner, North Dakota Insurance Department
- The Honorable Scott J. Kipper, Commissioner, Nevada Department of Business & Industry Division of Insurance
- The Honorable Todd Kiser, Commissioner, Utah Insurance Department
- David M. Leifer, Associate General Counsel, American Council of Life Insurers (ACLI)
- The Honorable Julie Mix McPeak, Commissioner, Tennessee Department of Commerce & Insurance
- Senator Ben Nelson, Chief Executive Officer, National Association of Insurance Commissioners (NAIC)
- Robert Prezioso, Compliance Director, Liberty Mutual Insurance
- The Honorable Roger Sevigny, Commissioner, New Hampshire Department of Insurance

### **NIPR's Ex Officio Members of the Board of Directors**

- Suzanne Loomis, National Alliance of Life Companies (NALC)
- Elisé Spriggs, Property Casualty Insurance Association of America (PCI)
- Jessica Waltman, National Association of Health Underwriters (NAHU)
- Jennifer Webb, National Association of Professional Insurance Agents (PIA)

### **NIPR Management Team**

- Karen Stakem Hornig, Executive Director
- Laurie Wolf, Deputy Director
- Sarah Heidenreich, Assistant Director, Legal Affairs
- E. Kingston Koser, Assistant Director, Industry Support
- Susan Maldonado, Assistant Director, Operations
- Dennis Wilson, Assistant Director, Technical Services