Growing Pains - Raising the Bar

Benjamin Franklin said, “Without continual growth and progress, such words as improvement, achievement, and success have no meaning.”

We have always been a company who understands and embraces growth. Premium growth between 6% - 8% annually is ideal. While our financial position could allow us to grow at a more rapid pace, we choose to resort to our more conservative practices. Our future goal is to have a surplus to writings ratio of 1:1.

Since mid-year 2016 through the first quarter of 2017, Mt. Morris Mutual (MMM) is experiencing double digit growth. The good news is we have been able to grow profitably, showing an underwriting profit for 12 consecutive quarters.

So how do we better manage a growth rate in the 11% - 12% range?

There are two main options, or a combination thereof. A company can raise rates and/or firm underwriting guidelines. We have chosen to place more weight on the latter, quality of risk.

What does this mean?

We will be raising the bar on what qualifies for eligibility with MMM.
- Focus on the housekeeping of the premises
- Management of their property and finances
- Financial stability of the insured
- Payment history
- Claim history

How does this impact our agency partners?
- Minimal rate increases, rate stability for improved retention
- Product marketability, new business opportunities
- Improved results, larger profit sharing opportunities
- Reduced maintenance (payment issues, claim items, unreasonable demands...)
- Partnerships and trust. Working cohesively with our team to qualify a risk.
- Working smarter, not harder

Overall, we can maintain very competitive rates, while still providing high quality products and services to our valued insureds.