

# Carrier Management

Critical Information for P/C Carrier Executives

## It Takes a Leap of Faith, Says InsurTech Founder

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by *Maryanne Sherman*

For Ilya Bodner, founder and chief executive officer of insurance technology company Bold Penguin, building a fast-growing company has been a long time coming.

After arriving in Columbus, Ohio, from Uzbekistan at a young age, Bodner watched his family eke out a living through grit and determination with a string of small businesses. He knew that he wanted to follow in their footsteps by running a company as an adult.

Eventually, Bodner did just that by getting his insurance license and starting an Allstate insurance agency with his partners, where he got to see insurance from the front lines. "We were young and came into the insurance business with guns blazing. What we discovered along the way was the importance of the trusted adviser's role in the equation. A trusted adviser who knows the insured, the situation and the insurer can make a dramatic difference in the outcome of a claim or life-change event by being an advocate for the insured."

Bodner eventually sold his share in the agency and moved on to found or co-found numerous companies that used technology to improve the company-customer interaction in insurance. However, that formative experience as an agent was never far from his mind. He thought the agent wasn't going away any time soon, despite predictions that suggested otherwise; commercial insurance, in particular, was too complex to take the agent out of the picture. At the same time, he knew that he could leverage technology to help make those agents—and their carrier partners—more efficient, more digital, more connected and more profitable.

"The insurance business has a lot of moving pieces. There are things in the background that have a major impact on the overall experience and profitability of an insurance agency. As an agent, I was constantly trying to find my niche, to justify cost per-acquisition and to reduce the operational cost of 'paperwork shuffling.' On the other side, the insurer, reinsurer or MGA (managing general agency) was hungry for profitable growth. They wanted a way to stand out from the competition and more effectively communicate with the insurance agent or broker. I didn't see a central place that aligned the two parties. So, we created Bold Penguin."



*Bold Penguin CEO and Founder Ilya Bodner describes his career as a journey to find the American dream. He came to Columbus, Ohio, at a young age, when his family immigrated from Uzbekistan. Eventually, he and a partner got licenses and started an Allstate insurance agency. In this article, Bodner explains why insurance got his interest and held it.*

## Improving the Speed of Quote to Bind

The Bold Penguin Exchange can be fully integrated into any day-to-day process, making the work of quoting and binding much simpler and faster for agencies, carriers, and small and mid-size business owners (SMBs) alike. The Bold Penguin Exchange allows agents and brokers to triage, quote and bind commercial (predominantly small commercial) policies in a more programmatic and rules-based way. On the other side, insurance carriers connect to the Exchange in order to market their products to insurance agents.

The key to the Exchange's success is its flexibility and control. Agents and brokers set their own operating rules, giving them confidence in where to bind as well as clarity in choosing their customers—down to the NAICS (North American Industry Classification System) code, location and coverage-type level. Carriers appear in the classes and scenarios they want, removing the ambiguity and dramatically increasing hit ratios. For carriers, Bold Penguin assists in full programmatic integration if one isn't available, allowing the carrier's key products to reach the Exchange and ultimately the customer: the insurance agent.

"Expanding our partnerships and the launch of our API-based (application programming interface) approach amplifies the benefits of the Bold Penguin solution for everyone involved. We're basically increasing the size of the storefront and making it easier for agents and brokers to connect with the insurance companies they prefer, allowing the agent or broker to bolster their position as a trusted adviser and write more business."

## Lessons Learned

Bodner is a firm believer that the future will be digital, but he also thinks we shouldn't take the human out of the picture. "About a year into this venture, I realized that people hear the word 'InsurTech' and assume that we are trying to take the human element out of insurance. My goal is to help the agent or broker become more profitable by providing a solution that allows them to do what they do best—be the trusted adviser. Having said that, we are not an insurance agency. We are not an insurance company or underwriter. We exist to help insurance agents find, quote and bind the right insurance product from the right carrier."

When asked about the difference between founding a company and running one, Bodner said there are definite challenges in switching roles. "As a founder, I was always feeling uncomfortable. Sort of like having one foot on the edge, being ready to fall. In running a company, you eventually realize that you can't do everything and you don't know all the answers. You need to surround yourself with incredibly talented people."

Bodner got a taste of this perspective early in his career, when he participated in a mentoring program in Columbus, Ohio. One of the mentors told a story that left an indelible impression: "We were talking about the challenges of managing people, as opposed to the challenges of founding an organization. The gentleman said that, early in his career, he found himself worrying about the people he was hiring. Were they smarter than he was? Would they think less of him as a leader if he didn't have all the answers? Finally, after agonizing over the issue for some time, the executive said he decided to take a leap of faith and begin consciously hiring people who were smarter than himself, people who would help him grow the company and enhance his skills and capabilities in the process."

According to Bodner, it all comes down to people. "In my experience, many founders are great at selling a dream of a better future, but they don't have all the skills needed to build a successful company. It takes a great team to make the company a success. It's not all on one person's shoulders."

When asked about the name's origin, he said, "I recalled videos of penguins huddled at the edge of an ice floe, looking out at the rough ocean, trying to get up the courage to dive in. One penguin would finally jump in, despite the threat of predators, and the rest would join in. We saw this new company as that bold penguin —jumping into the unknown, leaving our comfort zone and taking on issues that could benefit the others in our space."

At the end of our conversation, he said he thought he could be dropped anywhere on the planet and become a success because he learned early on that it takes numerous failures before you find that billion-dollar idea like Bold Penguin.

Just like that penguin standing at the edge of a cliff, looking out over the cold, rough seas, Bodner is taking giant leaps of faith and jumping into commercial insurance to go fishing.