

Giving an Insurance Company Some Insurance of Their Own: A Case Study

How Directive Helped Bring Otsego Mutual's 125-Year-Old Business into the Modern Age

Meet Otsego Mutual

Back in 1897, after a chain of remarkably bad luck in his community, Silas L. Kelsey took a dive into a notoriously difficult industry at the time, and opened Otsego Mutual Fire Insurance Company. This gamble paid off, with the business quickly expanding from its native Burlington Flats in Otsego County to the surrounding area. Now, the company has 80 agents in New York state providing their clients with various types of insurance policies and has been listed at A+ (or higher) for 75 years, 50 of which were consecutive—one of only 15 to have done so, according to A.M. Best's Review.

Learn more by visiting otsegomutual.com



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Today, insurance companies require modern technology, something that Otsego Mutual didn't have for a long time... much longer than you might expect. In fact, the company had operated on an IBM System3 mainframe computer—which, by itself, took up significant real estate in the office and relied on punch cards to operate—to check on their clientele's premiums and such for some time.

According to company veteran Judie Hamilton, who (at the time of this writing) is an officer on the company board on the behalf of the IT department, this computer was actually sourced from New York Central Railroad (which ceased operations in 1968). In 1996, they transitioned over to InsPro, an insurance processing program provided by Town & Country, and a series of disconnected workstations.

This meant that they had no network infrastructure, at all, to speak of.

They also needed to expand their IT resources, instead of relying on a single person. Their team of 15 to 18 at the company's headquarters in Burlington Flats all wear numerous hats to fulfill the company's operations, so—as Michael Gras, IT resource in training and accounting department member, puts it—it isn't unusual for team members to juggle different responsibilities.

This Needed to Be Remedied, and Directive Was Called to Help Remedy

One of their team members and Michael Gras' father, Terry Gras, happened to have reached out to Directive for some hardware needs, and referred Chris and Charlotte Chase in for an office tour with Judie. This meeting revealed a lot to both parties. The Chases and their team learned about the scope of Otsego Mutual's needs, and Otsego Mutual got a sense of who they would be working with.

Directive Continues to Monitor the Insurance Company's IT

After installing a complete network for Otsego Mutual, from the servers to the workstations, Directive has been there to keep a remote eye on the insurer's infrastructure ever since. On top of assisting Otsego Mutual with their new network's implementation and licensing, the managed service provider has ensured that all continues to work as it should through remote monitoring, installation of a secure firewall and virtual private networking, and even boosting productivity and security through continued upgrades to their workstation operating systems, a migration to Office 365, and the introduction of multi-factor authentication to their access controls.

So, now that Otsego Mutual has modern tools in place, they permeate through all of their operations—and, should something go wrong, Directive is on hand to handle any support requests that are submitted or detected by the managed service provider's team.

The insurer has even seen benefits to their safe operations and compliance. Not only is Otsego Mutual able to keep up with New York state's stringent cybersecurity compliance standards, but they were also able to continue their operations when COVID-19 hit, thanks to the remote capabilities that Directive enabled.

“It's made it so we don't have to really worry...We know it's being done, and we know it's being handled, so we can concentrate on other things.”

— Judie Hamilton, Board Officer and IT Department Team Member for Otsego Mutual

The Team at Otsego Mutual Thinks Working with Directive is a “No-Brainer”

Given the improvements to their operations, security, and productivity—never mind the great working relationship that they share with the IT provider—Otsego Mutual has “no complaints” about working with the Directive team. So, the way they see it, other businesses would be wise to work with Directive as well.

If you're looking for an IT provider who can help you resolve your company's technology needs or issues, consider Directive. Our expertise is only a phone call away!