

'WORLD CLASS' LOSS ADJUSTING WHAT DOES THAT LOOK LIKE?



Integra Technical Services will be launching a World Class Adjuster Programme in 2020. Ahead of the launch, their CEO, Leo Dixon, considers the attributes of a 'World Class Loss Adjuster'. Do you agree with Leo's view? Email your comment and opinion to leo.dixon@integratechnical.com

Defining what makes a world class sportsman or sportswoman is a relatively easy task. Their status can be determined by a gold medal tally from Olympic Games and World Championships; triumphing against the odds; a track record of inspiring their team-mates to achieve beyond expectations; creating that game changing moment to clinch a title or promotion.

Closer to home, it's much harder to pin down what makes a World Class Loss Adjuster.

It should be recognised that only a percentage of the incidents that are notified to the (Re)Insurance markets each year warrant the appointment of a World Class Loss Adjuster, and in the aftermath of such incidents the stakes are high. The situation can often be fraught with political, legal, trade union, health & safety bodies and other government regulators involved. The Insured, their (Re) Insurers and third parties will likely be facing significant financial exposure as a result of the incident. The insurance press like to communicate what they perceive the financial exposures to be after these 'CNN moments' often with inaccurate information which can create unnecessary and unsupported expectations.

Despite what can be excessive pressure on the individual, and when the potential for conflicting stakeholder positions is high, World Class Loss Adjusters tell the impartial story. They bring clarity to the complex, report clearly on the facts, resolve technical and financial disputes – and ultimately enable a successful outcome to the claim for all parties.

"Par for the course"

In-depth industry knowledge, attention to the minute detail, the discipline of a commercial project manager and resilience under pressure are valuable attributes of a highly regarded Loss Adjuster. Excellent communication skills are of course expected: a great Loss Adjuster can



go into a difficult or sensitive situation – maybe one where loss of life or huge environmental damage has occurred – and straightaway start those challenging conversations with the Insured, the Brokers and (Re)Insurers without fear or favour in the search for the facts surrounding causation and the extent of damage.

Alongside these attributes, they also have the ability to interpret numerous different policy forms and retain a sound working knowledge of relevant case law. We're fortunate in our industry to have many Loss Adjusters who are building successful careers based on this set of capabilities.

Stepping Up to World Class

To make that step up to World Class Loss Adjuster isn't the case that the employer gives a badge boasting 'World Class Loss Adjuster'. If it was that easy, no doubt all adjusting houses would have swarms of World Class Adjusters in their ranks.

An Adjuster only achieves World Class status when they are appointed by claims stakeholders from all corners of the world to handle those incidents that create significant concern for all involved, and only their involvement brings peace of mind to the stakeholders. World Class Loss Adjusters are performing at this level over a sustained period of time and not on a 'one-off' basis. So, in addition to the attributes mentioned above, we believe the World Class Loss Adjuster needs to demonstrate three rather more elusive qualities:

1. What if? The World Class Loss Adjuster has a way of anticipating the future. Not in a clairvoyant way but based on hard experience: an elusive combination of having a detailed understanding of the nature of the asset or project that's insured; a

comprehensive knowledge of how the policy wording should be interpreted; if a commodity is involved, the market conditions affecting its current and future price; and finally (Re)Insurance market practice for handling claims of this nature. They can somehow smell, sense, feel in their gut what the final exposure will be. Within a short time on site they can make an accurate estimate of the real exposure, whilst explaining each of the assumptions upon which their estimate is based. If hundreds of millions of dollars are at stake, then reserving accuracy within single figure percentage points of the final outcome is crucial as early as possible, to ensure that all parties expectations are managed and (Re) Insurers capital is not unnecessarily tied up 'out of the blue'. The World Class Loss adjuster quickly sees all the pitfalls and possible scenarios and can answer any 'what if?' question from any stakeholder, using not guesswork but facts, judgement and experience.

2. Mitigation mindset. From the first meeting with the Insured, the World Class Loss Adjuster is looking for ways the loss can be mitigated. They grab the 'bull by the horns', take personal responsibility for the claim, and investigate ways with the Insured to reduce the financial exposure of the incident. They may find ways to enable partial production to be achieved when an asset has originally been deemed to be non-operable until repairs are completed, they may recommend an alternative repair solution that reduces the reinstatement period, may propose small changes in the supply chain and in some instances, with support from the parties to the claim, incentivise contractors to speed up manufacture of critical path items to (against the odds) reduce the financial exposure for all parties. They can do this because they have the experience and credibility to challenge, to take a contrarian position, to tell things as they are while maintaining

relationships and trust on all sides. It's a hard ask, but that's what goes with being World Class.

3. Respect relationships. Despite the pressure from all of the stakeholders, the prospect of litigation, high profile media coverage, the huge sums of money involved, or sometimes even the human tragedy suffered, they understand and respect the significance of relationships between the Insured and their customers, the Insured and their Brokers and the Insured and those (Re)Insurance markets who've subscribed to the Insured's account for several years. No matter how difficult their conversations have to be with each of the stakeholders, particularly when sharing one parties position with the other, they do so in a way that at a minimum maintains and, on occasion, deepens the relationship between the parties. Call it persuasiveness, emotional intelligence, charisma or cultural awareness, they always bring the parties to the claim along with them and don't jeopardise commercial relationships on the way to settlement.

Material Difference

World Class Loss Adjusters make a material difference to the outcome of the claims they are appointed on and deliver excellent service and results to clients consistently over a sustained period of time. Importantly they are continuously improving their skills and contribution, as they build on each claims experience. World Class is a journey for those prepared to embark upon it, not a destination.

During 2020 Integra Technical Services' in-house 'World Class Adjuster' program commences, as we aim to fast track the development of our team using the insights from our World Class Adjusters as well as those from Risk Managers, Brokers and (Re)Insurers. This we hope will better equip our team for handling losses of all sizes and complexity in the future.