

## Interview Greg Gladwell

# GLAD TO BE A LOSS ADJUSTER

To give Crawford & Company an advantage over its competition, chief executive Greg Gladwell is harking back to the glory days of loss adjusting, playing up its heritage and his own insurer pedigree

By Jonathan Swift

**N**ot many insurance firms would green light a 'bring your parent to work' day given the logistical nightmare that may ensue, but at Crawford & Company things are different.

Since Greg Gladwell took over as chief executive of the UK and Ireland business, "mum" is very much the word. Not in a physical sense of bringing her into the office, he explains, but Gladwell is keen to ensure all his staff believe in his mantra of the "mum test" – where employees look after clients and customers as if they were their own mothers. The test is just one of the changes Gladwell has made to force his personality on the business having replaced Benedict Burke in November last year, becoming the latest 'outsider' – non-loss adjuster – to take the reins at one of the UK's major players.

"It was important that I had an insurance-related qualification [with an FCII], but one of the most interesting things about Crawford is its diversity. In liability, if you look at all the work we do generally there are more chartered insurers than chartered adjusters. Within Crawford it has not been mentioned [that I am not a loss adjuster] and it has not been an issue." He adds with a wry smile: "I am sure one or two of the competitors have mentioned it."

So why, after a 30 year career at Aviva, taking in everything from running claims, operations and major change programmes, did Gladwell decide to seek a new path?

"I wanted to do some different things and challenge myself," he explains. "I had a number of conversations, but I did not want to go from one big composite to another because Aviva had been really good to me.

"I spoke to three claims organisations and one in the non-claims arena. They all approached me so I did not have to try hard to be honest, but Crawford came up with the best opportunity in a marketplace which has been unchanged for a decade or so, where there are lots of opportunities to do things."

The change also provided Gladwell with an opportunity to work in London and take on a global remit, two things – excluding working with operational staff in India at Aviva – he had never done before.

Gladwell joined Crawford in August 2010 as managing director of its home proposition, an international role focusing on product

development, relationship management and spreading best practice across each of the loss adjuster's territories.

"I got to travel the world, see a wide range of markets and understand the intricacies and differences in weather patterns and building construction. This allowed me to help develop some exciting initiatives, which have since come to fruition, but it also brought home that the UK is more advanced than most of the world by some way."

This meant that when he was offered the UK and Ireland role – something he says was unexpected as he thought he would be more global focused in the short to mid-term – he was happy to accept.

"My initial reaction was fantastic. [CEO, EMEA and Asia Pacific] Ian [Mures] and [group president and CEO] Jeff [Bowman] had asked me [with my initial role] to spend time looking at the UK. What's more, Benedict had invited me to make some recommendations – as I came from an insurer client background – about how we could get closer to these organisations.

"Generally the composites spend more money on consultancies, change initiatives and leadership development than the supply chain, especially the loss adjusting fraternity. I was able to put forward lots of ideas and he gave me space to develop some of those.

"I was already helping Benedict with a transformational change programme in the UK before taking this job so I had a ▶

**“ I want to have the best leadership team in the sector, and I am shaping that to make it half ex-insurer and half adjuster**

A professional portrait of Greg Gladwell, a middle-aged man with short brown hair, wearing a dark blue pinstriped suit, a white shirt, and a red and white striped tie. He is sitting in a dark brown leather chair with his hands clasped in his lap. Behind him is a large abstract painting with vibrant colors like green, orange, and blue. The background wall is white with a subtle pattern.

**Greg Gladwell – CV**

**October 2011 – Now**

Chief executive (UK & Ireland), Crawford & Company

**August 2010 – October 2011**

Managing director – Crawford Home, Crawford & Company

**January 2010 – July 2010**

Managing director, Asprea

**2005 – December 2009**

Operations director – property claims, Aviva

**September 1982 – June 2009**

Director of operations and change programmes, Norwich Union Insurance

◀ head of steam. This included looking at smarter, quicker, leaner processes to help reduce lifecycles and we had done some work in [third-party administration arm] Broadspire and the Northern Irish business to embed those about this time last year.”

Having taken up the UK reins, Gladwell spent the first three months meeting staff face-to-face, sitting down in small groups and listening to them. He also met with clients, as well as paying a consultancy to speak to 12 claims directors across the market to gauge opinions.

“And the general feedback [from the consultancy research] was that Crawford staff are nice people to do business with, but could have more of an edge. They thought the firm was getting closer to insurance clients, had a real ambition to be different and stand out in the marketplace and liked the deep technical excellence that we have within our complex and major loss liability areas.”

As for the negatives, Gladwell comments: “Others thought there was a limited differentiation between the major loss adjusters and there was still work to do following the surge events of winter 2010 which caused a few things to get out of kilter in the organisation.”

### Morale boost

Internally, Gladwell points to an encouraging recent staff survey that indicated employee morale was on the up, something he puts down to a number of factors. “One of the approaches I have brought is giving people more empowerment and accountability so they are free to do their jobs but are held responsible. That has opened up interesting possibilities where people are growing and flourishing,” he explains.

“I am sure most senior executives carry a mantra with them in their tool bag and mine is ‘you are only as good as the team you have around you’, so I want to have the best leadership team in the sector, and I am shaping that to make it half ex-insurer and half adjuster so we bring our thinking closer to our insurer clients than any other adjuster in the marketplace.”

His executive team currently consists of Alex Finch, UK home director; Brian Croll, UK interim commercial director; Christine Millar, UK HR director; Clive Nicholls, senior vice president, client services, EMEA AP; Glen Donaldson, Northern Ireland director; John Buckle, UK liability director; Jonathan Pulley, UK financial controller; Margaret Clubley, vice president, Broadspire UK; Phil Price, UK



## “ This is not going to be a mini Aviva

strategy and innovations director; Sarah Civil, managing director, global technical services UK; Shaun Kelly, head of business solutions group; and Simon Neil-Jones, UK fulfilment director.

Gladwell describes his team as a “work in progress”, with his former Aviva colleague Paul Bowyer set to take over as commercial director from GAB Robins in June, and has some way to go to meet his 50:50 quota. However, despite Gladwell crossing paths with Croll and UK home and general insurance head Margaret Mullins at his previous employer, he insists:

“This is not going to be a mini Aviva.”

Although Gladwell believes that the loss adjusting market is a very similar place now to 10 years ago, regarding processes and insurer relationships, the same could not be said of the ownership structures with private equity playing a greater role in the sector today.

Indeed, Crawford’s nearest rival Cunningham Lindsey recently ended months of speculation by admitting that its backers, Stone Point Capital and Fairfax, were seeking to divest and find a new investor for the business. Is this too good an opportunity for Gladwell not to play on?

“For me it is about us and what we do. To use the sporting analogy, the competition becomes irrelevant if you become as good as you can be. I won’t make any overt plays on that as clients already say that they like the stability [of our ownership] while embracing

the change and the longer-term direction that Crawford is going.”

That longer term direction is a change in product mix with an emphasis on promoting the technical areas it may have previously not been as vocal about. “Outside the organisation I had a perception that Crawford was a high-volume, low-value adjuster as that is where I had come across it [at Aviva] in the home and motor spaces and a lot of clients hold that perception too.”

Gladwell continues: “Coming into the organisation, and having reshaped it over recent months, home revenues are less than 20% of what we do. We have technical excellence in a wide range of classes from property and liability to specialist lines which is where we are actively looking to grow.

“We will always have a presence in the home market but it will be a lesser volume by proportion of our business than it was before because we have found it difficult to make sustainable margins due to the volatile, inconsistent claims numbers and insourcing from various insurers.

“We are comfortable with that and a lot of our energy and growth is going into the deeper technical, more complex diversification areas.”

Gladwell is keen to emphasise his ambition for Crawford to be seen as the ‘go-to’ place, not only for clients seeking technical excellence, but loss adjusters seeking a challenge — like he did 18 months ago — in a new environment: “A lot of work moves with the people who are trusted

“ The direction that we are going in has a degree of retro, to look back at what made loss adjusting great and valued by insurers in years gone by

and respected in the marketplace. One of the aspects we are keen for people to understand is that we want to expand in these areas and have conversations with all parties that play in those spaces.”

He is also quick to dismiss suggestions that, despite his protestations, some prospective employees may be put off by the firm’s size: “Crawford provides a fantastic umbrella organisation given its global reach, financial stability and recognised brand for people with the skills, talents and connections to join and deliver a sum where one plus one equals two and half.”

### Mind the gaps

Pressed on where he is looking to fill gaps, Gladwell notes that, although Crawford has a respectable presence in energy, marine, international construction and engineering, there are holes.

“Our energy is onshore, not offshore, our marine is cargo, rather than hull based, we don’t do aviation, so there are lots of gaps we can fill. Even in liability, we have a field force and a desk-based force, but there are plenty of other angles in liability we can work on.”

This all amounts to Gladwell’s admission that rather than distance itself from the words ‘loss adjuster’, he is keen to play up to the traditional term. “If anything, the direction that we are going in has a degree of retro, to look back at what made loss adjusting great and valued by insurers in years gone by,” he adds. “And that was real technical expertise, getting someone on site quickly that could engage with clients and take meaningful action, control indemnity cost and deliver great service. That is what we are trying to get back to within the organisation.”

Gladwell is clearly ambitious, given his own admission, the reason he joined Crawford was the opportunity to work for an international business. With this in mind how long does he imagine working for the UK and Ireland arm?

“Right now, there is plenty to keep me going in terms of ambition and satisfaction,” he concludes. “There are tranches of our business that are already in a great place, and they tend to be the more traditional areas, while other pieces need some work. The opportunities and potential are greater than I expected and I am more energised than I can ever remember being.” ■

### Greg Gladwell on....

#### ...whether there is an unhealthy market duopoly with Cunningham Lindsey

“At an aggregate level it may appear that two firms dominate. But when you get down to specific markets there are way more than two firms. In liability you will have the likes of Argent, Cunningham, Garwyn and ourselves. You go into home and we bump into three other adjusters. Go into the deeper, more technical areas and you will find the likes of Charles Taylor, so it is only the aggregation that brings us out as the two big organisations. Wherever we are competing there will be three or four other people. The VRS Vericlaims

and Woodgate & Clarks of this world may not be massive, but they know their markets, they stick to them and are attractive to people.”

#### ...losing tenders such as Axa household since taking over

“There were a couple of tenders that run as [predecessor] Benedict [Burke] and I changed roles, that perhaps did not play to our strengths in transition. However, six months on we now have a lot of momentum and the fortunes of our organisation are on the up at a time when others are just heading in the other direction and we have a window of opportunity to make the most of that.”

#### ...acquisitions

“There are plenty of opportunities for us to grow organically, diversifying into different areas, building relations with existing insurers, and while I would not say no to an acquisition, it is not at the forefront of our mind.”

#### ...branch footprint

“All big organisations look at their footprint and we are no different. So one aspect is the need to get closer to brokers, for example, which will require more local presence. You don’t necessarily need offices for that, but brokers and the regional market like a regional presence. I see it more of a shuffling and refocusing than major change.”

#### ...the prospect of the regulation of loss adjusting

“Everyone in the insurance industry wants proportionate and appropriate regulation, and that is quite right. One of the benefits of coming from a composite background is understanding the standards of governance that apply and bringing those to bear in Crawford. In the round, it has probably helped insurance, as painful as it is. It has brought a degree of consistency and discipline and fairness that customers were crying out for. So, as long as it is proportionate, I will embrace it.”