

# Crawford & Company

# BrokerCare

## Survey Report 2012



### Introduction

Loss adjusters and brokers share an important trait in common; both are at the front line of customer service and when it comes to handling claims, professionals from these opposite poles of the insurance value chain frequently meet to deliver and surpass client expectations.

With adjusters often working behind the scenes to assist the broking sector in this aspect of its service, Crawford & Company is understandably familiar with the theory but as a professional organisation it is essential that we understand how customer need is being met in practice; not only for the insured, but the broker itself.

This year, Crawford carried out its comprehensive BrokerCare Survey to understand what the sector really thinks about adjusting services in the UK; what are its strengths and weaknesses? Where could adjusters improve and what should the priorities be?

The goal of the BrokerCare Survey has been to shed light on how these two professions work together to the benefit of customers. We've focused on a variety of important factors including lines of communication during claims handling; technical knowledge and experience of adjusters or claims handlers, relationship management and complaint handling.

As expected the results uncover a range of findings that highlight areas where brokers are in strong support of what loss adjusters do for them, while others suggest the need for greater focus and attention to be paid.

Crawford anonymously surveyed claims managers, directors or heads of claims from 58 insurance brokers across the UK who use a number of different loss adjusting companies.

### Executive Summary

Overall, brokers appear to be satisfied with the service they receive from adjusters. More than three quarters of respondents to the 2012 BrokerCare Survey said they would rate their service as "good" (59%) or "excellent" (20%). Only a small minority (9%) rated their service as "poor" or "below average".

The survey also looked at specific areas of a typical adjusting service to ascertain the market's performance. Areas in which adjusters excelled included the technical knowledge and experience of their employees (79%) and the professionalism of adjusters working in the industry (62%).

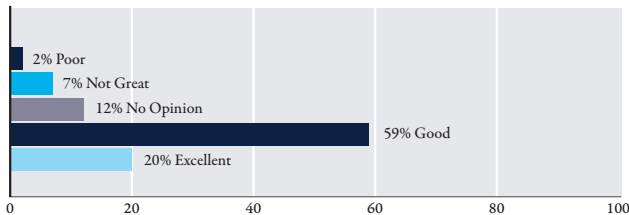
However, the 2012 BrokerCare Survey did unearth areas in which brokers would like to see improvement from the industry. Primarily these centred around communication; with just 26% of brokers saying that current performance is as good as it could be and complaint resolution, about which 39% said they were happy for things to stay as they are.

Of course it's important to elaborate on these results so this report also takes a qualitative look to assess brokers' opinions, featuring the comments of a number of claims handlers within the industry to further illustrate their perceptions and to find out why those key points have been made.

# Key Findings

## 1) Brokers rate adjusters highly

How do you rate your current adjusting service?



As the results show, the overwhelming majority of brokers said their adjusting service was either “good” or “excellent” with only 9% choosing to mark down the service they receive.

### Vicky Linley, senior claims technician, IFM Insurance Brokers, Sheffield

*“We are comfortable with the level of service and contact that we receive on a regional basis from the adjusting profession, but occasionally this breaks down a little when claims and the adjusters handling them are further afield. It’s just about making sure that we are kept in the loop at all times.”*

### Stephen Odong – Claims Handler, Jelf Insurance Brokers

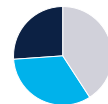
*“I would say the main reason to work with a loss adjuster is that you are pretty much guaranteed to get a more informed decision. We trust the reports that are put to us and when a claim is over £1000 we need that certainty to avoid potential escalation.”*

## 2) Communication breakdown

What areas of service could adjusters do better?

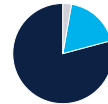
### Communication

Definitely	41%
Maybe	33%
Good as is	26%



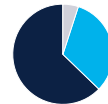
### Technical Knowledge/experience of adjusters/claims handlers

Definitely	3%
Maybe	18%
Good as is	79%



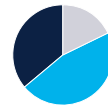
### Professionalism of adjusters/claims handlers

Definitely	5%
Maybe	32%
Good as is	62%



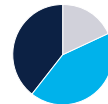
### Ease of contact into adjusting service

Definitely	18%
Maybe	46%
Good as is	36%



### Issue/complaint resolution

Definitely	18%
Maybe	42%
Good as is	39%



### Relationship Management

Definitely	15%
Maybe	31%
Good as is	54%



### Technology/Innovation to the broker

Definitely	13%
Maybe	36%
Good as is	51%



### Simple FNOL system / process

Definitely	9%
Maybe	40%
Good as is	51%



Brokers’ perceptions of the service they receive produced interesting responses. The vast majority (79%) of respondents were happy with the technical knowledge and experience of adjusters, while almost two thirds (62%) said that the level of professionalism they apply to their work is first rate. In both of those categories, the number of respondents who said this aspect of adjusting required “definite” attention was negligible at only 3% and 5% respectively.

Only one category produced a majority response from brokers of negative type. 41% said that communication by adjusters could “definitely” be improved; 33% said maybe and just over one quarter (26%) believed that the communication process they enjoy with their adjusting partners needed no attention.

**Ian Stephenson – Claims Manager - Proactive**

*“Overall the service we have received from adjusters has been good and I agree that communication between parties during claims handling is an essential component. It’s a matter of keeping brokers in the loop; for example we’ve found that were an adjuster to approach things as if it works for the insurer alone then the relationship doesn’t always work to everyone’s benefit.”*

**Vicky Linley, senior claims technician, IFM Insurance Brokers, Sheffield**

*“For our business it’s essential that we are kept informed at all stages of the claims process and anything that is taking place between an adjuster, an insurer and our client must be copied to us. This sounds straightforward but not all companies are so good at it.”*

One area which was slightly more polarised in the results was relationship management. More than half (54%) of respondents scored this aspect highest in the survey, however 15% said it was in need of improvement. A difficult skill to measure at the best of times, one broker explained his experience to us:

**Stephen Odong – Claims Handler, Jelf Insurance Brokers**

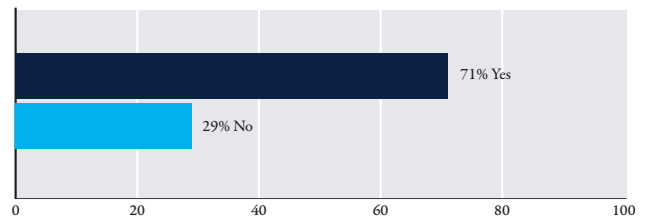
*“Relationship management is essential between brokers and adjusters. If I have a situation that needs escalating then I need to have someone at the adjusting firm who is senior enough to get things moving. We get a visit once or twice a year from our broker relationship manager and this for me is an invaluable part of working with our preferred adjuster.”*

**Vicky Linley, senior claims technician, IFM Insurance Brokers, Sheffield**

*“We are always pleased to have a professional claims handler working face to face with our clients and as such the broker/adjuster relationship is an important one. The adjusters we work with make a real effort to maintain good relations with us; when new protocols and processes are instigated they are quick to update us, as are they with detail about market trends and so on.”*

### 3) A direct line?

**Is it important for you to be able to instruct the loss adjuster direct?**



Whether or not a broker gets to instruct an adjuster directly in some cases is a decision out of their hands. As prime contractor, insurers take differing views on direct instruction; however the BrokerCare Survey reveals that for almost 3/4 of the intermediary market, it is the preferred method.

**Vicky Linley, senior claims technician, IFM Insurance Brokers, Sheffield**

*“I prefer to instruct adjusters directly but this isn’t necessarily the case for all claims handlers in the broking field; it depends on your experience how confident you are so I think adjusters have to be flexible about how they received their instruction, either from ourselves or from the insurer.”*

**Stephen Odong – Claims Handler, Jelf Insurance Brokers**

*“Instructing direct is important because while it only saves us a few hours, sometimes that can mean the difference between a claim being dealt with on the same working day or not. Of course the adjuster normally needs to authorise their action via the insurer but I find that this way round is more efficient than if we have to notify the insurer first.”*

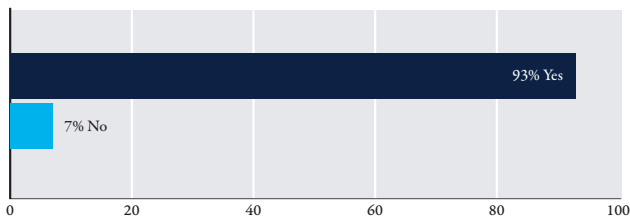
**Ian Stephenson – Claims Manager - Proactive**

*“It’s important for us to be able to instruct adjusters directly, although that requirement depends on the experience of the claims staff at a broker; some of them may like to defer that decision to an insurer. The main thing is for adjusters to be as flexible as possible in how they receive their instructions on a claim.”*

## Key Findings (cont)

### 4) After hours

**Is an Out of Hours Emergency service important to you and your clients?**



There is little debate that a 24/7 service is a must for brokers, as this category shows only a very small minority who believe it is unimportant to them or their clients. As Vicky explains; like the insurance policy itself, the provision offers peace of mind.

**Vicky Linley, senior claims technician, IFM Insurance Brokers, Sheffield**

*“We’ve not employed the out of ours services from loss adjusters a great deal but they did prove useful during the Sheffield floods in 2007. It’s one of those things, you don’t know you’ll need it until you do and so our customers like us to have the number to hand just in case something happens.”*

What is clear from our survey is that whilst Brokers are generally happy with the service received from loss adjusters; communication is vital particularly during the claims process. Crawford values the time that brokers gave to completing the survey and their feedback has been instrumental in the development of our BrokerCare Charter:

- > to involve you and your customer throughout the claim
- > to deliver a high quality claims service
- > to focus on business recovery and minimise disruption
- > to control claims costs to the benefit of all parties
- > to understand your needs ensuring a close relationship

We believe that within Crawford, we have the market leading experts, with many years of experience, supplemented by great training to ensure that every part of a claim is dealt with effectively.

**Crawford BrokerCare**