



Leading Opinions:

1. David Lang

Kicking off the first of a series of interviews asking opinion leaders about issues relating to performance, Ben Bolton MD of Gracechurch, talked with David Lang, Head of Claims at Lloyd's.

BB - What is the Lloyd's claims vision?

DL – “Essentially we want to develop a claims proposition that is consistent with a) the policy and b) the actual claim type. Trying to match that process to some extent infers how you want to be communicated with on, say, complex versus simple claims - if we are paying a multi-million pound claim we must be able to give the insured good detail on what is happening on the progress of that claim.

BB - Although ECF is positively viewed by the majority of brokers, some brokers are now saying that technology is getting in the way of relationships and even that some claims people hide behind computers; what is your reaction to those findings?

DL - “Electronic trading of claims does not negate face-to-face interaction; for complex files you should pick up the phone and discuss first - we think of this as a key differentiator and it's something we are trying to encourage. But the onus is on both parties - brokers and claims adjusters - to make this work together. ECF is an enabler and the time it saves should release resource to build those softer interpersonal skills that are needed on the more complex claims. This leads us into a whole potential new layer of different innovative solutions... my question is whether the market is ready for that change or stuck where it was 15-20 years ago?”

BB - What can Lloyd's do to help?

DL - "We measure performance of insurers but inevitably that tends to focus on those aspects that are measurable, such as speed of turnaround. However, if we got ECF turnaround times down to 6 minutes would we be jumping around celebrating? No, not at all. Minimum standards set out what's acceptable - beyond that it's the commercial decision of the insurers and nothing to do with Lloyd's. Having said that we are now monitoring insurers on some of the softer claims philosophy effectively."



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BB – Finally, what will success look like?

DL - "I like to use the word empathy - every claim paid represents a touch-point with the policyholder or the broker and therefore an opportunity to market the company. Equally, if we deny a claim it's important that we explain why, so that the customer understands. It's an attitude of mind; you should be turning up to a meeting to solve a problem - but quite often the claims handlers go in to meetings with a desire to pay the minimum.

In the end it depends on the person in charge - what is their philosophy? - Teams tend naturally to reflect the view of the leader but successful claims leaders build teams who have a range of different skills and capabilities and this will be vital to how Lloyd's as a market performs in future."

Gracechurch advises leading professional and financial businesses on various aspects of performance improvement.

Gracechurch produces a number of performance benchmarking studies, including Claims Performance Monitor; the leading annual study of claims service performance for the London Insurance Market. We currently work with over 20 leading Insurers.

Want to know more?

We'd be delighted to meet up to see if there are ways in which we can help.

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