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## Delivering on our promise

### Welcome to this special Steadfast

Convention edition of On The FrontLine, Crawford & Company’s risk and insurance customer magazine. As delegates gather in Perth for what promises to be a stimulating conference, it is clear the backdrop of recent events will dominate many of our discussions.

From a natural catastrophe perspective, losses from the devastating bushfires, hailstorms and east-coast storms and flooding continue to mount. The Insurance Council of Australia has declared six catastrophes in just five months, describing it as an “angry summer”, with total insured losses of over \$2.6 billion expected.


At Crawford, our adjusters have already handled thousands of claims from events in 2019 and 2020 and are poised for further deployment, assisted by some of our International colleagues as part of our scaled-up response. Our Global Technical Services (GTS)<sup>®</sup> team is handling some of the largest and most complex claims in the country, including losses at several construction, power and energy plants and extensive bushfire damage caused at a high-profile resort.

Moving away from weather-related disasters, claims frequency and severity is also rising in other classes of business. Growing litigiousness has resulted in a significant spike

in directors and officers claims (D&O) and across the board, commercial insurance pricing is up 10% to 20% for many clients, according to Marsh.

Regulatory challenges continue to impact all parts of the risk and insurance sector. Substantial changes are anticipated following the Hayne Royal Commission with the clear message that trust in financial services must be restored. Never has it been more important to place customers and their experience at the heart of everything we do, remembering that claims management is the shop window by which we as an industry are judged.

Insurance brokers play a critical role in building and maintaining trust in the sector. Brokers are on the front line (pun intended), speaking directly to customers about their changing risk profiles and insurance needs and helping them understand how coverage will respond when losses occur.

The close working partnership between broker, insurer and claims manager cannot be underestimated during this time of significant change that we are all experiencing. Our tripartite relationship gives us the opportunity to demonstrate not only that our products are fit for purpose, but that we are there to pay claims and get businesses back up and running as quickly as possible when the worst happens. 



**Tim Jarman,**  
President,  
Crawford Australia

### IN THIS ISSUE:

**Making a connection** – how new technologies are reshaping the claims process; **Long live the contract** – the critical role of the project policy in large-scale construction; **Crawford<sup>®</sup> embraces change** – a look at how Crawford is adapting and delivering on its strategy; **Considering Coronavirus Claims** – a new Crawford whitepaper looks at how policies might respond



# Making a connection

AS MULTIPLE TECHNOLOGIES COMBINE TO RESHAPE THE CLAIMS ENVIRONMENT, WE EXAMINE THE EVOLUTION OF THE 'CONNECTED CLAIM'



Meredith Brogan,  
President, WeGoLook®



Tenesha Frazier,  
Global Relationship  
Leader at Crawford



Kieran Rigby, Global  
President of Crawford  
Claims Solutions

**Like every other phase in the insurance** cycle, the claims process is undergoing a period of rapid change. In fact, it could be argued that the speed of change on the claims front is outpacing all other areas.

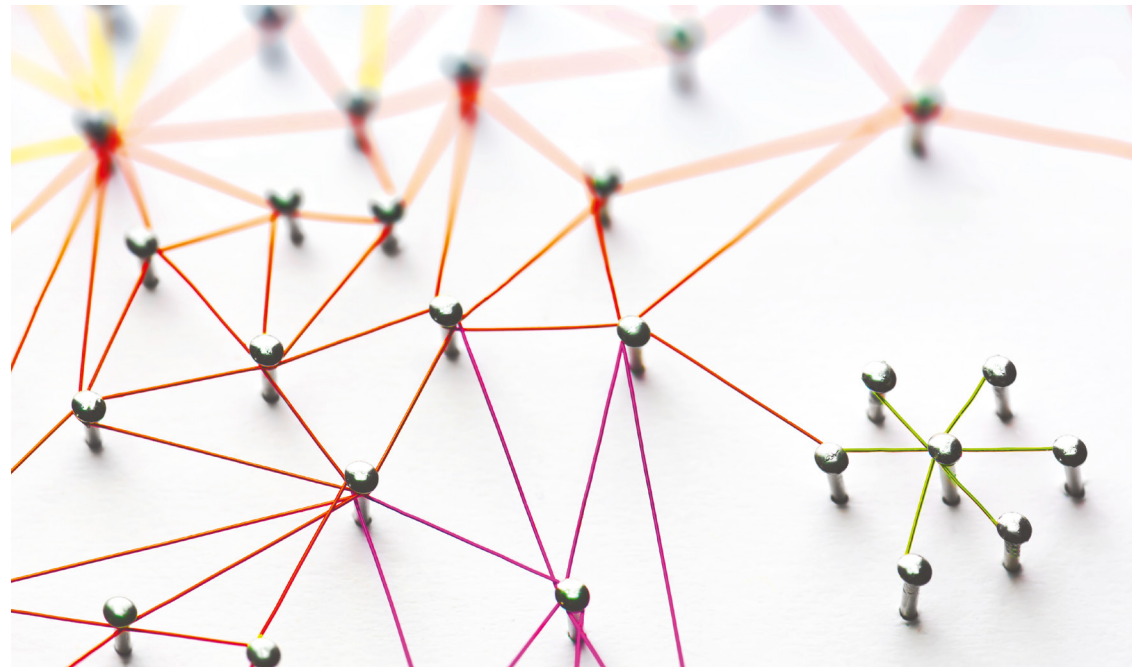
The insurance industry and policyholders are entering the era of the 'connected claim' as emerging technologies and capabilities reshape the claims experience, forging a new environment in which losses can be reported, assessed and settled in a fraction of the time required by current claims processes.

For Tenesha Frazier, Global Relationship Leader at Crawford, the pace of this change is being dictated by customer expectation. "A clear driver is the behavioral shift in consumers, with the WhatsApp generation demanding much faster speed of delivery and a more responsive interface which puts them in control. The industry is responding to this, particularly in the personal lines arena, and we are seeing new self-service technologies on the claims front creating interfaces much more recognizable to that generation."

Crawford is moving this dial forward on multiple fronts. For example, YouGoLook, its assisted self-service app, guides users through a series of steps to document simple claims or request an onsite adjusting resource. Also, it is implementing digital FNOL systems and voice assistants such as Amazon's Alexa to enable claimants to initiate a first notice of loss, by asking a series of questions to capture claim data which is then uploaded directly to the website of the speaker's insurer.

Such technologies, Frazier adds, are just

**"This is about giving the claimant greater control of the claim and the flow of information relating to it"**



one way of putting the customer in a more central position in the claims process. "This is about giving the claimant, whether a homeowner or the risk manager of a multi-national corporation, greater control of the claim and the flow of information relating to it. They are in the best position to provide the information to the insurer or the adjuster to get the claim settled quickly."

This increased empowerment of the insured or the customer forms a part of the wider evolution of the 'connected claim'. In its entirety, this developing concept is designed to link every critical component in the claims value proposition into one seamless process. This interconnected ecosystem creates a unique environment in which every phase of the claim lifecycle is accelerated through streamlined workflows, resulting in significant benefits for all parties. These include faster indemnification, reduced expense, improved service and higher claimant satisfaction.

For Crawford, that ecosystem is expansive. From self-service applications and FNOL via digital voice assistants, and sophisticated tools for documenting and assessing damage as well as providing VR technology providing 360° loss-site walkthroughs, to on-demand networks of trained individuals who can augment claims-adjusting employees, and more streamlined workflows for data intake and analysis, this connected claims environment is a central tenet of Crawford's unrelenting focus on improving outcomes for clients and their customers.

"The overall goal in claims is customer satisfaction," says Meredith Brogan, President of WeGoLook®, a Crawford company. "The objective of a strong claims response is to match the complexity of resources to the complexity of the claim. Insurers and customers in this instance are looking for the same things: quality outcomes and service delivered consistently."

According to Frazier, one of the biggest challenges in maintaining that satisfaction and ensuring consistency of service is a breakdown in communication in the claims process.

"Where you tend to see disruption is where the communication chain breaks down between the insured and the other parties to the claim," she explains. "Establishing a direct link between all the stakeholders and ensuring that the flow of critical data between them is maintained and supported by an effective feedback loop, is how you ensure efficiency, consistency and responsiveness in all claims situations."

In addition, the introduction of Robotic Process Automation (RPA) is enabling the swifter management of smaller, less complex claims which can be dealt with via an automated settlement function, while effective triage managed by an adjusting expert ensures more demanding losses can quickly be passed to specialist adjusters for assessment.

"That speed and efficiency around the handling and settlement of more straightforward losses is desirable for all,"

explains Frazier. "With more technically demanding claims being filtered direct to our expert adjusters for hands-on, intensive management. Not only does that free-up their time to focus on the immediate complexities of the event, but they also have the opportunity to play a more prominent role in supporting clients both pre- and post-loss, focusing on risk mitigation and promoting resilience."

Data sits at the center of this adaptation to support a more expansive pre-loss role for the loss adjuster. "There's a lot of discussion around how we can advance our capabilities to better support our clients in the pre-loss environment," she continues. "That means finding ways to work more closely with our brokers, carriers and insureds on loss-scenario planning and applying our extensive expertise to the huge amounts of data at our disposal to enhance the ability of all stakeholders to anticipate loss and with that insight better avoid or mitigate it."

For Kieran Rigby, Global President of Crawford Claims Solutions, being able to mine the huge seams of loss data available quickly and effectively is vital to delivering a fully optimized, end-to-end service.

"Data analysis is increasingly becoming the key point of differentiation in our industry," he believes. "If you look at the amount of data Crawford collects at all stages in the claims journey it is phenomenal. So, we are investing in our data analytics and expanding our team of data scientists. By applying our loss expertise to much more granular data sets that encompass both structured and unstructured data, we can distil that tremendous amount of information into actionable insight and viable solutions for our clients – whether that's analyzing the key factors driving the claims lifecycle or supporting more effective mitigation measures."

There are multiple moving parts that that are currently reshaping the claims process. The challenge is ensuring that all of those parts are seamlessly integrated into an ecosystem that encompasses the broker, the carrier, the insured and the loss adjuster, and facilitates the meaningful flow of data between all parties. Only then do you have a fully connected claims environment. ●

## Smart tech

New technologies are facilitating data collection and improving the claims experience:



**Telematics.** These can capture a variety of data on cars and trucks and even alert insurers when a vehicle has been in an accident.



**'Smart' sensors.** These sensors when installed in buildings can detect events such as the escape of water or a worker's proximity to dangerous electrical currents.



**Artificial intelligence.** AI is in the early stages of integration into claims triage, and already can interpret text in FNOL documents. AI may soon be able to "read" photographic images to make nearly instantaneous determinations on certain kinds of claims.



**Robotic process automation.** RPA is already in use as a tool for administrative tasks, such as entering claims data from different formats.



**Augmented reality (AR) and virtual reality (VR).** AR is enabling the capture of images with precise measurements and 360° views of loss locations. VR is enhancing loss-adjuster training by providing 3D scans of various property types before and after incurring damage.



## Construction

# Long live the contract

THE INCREASING COMPLEXITY OF LARGE-SCALE CONSTRUCTION ACTIVITIES IS MAKING THE ROBUSTNESS OF THE PROJECT POLICY MORE IMPORTANT THAN EVER



Andrew Bart,  
global president,  
Crawford GTS®



Alex Radcliffe,  
Technical Head,  
Construction,  
Power & Energy



## In the construction world, and

particularly in the realm of large-scale projects, the insurance contract is king. Yet at no time in the past has the sovereignty of the contract been more important than now given the myriad forces impacting the construction market.

Consider first the macro and micro factors currently reshaping the foundations of the sector. From government-policy rethink driven by population expansion, to evolutionary changes in urban planning and urbanization, through to technology influences, supply-chain strains and globally low interest rates — forces are shifting.

Come up a level to view the dynamics of the sector itself and these forces for change are no less powerful, as Alex Radcliffe, technical head, Construction, Power & Energy, Global Technical Services (GTS) Australia explains.

“There are multiple factors pushing the boundaries of what is reasonably achievable in the construction sector,” he says. “These include the feasibility of the project itself; prototype construction methodologies; time and cost deliverables; increasing regulatory and environmental considerations; multiple interdependencies — with complex and strongly interrelated supply chains; complex financial funding; modeling; and project stakeholder relationships.”

Step up a further level to assess the potential increase in exposure that such a surging environment creates, and it is no surprise major incidents are on the rise. In fact, from 2013 to 2017, the global building and construction industry topped the list for the number of large and complex claims assignments managed by Crawford’s GTS, including a 43 percent increase over a two-

year-period for global large-loss claims managed.

For many projects, the contractual environment this creates is as complex and detailed as the project blueprints themselves.

“The multinational and industry-specific layers that need to come together when managing complex construction projects and insurance claims are vast,” says Reubin Iqbal, head of construction, London Market, Crawford GTS. “It is vital to understand the contractual matrix in place to ensure that the parties understand their entitlement to any policy in force, which in turn will also manage expectations and ensure a swift claims resolution.”

That such contracts are so vast in scope reflects the range of stakeholders — spanning investors, landowners, developers, architects, construction managers, contractors etc. — as well as the complexity of the build environment and exposure potential that this creates.

“There is certainly an increased need to properly identify and understand the risk elements of any project — whether that is financial, physical or environmental,” explains Radcliffe. “This is key to ensuring a fair allocation of the risks to balance the interests of all parties and ensure successful project delivery. We are seeing a much greater focus on risk assessment and allocation through the key stages of tendering, construction planning, resource allocation and delivery strategies.”

## Bespoke coverages for bespoke projects

Project policies are designed to provide cover to all parties to the build. For that reason, their coverage remit is expansive. Policy components will usually include: contractors-all-risks; erection-all-risks;

delay in start-up cover — an increasingly common problem; employers’ liability; public liability; non-negligent cover and professional indemnity for defective design.

“Project-specific policies, whether owner-controlled or contractor-arranged, continue to be tailored such that they are offering far more than a traditional material damage reinstatement promise,” states Radcliffe, “and incorporate an extensive array of covers associated with consequential, contractual and financial losses.”

However, the nature of the construction policy for large-scale projects is different to that for other policies, as Iqbal explains: “A

key difference is that access to the policy is determined by contractual entitlement. Such contracts have to be watertight and crystal clear with no ambiguity regarding the relationships that bind all parties to the contract. Any ambiguity will inevitably lead to multiple problems and delayed resolution in the event of a claim.”

For Crawford, such a complex environment can put significant stress on its ability to deliver, particularly given the rise in large-scale losses the firm has witnessed. However, the company has focused considerable investment on bolstering its construction foundations in recent years.

“The breadth of expertise that is required to effectively service the construction sector is constantly expanding,” explains Andrew Bart, global president, Crawford GTS. “That’s why we have made a major commitment to investing in training and development. We are bringing on board people with specific expertise across the construction arena and applying an accelerated training process and mentoring program to develop their

insurance and loss-adjusting capabilities.”

Crawford is also in the process of creating a fully unified global construction practice, with centers of construction excellence in place around the world. “Construction spans virtually all of the specialist services that Crawford provides,” explains Iqbal, “and what we are creating is a dedicated capability that reflects the unique range of specialist expertise found within the sector, while allowing us to deploy those capabilities anywhere in the world quickly and effectively in the event of a major loss.”

“It’s about ensuring that we can provide a multi-disciplinary capacity,” concludes Bart, “where we have genuine subject-matter experts and where we are focusing investment to ensure that we are not simply providing short-term solutions but rather long-term support which evolves with the expanding construction needs of our clients. Only by making that level of commitment can we guarantee consistency of service, quality of delivery and depth of capability no matter where our client is operating in the world.”

# Built to last

CRAWFORD RELEASES ITS LATEST CONSTRUCTION REPORT ON THE MULTIPLE COMPLEXITIES OF LARGE-SCALE PROJECTS

The global construction boom of the last 10 years shows little signs of slowing as demand for new housing, enhanced transport networks and more robust utility infrastructure continues to increase.

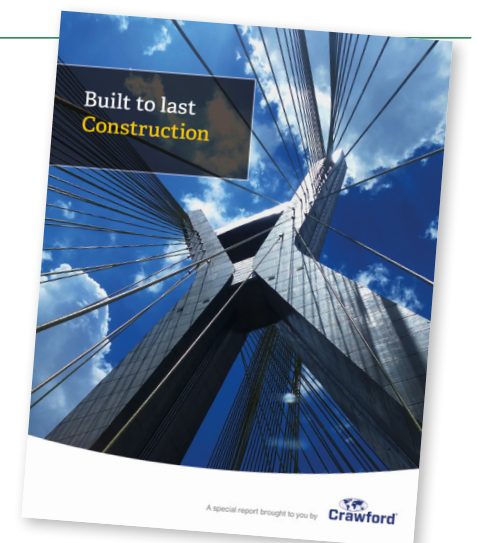
In its latest construction industry report, ‘Built to last’, Crawford considers how these factors, coupled with pressures to reduce the ‘infrastructure gap’ in developed nations, and demands to integrate new processes, technologies and materials are impacting the risk and insurance profile of the sector.

The 16-page report examines the ever-increasing complexity of the multi-stakeholder environment in mega-projects and considers the implications both for the

contractual framework and the engagement plan. It also examines how this complexity is heightening exposure levels, impacting on the underlying insurance programs and widening the scope of the project policy.

The study explores how efforts to enhance on-site efficiency, reduce environmental impact, lower costs and advance speed of delivery, are increasing the claims potential both on and off site.

It adds that with increasing pressure to complete on time, to stringent quality levels, within strict regulatory parameters and without exceeding ever-tightening budgets, any unanticipated halt in production can cost millions. So, when a claim arises, a swift and speedy response is critical.



Crawford's latest study on the construction industry. You can download a copy of the report from the Crawford website ([www.crawco.com](http://www.crawco.com))



# Crawford embraces change

THE INSURANCE SECTOR IS CHANGING — WE INTERVIEWED TIM JARMAN, PRESIDENT OF CRAWFORD AUSTRALIA, TO GAIN AN INSIGHT INTO HOW CRAWFORD IS ADAPTING TO THE CHANGE. “WHEN IT COMES TO CHANGE WE MUST BOTH LEAD AND BE AGILE ENOUGH TO ADAPT AND RESPOND”



Tim Jarman, president, Crawford Australia

**“On an annual basis, Crawford leaders** from around the globe come together to analyse and refine the corporate strategy. This year the theme was ‘Own it, Do it,’ which embodies our commitment to total accountability as we execute on our strategy. Attendees worked collaboratively to brainstorm solutions to anticipated challenges. We determined that attracting and retaining the best people and using innovative technology as a vehicle to lift the overall value proposition for our clients are two key pillars of that strategy.”

“For me, the event was hugely motivating. I felt proud to be amongst other leaders who share my passion to reach the next level of client centricity and develop an obsession in everything we do — customer service, technical excellence, training, digital development, fiscal responsibility and building an engaged, diverse and motivated workforce. I would like to share some of the detail with you.”

## The digital claims route

The customer journey through the claims management lifecycle is ripe for innovation. A multi-phase process from first notification of loss through to final settlement, the multiple human touchpoints and considerable administration demands would suggest the potential for disruption is significant.

Yet it is not as simple as inserting technology to relieve pressure on overloaded segments or targeting innovation at specific bottlenecks. As Jarman explains, “Fundamentally, it’s about understanding how technology changes the claims process for the client,” he says. “You can’t simply force a client to go down a particular technological route; you have to

work out how that innovation best enables their ideal claims experience — and that means giving them choice.”

## Mapping the digital road ahead

For Crawford, ensuring that level of choice and offering the range of technologies to ensure no client has to adopt a ‘one-size-fits-all’ solution, has required an approach that goes far beyond simply bolting new tools and systems onto existing platforms.

“To ensure we deliver that diversity of claims experience,” Jarman states, “I want my team to first take a step back from the frontline to examine the operating platforms that support the claims process. By advancing the underlying architecture, we are evolving our infrastructure to support the integration of more agile field tools, enabling the collection of claims data in a structured and consistent manner for improved analysis and allowing for greater self-service options for the client.”

A core component of this is creating an infrastructure across Crawford which enables us to respond effectively to the ever-changing and rapidly expanding needs of our clients and the broader market.

“By harnessing data effectively, analysing it quickly and delivering that insight direct to our clients, we’re establishing a much more strategic relationship where we can use loss data and wider market trend information to support broader risk appetite decisions.”

## On the ground technology

At a more granular level, innovative technologies are helping Crawford enhance efficiency, boost productivity and deliver a more effective claims response for both the insurer and the insured.

“We’re using a range of technologies to enhance multiple aspects of our claims response,” Jarman continues. “For example, we have robotic process automation (RPA) to speed up the claims process, reducing the administrative burden while increasing data accuracy for more standard claims, and freeing up our adjusters to devote more attention to larger, more complex claims”



**“We’re using a range of technologies to enhance multiple aspects of our claims response”**

Tim Jarman, president, Crawford Australia

process, reducing settlement times and lowering claims costs. “Ultimately these new capabilities enable us to deliver the right customer experience to the insurer or the insured,” Jarman concludes, “giving them the ability to choose the path that works best for them.”

## Developing our people

“Alongside the development of our technology roadmap, I am fiercely committed to the continual growth and development of our people. Significant investment in building a more robust and structured learning and development program is pivotal to our global and local strategy. The program aims to enhance both the technical skills and knowledge of our adjusters and claims specialists but equally importantly, enhance those vital soft skills that are fundamental to the delivery of an experience that meets the expectations of our customers and clients. Well-equipped and confident people who can see that their employer is invested in their personal career journey will always be more engaged and we know that increased employee engagement leads to increased success.” Jarman says.

This is a critical time for the insurance industry and for Crawford. We have some great opportunities ahead that will flow directly from our drive to evolve claims technology, improve quality and deliver an exceptional customer experience. Our job is to ensure that Crawford thrives in this changing world and is viewed by industry colleagues as the partner of choice. I feel both excited and privileged to have the opportunity to navigate Crawford through the journey. 🌟

At the individual loss site, electronic site and scoping tools, virtual reality, 3D imaging cameras and livestreaming capabilities are creating a much more interactive experience that can greatly reduce the time to restoration.

“Our teams across Australia are using these tools,” he says, “to give our insurers a 360-degree interactive view of the loss site. That means that they can remotely walk through the scene, zoom in on specific aspects of the damage, and make judgements based on what they are seeing on how to respond.”

“And with the scoping and pricing tools, by working with our building and restoration colleagues at Crawford Contractor Connection®, we are working to establish the scope and price of the project whilst the builder is on site. That means that the builder can immediately start talking to the insured about when they can start the work. That’s a real game-changer in our ability to help restore lives, businesses and communities.”

Crawford is also using technology to bring the customer into the claims process, either through self-service loss notification through its Alexa first notification loss capability, self-service apps or enhanced customer portals. “By downloading apps,

such as our YouGoLook app, insureds can upload their own images or videos of the particular loss which are then assessed by our adjusters and triaged accordingly. Further, our integrated customer portals mean they can get an instant update on how their claim is progressing.”

Jarman also highlights how the company is implementing new sensor-based technology that is repositioning the loss adjuster in the risk process, capitalizing on the latest monitoring tech to reduce the potential scale of a loss or even prevent it.

“Colleagues around the world are currently using water sensor tools, for example, fitted to the water systems in insured properties to monitor for potential leaks — one of the biggest causes of property-related losses,” he explains. “If any spike in water usage is detected Crawford Contractor Connection is immediately alerted and dispatches a plumber to the property to check for a leak and prevent further damage. We are currently working to introduce this sensor technology in Australia.”

## Taking the best route

Bringing this diversity of new technologies into the claims arena will undoubtedly bring much greater fluidity to the claims

## Considering coronavirus claims

**As COVID-19 continues to spread globally, Crawford Forensic Accounting Services examines how insurance policies might respond**

As businesses consider their own risk and business continuity response, a new whitepaper by Crawford considers how insurance policies might respond to claims stemming from business losses caused by the infection.

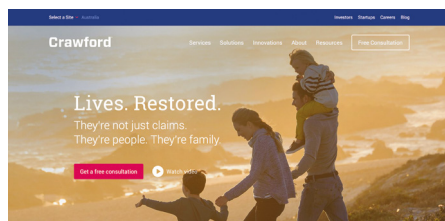
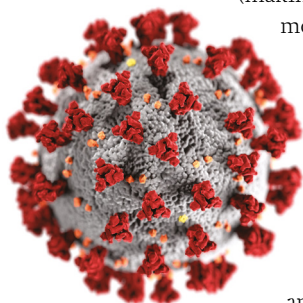
The outbreak of 2019 Novel Coronavirus, which has dominated headlines since it was discovered in Wuhan, China, in December, continues to spread around the globe. The World Health Organization (WHO) warns the unique characteristics of COVID-19 mean it is likely to become a pandemic.

The relatively low fatality of COVID-19 at 1-3 percent and wide range of symptoms (making diagnosis more difficult) has facilitated its spread, assisted by a lack of immunity and global travel (with up to 1.2 million people travelling by air at any one time).

As governments prepare their response, it is clear that COVID-19 is already having an impact. Outgoing Bank of England governor Mark Carney says the virus is already slowing UK economic growth, while stock markets across the world have taken a significant hit. In Australia, the Morrison administration is understood to be working on a stimulus program for the education and tourism sectors and is considering support for export industries.

Losses could be picked up by extensions for notifiable diseases under property all-risks policies as well as wordings within specialist contingent business interruption (CBI) coverages.

**To find out more, visit: [www.crawco.com/resources/the-insurance-impacts-of-the-2019-novel-coronavirus](http://www.crawco.com/resources/the-insurance-impacts-of-the-2019-novel-coronavirus)**



## Crawford Australia website launched

**Crawford has launched its Australia website** which includes a series of enhancements designed to enhance the user experience and make it easier to access its portfolio of services and solutions.

“The new Australian website is a significant improvement on the old one,” said Tim Jarman, president, Crawford Australia. “The content better reflects our mission and values as well as greatly improving the demonstration of our range of services.”

Regular updates will also include details on the latest technology being introduced to the business, as well as information on innovative capabilities being introduced to improve the delivery of services to clients.

**To access the site visit: [www.crawco.com.au](http://www.crawco.com.au)**

## Chief Client Officer appointed for Australia



**James Merchant was** appointed as chief client officer for Crawford & Company Australia in October 2019.

Responsible for setting the customer management and business development strategy for the region, James oversees the activities of the key account managers and the sales teams across multiple channels. He also joins the company’s Australian Executive Committee.

Previously, James was founder and creative business leader at a consultancy firm which used ‘Design Thinking’ to help businesses evolve and advance.



# Crawford®

For over 75 years, Crawford has solved the world’s claims handling challenges and helped businesses keep their focus where it belongs — on people.

We bring together thoughtful people from around the world to offer comprehensive, intelligent solutions to our customers.

- Loss Adjusting
- Third Party Administration
- Managed Repair
- On Demand Services
- Catastrophe Response

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