



Rationale

The Insured are a leading global materials technology group operating in the UK. As a new client to QBE, the Risk Manager carried out a series of 'risk intelligence' visits to the divisional operations and main operating sites in the first half of Year 1. One site was singled out as a poor performer. Key indicators for the site were as follows:

- Of 43 claims from the group, 38% were specific to this one site
- There had been no viable defence to any accident claim intimated
- The site accounted for 48% of group reportable accidents, 46% of days lost from accidents, and had an absence rate of 163 per 200,000 hrs worked in comparison to a group average of 57
- There were no significant variances in site size, operations, or employee numbers that could explain the discrepancies.

Fundamentally these failings stemmed from a lack of ownership and leadership of Health & Safety at senior and line management levels, adversarial union relations, an ineffective approach to risk assessment and accident investigation, and a lack of understanding as to the financial impact of accidents and claims to the business. Most lost time accidents had historically resulted in indefensible claims.

Approach

The QBE risk manager completed focussed 'risk improvement' visits with group and site management and made various strategic recommendations. QBE and the Insured targeted a reduction in the number of lost time accidents by a third at the end of Year 2 as a key performance indicator, and the same reduction in claims intimated in Year 3 (taking into account claims development lag).

In support of these objectives QBE developed and delivered interactive training workshops including a bespoke & interactive claims review. This training was delivered over two days to plant and line managers responsible for delivering Health & Safety objectives. The training covered:-

- Legal and claims environment
- Common law & statutory duties and defences
- Risk assessment, safe systems of working, training and competence validation
- Accident investigation and claims risk management
- The over-riding importance of 'ownership'.



Impacts

The site management have embraced the principle that Health & Safety has a similar profile to production and quality and have undergone a serious culture change. Ownership of the risk assessment and accident investigation process has been delegated to line managers and the organisation has proactively engaged the unions and wider workforce. Accident investigation training was delivered by the group function as a pre-cursor to QBE training sessions, and line managers were targeted with completing risk assessments in their respective areas with peer group and Health & Safety function support. The following impacts were achieved:-

- The site had no lost time accidents in Year 2
- Claims frequency reduced by over 50% in Year 2 and over 70% in Year 3
- Claims frequency as a proportion of 'group' reduced from 40% to 20% by Year 3
- We defended our first claim in Year 2 and expect further success
- QBE were able to offer the client a premium reduction of 20%.

The above impacts are an indication of mutual financial success for both QBE and the Insured.

For further information:

Email: RM@UK.QBE.com

Website: www.qbeeurope.com/rm