

thinkingahead



When everyone wins in claims preparation

Prompt and successful claims settlements are critical to customer satisfaction and retention. So why, asks **Candy Holland**, does the UK not take the long view of customer relationships?

Earlier this year, AIRMIC, the UK risk management association, said that enabling clients to benefit from professional claims support on complex losses ensures the FSA's box for treating customers fairly is "fully ticked". Sadly though, the UK still fails to act fully on this opportunity.

Claims preparation clauses, which pay the cost of external accounting and insurance experts to help policyholders calculate and document their losses, are not new or innovative. They are not rocket science, either, but they are still an issue in the insurance market – and should not be.

When it comes to business interruption and property damage cover, insurance companies demand high levels of forensic evidence to support claims; but after a catastrophic event, the primary focus of claimants tends to be on recovering their business. Many organisations struggle to value or prepare their claims accurately because they have neither the resources in house nor a proper understanding of what is required. Seeking professional outside help to collect the data and formulate the claim may be the answer – but why are these costs not paid as a valid part of the claim?

Insurers want to develop excellent, long-term relationships with their policyholders, which makes the customer's claims experience critical. The strength of a client

relationship is only really tested when it comes to making a claim, and insurers themselves benefit from making this a less protracted process.

A professional approach that truly treats customers fairly avoids duplication for the insurer, helps the loss adjuster and prevents time being wasted chasing information that has not been properly prepared. In short, it is an approach that expedites the process for both insurer and policyholder.

Keeping customers satisfied

Organisations that take an adversarial stance or put a block on communications serve neither party. However, professional claims preparation offers a win-win outcome. Policyholders understand in advance what they need to do to be properly indemnified, and insurers have confidence when they underwrite that losses will be approached in a methodical way. That does not exclude their taking a robust approach to a claim, but it does mean adopting a constructive one. A claims preparation clause, as

standard, could make a huge difference to their customers' experience.

This is not merely about resolving claims. It is about taking the long view of customer relationships and about insurers stepping up to the plate when policyholders expect them to. Ultimately, it is about customer retention.

The policy will usually cap the amount the insurer will pay towards having claims preparation handled by a professional company and the amount involved will be small compared to the value of the loss. Yet the goodwill and benefit of expediting the process is out of all proportion to its cost. Without it, both customers and insurers can be dissatisfied. On balance, claims preparation cover is a small cost to the insurer for a very big gain. **RS**

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“Having professional claims preparation covered by the policy offers a positive outcome for both insurer and policyholder.”



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Settling a major insurance claim can be complex, lengthy and time consuming. Preparing and presenting your claim to a team of experts from your insurer is a challenging process without the right people on your side.

Finding the ideal partner will alleviate the stress and help you deliver the results your business demands.

Echelon Claims Consultants is a team of loss adjusters who help corporations prepare and settle large, complex or disputed claims. They represent you, the policyholder and ensure your interests are paramount.

With an enviable track record in assisting corporations to recover more than \$1 billion in claims settlement since 2002, why not choose Echelon as your ideal partner?

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