

Disaster plan keeps GB afloat in floods



As rising floodwaters threatened the city of Brisbane with its worst disaster in 37 years, residents and business owners were nervous and apprehensive.

Few were prepared for the scale of the destructive floodwaters that inundated homes and much of the CBD. But, at Gallagher Bassett, it was a different story.

As the peak flood level approached, GB's disaster recovery and business continuity plan was quickly swung into action.

Incident manager Craig Thompson, GB's Chief Financial Officer, headed a six-member disaster recovery team. "Our first priority was safety of our staff, quickly followed by continuity of service to clients," he said.

"We recognised it was an incident we needed to manage and we needed to give direction to staff and monitor information to determine our responses."

Staff in GB's Brisbane head office were sent home, but not before team leaders obtained contact details to ensure they

could still communicate with everyone. National Human Resources Manager Chenoa Daley said the GB database contained all that information, but it was more efficient to gather it manually and that ensured temporary and casual staff, on board to manage New Zealand earthquake claims, were included.

"We needed to know where everyone lived, and if they could work remotely, if they were not already set up to do so," she said.



GB Risk Manager Andrea Kanserski said the "ink was just dry" on GB's updated disaster recovery plan. One of its key planks was establishing a communication hierarchy to ensure information was passed to all who needed it.

Business Analyst Sandra Beavis monitored all forms of media to determine what was rumour and what was fact, and relayed correct information to her fellow team members.

With GB's General Manager Information Services, Julian Martin, on leave, Lex Norrie stepped in to handle the essential IT side of the recovery.

The team met every few hours to share information and get briefed on the latest situation as the disaster unfolded. "We agreed on specific wording that team leaders could relay to staff to ensure there was a consistent message," Andrea said.

About 30 staff came to the office on the Wednesday, the day before the floodwaters peaked, and the team was able to [Continued Page 2](#)

<p>3 Pat Gallagher sees down under team in action</p> 	<p>5 Proactive case management helps long-term claimants</p> 	<p>6 New approach needed to protect young workers</p> 	<p>7 High Court rules on workers' compensation liability</p> 
--	---	---	---

Disaster plan keeps GB afloat in floods (cont.)



ensure critical functions continued, giving continuity of service for clients. With about 50 staff working remotely, claims management continued.

“All accounts maintained, even exceeded, agreed service levels for a disaster recovery event,” Craig said. With clients Australia-wide, most of whom were unaffected by the floods, it was important their businesses were not impacted.

All GB staff nationally were due to be paid on the Wednesday – and the Corporate Services division was able to achieve that.

The Information Services division had disaster recovery plans, including generators in case power was lost. Julian said they bought extra diesel in case of extensive power outages, but fortunately the office was spared the fate suffered by some riverfront CBD offices, which were without electricity for a week.

Andrea said a strength of the recovery plan’s implementation was the communication tree. GB communicated consistently with staff and kept interstate offices and the United States head office informed. Staff appreciated the communication level.

Andrea kept an issues log, allowing Craig to delegate and prioritise. “It was about being realistic and pragmatic and demonstrating to staff, clients and management that things were under control,” Craig said.

Queensland General Manager Damien Gilhooley kept in touch with clients, ensuring they were aware the recovery plan was in action and reassuring them that, despite some contrary press reports in New Zealand, the entire city was not under water.

Chenoa said the recovery team worked efficiently as “a package deal”. “We each had our action items, but worked collectively, not in isolation.”

While the floods were not a worst-case scenario for GB and its staff and clients, Craig said the team was well aware “we dodged a bullet”. Regardless, the comprehensive plan meant the team was as well prepared as possible.

Andrea said the plan had been tested, but could only be fully evaluated after a real disaster. And it was judged to be highly effective.

Sydney team donates funds for flood victims

Gallagher Bassett’s Sydney office is digging deep to help Queensland’s flood victims.

The Sydney team members hold quarterly international food days, when people bring or buy samples of their traditional cultural foods to share with their co-workers. But, when devastating floods hit much of Queensland in January, Case Manager Karley Haggarty had a great idea to expand the day into a fund-raising venture.

Management agreed and on January 18 the Sydney office combined its international food day with a casual clothes day.

Decked in their usual weekend attire, the team shared a morning tea that included Greek dolmades, Mexican nachos with chocolate chicken dip, and a host of other foreign delicacies. To give the day an Aussie flavour, there were plenty of lamingtons and cup cakes.

Human Resources Adviser Michelle Tsitalovskiy said a request for every participant to make a gold coin donation was heavily exceeded. “The staff were very generous; there were plenty of \$50, \$20 and \$10 notes among the coins. It was very much in the spirit of the Gallagher Way.”

The Sydney team collected more than \$800, which was donated to Queensland Premier Anna Bligh’s flood appeal. But the fund-raising effort didn’t stop there.

The Sydney office is now raising additional funds to help two Brisbane GB staffers whose Brisbane home was entirely flooded. They’re also donating clothing and linen to a separate appeal for flood victims and are planning another casual clothes day to expand the fund-raising efforts.

Pat Gallagher sees down under team in action



The timing of Arthur J Gallagher & Co chairman Pat Gallagher's visit to Australia came at a time of great tragedy for Australia and New Zealand – with natural catastrophes affecting both nations.

But the circumstances did allow Pat, who is also president and CEO of AJG Co, GB's Chicago, Illinois-based parent company, to see for himself the speed with which the GB team could deal with catastrophic claims.

GB chairman Peter Searson said Pat saw GB's unique disaster recovery work in action. While the massive 22 February earthquake had not yet hit Christchurch, New Zealand, before Pat returned to the USA, he had seen the New Zealand Earthquake Commission claims team, based in GB's Brisbane head office, managing claims from the previous quake that hit Christchurch on 4 September, 2010.

"He was very impressed with the fact GB had set a disaster team in action

within a week of the initial Christchurch earthquake," Peter said. GB's core team of six specialists very quickly became 30, then 50, and, during early February, there were about 100 staff dedicated to the account.

Given the huge claims influx expected from the subsequent quake, the GB team will be further expanded.

GB's team was also involved in recovery from the January floods (See pages 1 & 2) and Cyclone Yasi, which hit north Queensland on 3 February.

"When he visited the Brisbane office, Pat was able to meet first-hand the team of people involved in the flood recovery," Peter said.

During his three-day visit, Pat met members of GB's Senior Executive Team in the Melbourne, Sydney and Brisbane offices, was updated on GB's progress and met several major GB clients.

Peter told GB Advantage Pat was very pleased with GB's growth since his first visit, five years ago.

"He came to open the boardroom at the then-new Sydney office on his last visit, but now could see our progress with Adelaide and New Zealand offices having opened since. He was extremely impressed with our growth over time."

In a letter to senior GB staff following his trip, Pat said each interaction provided him with a greater understanding of GB's customers and employees.

"To say I was impressed would be an understatement ... I believe we're really 'on fire' in Australia. GB is appropriately being recognised as Australia's number one TPA. To think where we've come from over the last few years, it really is an incredible story," he said.

He said GB in Australia had "just scratched the surface" and there were many future opportunities for the company.

Peter said it was a morale booster for employees to see Pat, who manages more than 11,000 people internationally, walking the corridors of their offices and taking an interest in their work.

"There is an amazing culture in GB because of its family values. There is a special bond the family heritage brings to the organisation."

Peter said AJG Co passed its family focus from the top of the organisation in Chicago, down under to GB in Australia.

AJG Co's founder, Arthur J Gallagher, put a lot on the line in 1927 when he left a position with Moore Case Lyman & Hubbard, Chicago's largest insurance agency, to launch his own company.

But he successfully built a business that is now one of the world's largest insurance brokers with more than 250 offices in 15 countries.

Arthur's sons, John, Jim and Bob, took over the company, continuing it as a family-run business. Pat followed in his father, John's, footsteps in 1972, when he joined AJG Co. Pat was named president in 1990 and CEO in 1995.

Businesses can make a WISE choice



After years of carrying bricks and pushing wheelbarrows, former labourer Alex Sullivan required multiple shoulder operations and a lengthy post-surgery recovery period.

But, through the Victorian Worksafe Incentive Scheme for Employers (WISE) program, he has been eased back into the workforce.

WISE is an innovative program that gets qualified, experienced people back into the workforce after work-related injuries.

The program linked him with Tullarmarine-based Allmore Constructions, and Mr Sullivan was hired as an Assistant Site Manager and health and safety representative.

Mr Sullivan said after he got the 'green light' from his physiotherapist, he was ready to get back to work.

"Mentally, it's very hard to sit at home and do nothing. After being off work for a while it's good to be out and working again."

Mr Sullivan's recovery time allowed him to undertake extra OHS courses, which have been helpful in his new position.

Allmore's OHS Manager Mick Grollo said it was beneficial to the business to hire someone who was already experienced.

"First off, we've got someone who's been in the industry, who understands it and what's required. Second, return

to work is all about getting guys back on track and doing what they like doing."

WorkSafe's Return to Work Division Director Dorothy Frost said if more employers signed up for WISE, the impact of the skills shortage on the construction industry could be reduced.

"There's an enormous 'hidden workforce' with experience working in the trades. Many of these people, like Alex, have a strong desire to get back to work but, for some reason, can't return to their old employer.

"Through WISE we can demonstrate that people are a business's greatest asset and looking at all your options can be worthwhile," Ms Frost said.

Businesses can join WISE online. They can register vacancies' job descriptions and, if a suitable person is found, the prospective employer goes through normal recruiting processes.

WISE offers employers incentives of up to \$26,000 to permanently employ injured workers. For more information, go to www.worksafe.vic.gov.au/wise or phone 1800 136 089.

The program was first reported by GB Advantage in issue 57, September 2010.

GB offers Claims Management and OHS training sessions

Gallagher Bassett continues to assist clients to manage their workers' compensation and occupational health and safety needs in 2011.

To ensure clients are well informed on those topics, GB offers a comprehensive range of training sessions.

The following is a sample of forthcoming courses in Melbourne, Sydney and Brisbane. For a full list of courses and details on how to register, please access the training calendar on the website or call a GB office for a hard copy.

For web access, go to: www.gallagherbassett.com.au, click on Solutions/Workers' Compensation/Statutory Schemes/Training – the training calendar is on the right-hand side of the screen.

Victoria:

Introduction to OHS

6 April - Melbourne City

Basic Claims Management

28 April - Melbourne City

Role of a Return to Work Coordinator

13 and 14 April - Melbourne City

24 and 25 May - Melbourne City

21 and 22 June - Melbourne City

Return to Work Responsibilities for Line Managers

4 May - Melbourne City

Advanced Claims Management

18 May - Melbourne City

Basic Claims Management

16 June - Melbourne

New South Wales:

Qld Claims Management and RTW Coordinator Training

14 April - North Sydney

Vic Claims Management and RTW Coordinator Training

28 April - North Sydney

Advanced Claims Management

19 May - North Sydney

Queensland:

Basic Claims Management

21 April - Brisbane

GB promotes ACC partnerships

Gallagher Bassett New Zealand is embarking on a marketing campaign to encourage more employers to join the Accident Compensation Commission's Partnership Program.

The program gives employers significant discounts on ACC levies, in exchange for taking responsibility for their employees' work-injury claims. Under the program, an employer's existing levies can be reduced by 50% to 90%. However, the employer's responsibilities include delivering all statutory entitlements, such as weekly compensation for lost earnings.

GB NZ General Manager John Jury said there had been subtle changes to the ACC legislation which made it more financially attractive for larger employers to participate.

Any employer can apply for entry to the ACC Partnership Program, although it is more suitable for large employers whose levies exceed \$NZ250,000 a year.

Once an employer joins and is classified as an 'accredited employer', they effectively agree to act on the ACC's behalf for employees' work-related injuries, using GB as their third-party administrator.

The ACC reviews employers' participation annually to ensure they continue to meet the program's criteria.

John said he hoped to see further changes to the program mid-year which would allow more employers to participate.

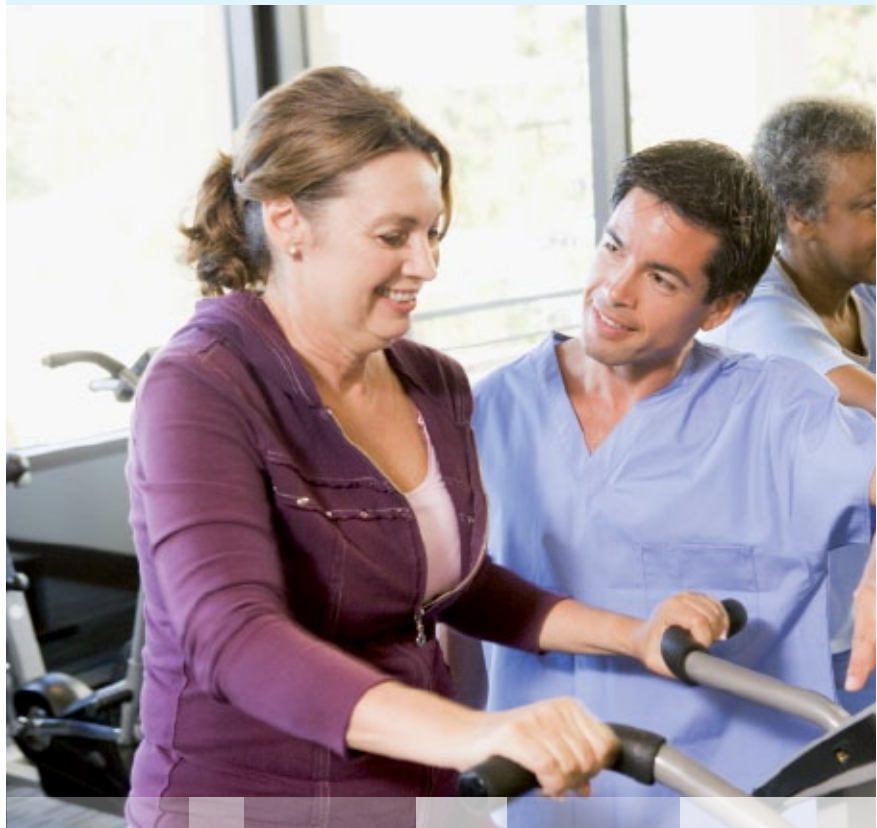
"We're talking to employers about the cost-benefit analysis of participating and there's an increasing awareness of the program.

"Employers want to reduce costs and they're keen to take on more responsibility," he said.

"As the impact of experience rating hits home, self-management of claims is a more attractive option."

Experience rating will be introduced on 1 April and apply to about 5,000 employers who pay more than \$10,000 in annual levies. In simple terms, experience rating rewards good claims experience and penalises poor claims experience.

Proactive case management helps long-term claimants



Proactive case management is the key to Gallagher Bassett New Zealand helping the Accident Compensation Commission (ACC) resolve long-tail claims.

GB NZ was one of four third-party administrators appointed last year to manage claims from a pool of about 600 clients who had been receiving ACC compensation benefits for more than two years (GB Advantage #56).

GB received about 150 claims and, so far, is one of the leaders in the very competitive environment.

GB NZ General Manager John Jury said GB was using a range of techniques to assist the claimants to improve their health status and return to work or transition to alternatives.

"We identify their health concerns, then address them," he said. "There are various options to assist these clients, including surgery, activity-based rehabilitation programs to rebuild fitness and gain mobility, strengthening exercises and pain management."

"In many cases, it's also helping people rebuild their confidence, to be cognisant of the fact that they can make a contribution to the workforce."

John said people who had been long-term ACC clients need care and compassion, but also a firm hand to guide them on their pathway to a better outcome.

Active communication is essential. "We get in touch, find out where they're currently at, then work with them to improve their health status," he said.

With the additional workload of the ACC long-tail claims, the Auckland GB office now employs six people and John said the team was working extremely hard to ensure the cases allocated to GB by the ACC had successful outcomes.

New focus for customer service in Victoria

GB has restructured its Victorian customer service capabilities to increase clients' service experience.

The new Service and Capability Team will focus on four streams to enhance current strategies and develop ways to improve procedures, processes and communications for clients.

The streams are:

- staff engagement
- customer experience
- staff capability
- communication

New roles in the team are:
 Stacey Williams: Manager - Service and Capability
 Anya Robinson: Branch Manager - Service and Capability
 Jodi Edwards: Corporate and Communications Manager

Stacey reports directly to John McNamara, General Manager – Victoria. She will drive all strategic direction on service and capability initiatives and continue to oversee the communications and corporate services teams.

Stacey's previous role is renamed Branch Manager - Service and Capability and filled by Anya, who was previously a claims branch manager.

Jodi takes on the added responsibility of internal and external communications, in addition to her role of managing the corporate services team. Her new title is Corporate and Communications Manager.

Feedback on customer experience is welcome. Email customerfeedback_vic@gbtpa.com.au or phone 1800 446 062.

New approach needed to protect young workers



Employers need to use different approaches when informing young workers about workplace health and safety, a NSW youth workers' organisation says.

Youthsafe CEO Anne Deans said despite employers being aware young workers were not as knowledgeable about OHS, few considered approaching young worker safety education differently.

"Understanding how young people think, feel and operate can make a big difference to work safety."

"Some suggested approaches include communicating with them as much as possible, being very specific when giving directions, and finding experienced mentors they can work with and turn to for advice," Ms Dean said.

The NSW Government has urged employers to provide safe workplaces and appropriate levels of training and supervision to young workers entering the workforce for the first time.

Every year, more than 50,000 school leavers start full-time employment around Australia.

Although workplace injuries in NSW were now at their lowest level in 20 years, 14 young workers were injured every day while on the job and 15 were killed while working during 2009.

The NSW Government said young workers' vulnerability to injury was often due to their inexperience. Research showed 12% of all injuries in NSW workplaces occurred among young workers.

Starting a new job can be an exciting experience for a young person entering the workforce or moving to a new workplace, so many young workers were eager to impress their employers and took risks more experienced employees may not.

"That's why it is essential employers provide appropriate training and supervision via induction programs and safety training so young workers understand their company's safety policies and procedures," a government statement said.

Employers in the construction, automotive, engineering and telecommunications industries were warned to pay particular attention to young workers' safety.

Those industries were the most popular fields for young apprentices and involved high-risk activities, such as working at heights; working with electricity; using unfamiliar equipment, plant and machinery; and working with chemicals and dangerous goods, the statement said.

High Court rules on workers' compensation liability



The High Court has ruled WorkCover Queensland is entitled to recover from a manufacturer the full amount it had paid to a worker who died from the asbestos-related disease mesothelioma before he could launch proceedings against the company.

In June 2007, WorkCover Queensland sued Amaca Pty Ltd in the Queensland Supreme Court to recover \$340,000 it had paid to Rex Noel Thomson, a carpenter and builder who died on 20 June, 2006.

In April 2006, WorkCover had paid Mr Thomson \$340,000, which he was entitled to under Queensland's Workers' Compensation and Rehabilitation Act 2003 (WCRA).

Before his death, Mr Thomson had not instituted any proceedings against anyone who may have been liable for his injury. That circumstance entitled WorkCover to pursue its right of indemnity under the WCRA.

However in March 2009, Queensland Appeal Court Chief Justice Paul de Jersey and Justice John Muir agreed s66 of the Queensland Succession Act limited the amount recoverable under

the WCRA. The case hinged on whether the WCRA was overridden by the Succession Act.

Appeal Court Justice Margaret McMurdo disagreed. She said the terms of s66 related to a cause of action for the benefit of the estate of a deceased person and an insurer's claim was not such a cause of action. She was overruled by the majority.

Last June, Queensland Solicitor-General Walter Sofronoff told the High Court WorkCover was entitled to recover the workers' compensation it had paid. He said the Succession Act had no effect on the damages WorkCover might recover because the action was WorkCover's, not Mr Thomson's.

The High Court had to decide whether WorkCover's recovery rights were reduced by the operation of the Succession Act, if a worker died after compensation was paid and before WorkCover's recovery proceedings had begun.

Last October, High Court Chief Justice Robert French and Justices Bill Gummow, Susan Crennan, Susan Kiefel and Virginia Bell reversed the Appeal

Court decision. They ruled the denial of compensation for pain and suffering to a person's estate under the Succession Act did not apply to an insurer seeking to recover damages paid.

The court held WorkCover was entitled to be covered by Amaca to the extent of its liability to Mr Thomson.

The judges agreed the Succession Act aimed to limit the damages Mr Thomson's estate could recover when an action was brought "for the benefit of the estate" and therefore did not apply to Workcover's action.

They said the amount to which WorkCover was entitled should not be based on an amount of damages that would be recovered in a hypothetical action brought by Mr Thomson, or his estate upon his death, against Amaca.

"The fact that WorkCover might recover from [Amaca] an amount which differs from what Mr Thomson's estate might recover is simply a reflection of the operation of the different policies of the two Acts," the High Court judges said.

Corporate operations manager sees GB's potential



James Sneddon aims to use his strong workers' compensation knowledge and strategic analysis skills to expand Gallagher Bassett's customer service profile.

He joined GB eight months ago as NSW Corporate Operations Manager and is excited by the company's growth potential in workers' compensation. "For us, workers' compensation schemes are a major part of our business, which means they are our focus."

James oversees several teams, including accounting, payments, credit control, and learning and development. He said he was very fortunate to have a strong

group of team managers who had the tools and support to manage with a sense of ownership about delivering on team goals.

James was previously strategy manager at a large insurer, but wanted to work for a smaller company. "GB appealed to me because, as a smaller organisation, I felt I would be able to influence its future direction."

James's new job allows him to get back to his passion - managing people. "Having worked in specialist finance and strategy roles for several years, I was looking for a role that involved people management."

GB's core value statement, "people are our strength", drew James to the company because, in a service industry like insurance, people are the main asset.

He wants GB's customers, including brokers, insurers, corporates and governments, to consider the company a trusted business partner.

"I'd like injured workers, who we also consider our customers, to view us as an efficient, reliable organisation that deals with claims fairly and transparently."

A qualified accountant, James has been in the insurance industry since graduating in the mid-1990s, working mostly in workers' compensation.

He has achieved some great career milestones. Last year, he completed a Masters in Business Administration. "It was a relief to receive the qualification after years of studying while working full-time," he said.

Those close to James describe him as a "football fanatic". Last year he took a month off to join the devoted army of Australian supporters at the 2010 Football World Cup in South Africa.

GB AUSTRALIA

gbtpa@gbtpa.com.au
www.gallagherbassett.com.au

Sydney	+61 2 9464 7111
Melbourne	+61 3 9297 9000
Brisbane	+61 7 3005 1900
Adelaide	+61 8 8357 2655

GB NEW ZEALAND

gbtpa@gbtpa.co.nz
www.gallagherbassett.co.nz

Auckland	+64 9 966 1760
Wellington	+64 4 905 5977

CUSTOMER FEEDBACK

To provide us with customer feedback, please visit our website, www.gallagherbassett.com.au and look under Contact Us or alternatively, email us directly on the relevant email address below:

Victoria

customerfeedback_vic@gbtpa.com.au

New South Wales

customerfeedback_nsw@gbtpa.com.au

Queensland

customerfeedback_qld@gbtpa.com.au

South Australia

customerfeedback_sa@gbtpa.com.au

Auckland and Wellington

customerfeedback_nz@gbtpa.com.au

The GB Advantage contains articles for general information only. No responsibility is accepted for errors, omissions, or possible misleading statements, nor for any action taken as a result of any material in this publication.

Additional information and professional advice regarding issues raised in this publication can be obtained from Gallagher Bassett Services Pty Ltd.

RISX-FACS® is registered in the United States of America

PrintPost Approval: PP431003/10072



GallagherBassett