

GB celebrates Quality Day globally



Nicole Glover, Team Manager, National Workers' Compensation Oversight Model receiving her award from Damien Gilhooley, General Manager – Qld.

On October 14, GB celebrated employees who have taken steps to improve quality.

With the theme Stepping Stones to Quality, Quality Recognition Day was a platform for recognising GB employees who implemented quality improvement suggestions.

This year, GB globally took a new look at employee recognition gifts. Steve McClen, Quality Improvement Team chair in Australia, said in lieu of giving small gifts to employees, GB wanted to do something more practical.

Across GB offices in Australia, New Zealand, the UK and the US, \$9,000 was donated to a range of charities to help those less fortunate receive medical treatment, assist charities to upgrade facilities, and provide better accommodation for children with serious health issues.

"We thought it would be more meaningful if everyone at GB was part of a process that leads to the greater good. In Australia, GB supported the Australian Cancer Council's pink ribbon appeal for breast cancer research with a \$750 donation," Steve said. (www.pinkribbonday.com.au)

He said charities had been hit hard by economic conditions and some had reduced services because of insufficient funds.

"We are lucky to be able to help organisations continue to fight causes that are important to us all. We all have had friends or family members affected by serious illness or adversity, so we know how important these organisations are to people in need."

In GB's Australian and New Zealand offices, Quality Day was packed with activities, competitions, prize give-aways,

boardroom lunches and formal award ceremonies.

Events included a guessing competition, in which the person who most accurately guessed the number of stones in a jar won a prize.

In a game that tested creativity, teams decorated their work areas based on the Stepping Stones to Quality theme.

A 'Quality Day Meaning' exercise saw staff write down what the day's theme meant to them and the most creative meaning relating to GB values received a prize.

Throughout late 2009 and 2010, GB employees provided suggestions to improve quality. The Australian winners of international GB Quality Recognition prizes are: Ian Sharratt, Hing Lo and a four-member team of Armaghan Raghemi-Azar, Alan Becken, Matthew Floyd and Steve Pollicina, in NSW; Nicole Glover and Maria Men in Queensland; and Rebecca Pyman in Victoria.

Season's Greetings

The entire team at Gallagher Bassett Services wishes all its valued clients and business partners best wishes for the approaching festive season.

We hope you will spend time with family and friends and, most importantly, stay safe.

We have enjoyed working with you in 2010 and look forward to another exciting, prosperous and joyous year in 2011.

Jon Winsbury
Managing Director
Gallagher Bassett



GB on the job for Christchurch earthquake



By Peter Walker
General Manager
Business Development

GB has been claims manager for New Zealand's Earthquake Commission (EQC) for about 10 years.

The New Zealand crown entity, established as the primary provider of natural disaster insurance for residential property owners, decided to off shore the back-end claims operation as a strategic part of its business continuity plans. Over the years, earthquakes of varying size have occurred and the GB model is designed to be very flexible - ramping up then scaling back with the flow of claims.

On Saturday, September 4, at 0435 (NZST), a magnitude 7.1 earthquake struck the Canterbury region of New Zealand's South Island, causing significant damage to Christchurch and the surrounding area.

Technically known as the Darfield Earthquake (Darfield is the nearest locality to the quake's epicentre, about 40km west of Christchurch city), it was NZ's most damaging earthquake since Hawke's Bay in 1931.

Amazingly there was no loss of life, probably due to the time of day and, remarkably, very little serious injury. It may have been a very different story had it occurred six hours later, when the city would have been busy with shoppers.

While the earthquake is the largest GB has encountered, by a significant degree, EQC's catastrophe plan was executed as usual. That meant extra customer service staff were added to the New Zealand call centres, field offices were set up in the affected locality to support site inspections, and loss adjusters and estimators were brought into the region, many from Australia.

GB ramped up the claims management operation in Brisbane. GB's core team of six specialists very quickly became 30, then 50 and now sits at 100 staff dedicated to the account.

GB's experience with smaller earthquakes has shown New Zealanders are very pragmatic when it comes to earthquake damage; not blasé but certainly calm. Typically, new claim notifications trickle in during the first week and the rate of notification gradually builds.

However, in this event, the volumes of claims began almost immediately. The peak day was Tuesday, September 7, just three days after the earthquake, when 13,000 claims were received. In two weeks, the volume was more than 60,000 claims and, as GB Advantage went to press, it was more than 100,000.

The severity of damage has been well publicised – more than 3,000 homes have been identified as uninhabitable. There is speculation about the cost and figures as high as NZ\$4 billion have been suggested.

As always with such events, it has been necessary to triage claims. Those properties which are uninhabitable or not secure or weatherproof are treated as priorities.

The enormity of the event brings additional challenges, such as the shortage of building materials and repairers, even when a claim may have been authorised by GB. Realistically, properties with minor cosmetic damage may wait several months before repairs can be achieved.

It is still early days in the overall scheme of the event but the initial response is going to plan. There will be future updates in the GB Advantage.



Why does New Zealand have so many earthquakes?

The earth's outer surface is like a hard shell, broken into smaller pieces called tectonic plates.

New Zealand is on the boundary of two plates, the Australian Plate and the Pacific Plate. The plates grind into each other with enormous force, which cause stresses to build up in the brittle, upper layers of the plates.

The plates' movement is not smooth and they can become locked, causing excessive tension to build. When the brittle rock finally breaks, energy is suddenly released, generating an earthquake.

The entire plate interaction zone is potentially a source of moderate-to-large earthquakes in New Zealand.

As violent and horrific as they can be, earthquakes have helped create New Zealand's picturesque landscape through the complex processes of mountain building and erosion.

Earthquake facts... and fiction

- About 15,000 earthquakes happen in and around New Zealand every year but, on average, only about 250 a year are large enough to be felt. All are recorded by GeoNet via an elaborate network of seismographs.
- The biggest known earthquake in NZ's history was in 1855, a magnitude 8.2 in the Wairapa region. An amazing 5,000sq km of land was shifted vertically.
- The largest earthquake in the world in the last 100 years was magnitude 9.5 (Chile 1960).
- The Pacific tectonic plate under New Zealand is moving west-south-west at about 50mm a year. That's about the same rate as fingernails grow.
- Could I get swallowed up in a big earthquake? Very unlikely, as the ground doesn't open up much during an earthquake. Movement along a fault line creates an earthquake as the two sides of the fault slide past one another and generally cause shallow fissures.
- When it's still and humid, is it earthquake weather? There is no connection between weather and earthquakes. Earthquakes are the result of geological processes within the earth and can happen any time. Large earthquakes can occur during any weather.
- Can dogs tell if an earthquake's coming? The earliest report of animals reacting in advance of an earthquake was in Greece in 373 BC. Rats, weasels, snakes and centipedes are said to have left their homes and headed for safety. There has been similar anecdotal evidence since then, especially involving dogs, but there is no scientific explanation of how animals could predict earthquakes.

GB acknowledges the New Zealand GeoNet project and its sponsors EQC, GNS Science and LINZ, for providing data and images used in these articles.



Games retailer's managers absorb RTW advice



The acronym RISK is the key to successful rehabilitation and return-to-work strategies for games retailer EB Games.

GB Return-to-Work (RTW) Co-ordinator Jodie Hind shared important RTW principles with EB Games managers at the retailer's annual conference in October at the Gold Coast Convention & Exhibition Centre.

She presented what she calls "RTW Survival 101" - a snapshot of key areas for managers to know to kick-start the support process.

The GB-EB relationship began in May 2009 when GB was appointed the retailer's national rehabilitation and RTW co-ordinator (see GB Advantage #55).

When a worker is injured, a member of the GB team contacts them and their store manager. GB completes all paperwork for the relevant workers' compensation jurisdiction, submits the claim to the insurer, continually monitors the claim and drafts RTW and suitable duties plans. GB then monitors the RTW plan in the workplace.

Jodie said the acronym RISK was the most important thing for EB managers to remember in assisting injured workers.

"R stands for reporting of risks. I stands for incident reports and timing requirements. S stands for suitable duties. K stands for knowledge - the dos and don'ts," she said.

Correctly implemented incident management and RTW could save EB managers time and minimise the outcomes.

"It's exciting for us at GB because we have a client that is really working in partnership with us. They are committed to implementing a positive RTW culture within their organisation," Jodie said.

"Rehabilitation and RTW can be a dry subject, but the managers were inquisitive and appeared to take everything on board."

EB Games has about 2,700 staff spread throughout Australia and New Zealand. The chain has 360 stores in Australia, 40 in New Zealand, and two warehouses.

The company appointed GB as its national rehabilitation and RTW co-ordinator after realising that, with staff spread across such a large geographic area, in-house injury management was not practical.

GB drafted rehabilitation policy and procedure manuals for EB Games, which incorporated its OHS policies into them and distributed the documentation to all stores. That ensures the company's overall injury management is centralised and consistent. Manual handling injuries are the most common incidents for the chain's employees.

GB boosts business development division

Gallagher Bassett has considerably strengthened its business development division with four key promotions and appointments (see p5).

GB General Manager - Business Development Peter Walker said: "Two years ago we were in a position where the success of our workers' compensation Agent business in Victoria and New South Wales had overshadowed other claims management product lines.

"When the name Gallagher Bassett was mentioned people automatically thought - 'workers' compensation specialist'. While more than 75% of GB's claims are workers' compensation, the market was generally unaware of the amount of general insurance (GI) business we handled."

Over the last 18 months GB's business development team has spent time marketing GI claims management.

"Many brokers, insurers and underwriting agencies were amazed to find we employed far more GI specialists than our competitors in that market," Peter said.

"Just changing that awareness has been a successful strategy and our GI business is growing faster than ever. We are building on that success by adding to the team in several key areas."

The new appointees are Peter Morris, Dean Pattison, Peter Diskin and Kerry Cope.

Asked whether GB had a special formula for its business development recruits, Peter said: "I've seen first-hand that clients don't want to meet a pure sales person; they want someone who can understand their issues and make meaningful recommendations on how we can tailor our products to meet clients' particular needs.

"To do that, there is no substitute for real operational experience. Each of the new team members has solid industry experience."

The new business development team



Top left (insert): Kerry Cope, bottom left (insert): Peter Diskin. From left to right: Dean Pattison and Peter "Darce" Morris.

The new appointments to business development are Peter Morris, Dean Pattison, Peter Diskin and Kerry Cope.

Peter "Darce" Morris is now National Business Development Manager - General Insurance. He replaces Damien Gilhooley who was promoted to Queensland General Manager (GB Advantage #57).

Dean Pattison, formerly a NSW team leader, is now National Business Development Manager - Workers' Compensation Self Insurance.

Peter Diskin has taken on a new role as Business Development Manager - Queensland.

Kerry Cope has just joined GB as Business Development Manager - South Australia, Western Australia and Northern Territory.

Darce Morris's role is to drive further development of GB's general insurance business in Australia and New Zealand.

His career has spanned 35 years in Australia and New Zealand in a range of development and managerial positions with general insurers and brokers. He joined GB in April 2009.

He aims to grow the third party administrator (TPA) concept, pioneered in Australia by GB, in the insurer, underwriting agency, broker and direct client segments.

Darce said TPAs were well-established overseas, but the domestic market was only now starting to appreciate the benefits. "The strengths of the TPA concept have been a well-kept secret, but I'll be working in all states and territories and New Zealand to change that."

Dean, who has about 20 years' experience in workers' compensation consulting and joined GB last March, will spearhead GB's further push into the self-insurance market.

"While GB currently does consultancy work for self insurers, what interests me is clients considering outsourcing their claims function. It's exciting, as we don't have a footprint in this area of the self-insurers' market; it's like a greenfield start up," he said.

Dean's plan is to examine the fundamentals and frameworks of GB's existing consultancy work, then put strategies and processes in place to develop a unique offer for companies considering outsourcing.

He'll simultaneously increase GB's general profile in the market through meeting potential clients and attending self insurers' seminars and conferences.

Peter Diskin, who has been with GB for 10 years, plans to leverage off existing clients to drive growth opportunities in Queensland. He says many clients who use GB's services for specific functions

are unaware of the full gamut of services on offer.

"Organisations operating in different jurisdictions can develop a silo mentality; I'll work with clients to identify other ways we can assist them."

Peter will make GB more visible in the market, through attending and participating in industry functions and seminars and "knocking on doors".

Kerry Cope was most recently an Adelaide-based business development & training manager with a national group of independent medical specialists. But she has 13 years' experience in workers' compensation and claims management, so she's in familiar territory.

Kerry will champion all GB's workers' compensation products offered to registered insurers or self-insurers under the SA, WA and NT schemes.

She'll assist clients with occupational health & safety and injury management audits, conduct training and seek out new fields into which GB can expand.

Phone Peter Walker on (07) 3005 1640 if you'd like to explore additional services GB can offer your organisation.

New Zealand to re-introduce experience rating



By **John Jury**
General Manager
Gallagher Bassett NZ

New Zealand's Accident Compensation Commission (ACC) will next year reintroduce experience rating for employers in the country's no-fault accident compensation scheme.

ACC Minister Dr Nick Smith said experience rating would be introduced to the work account from April 1, 2011. It will 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.

The devil will be in the detail, so GB New Zealand cannot second guess the final structure, as we do not know what the thresholds will be.

It will be challenging for the ACC to balance the numbers correctly. In theory, discounts to one group of employers will need to at least equal the loading to the other. That will be an actuarial nightmare to get right.

Experience rating is an adjustment to an employer's premium, based on the employer's historic claims experience. Employers with a worse-than-average claims record pay a higher premium

(a loading); employers with better-than-average claims records receive a rebate (discount).

Typically the percentage increase is greater than the discount and there is talk the loading could be as high as 50%. There are challenges in implementing such a regime.

Although details are yet to be announced, it is very clear the process will be based on an employer's previous year's claim history.

It is in employers' best interests to prepare for experience rating by ensuring their ACC claims histories are accurate.

Employers must review their histories and ask themselves:

- Did the incident recorded occur in the employer's workplace?
- Was the employer notified of the incident?
- Was the injured person an employee?
- Has the ACC managed the claim appropriately?

GBNZ can assist employers to challenge the ACC on the accuracy of employer claims histories. Phone (09) 966-1761 or email john.jury@gbtpa.co.nz for assistance to ensure your claims history is accurate.

GB offers Claims Management and OHS training sessions

Gallagher Bassett will continue 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:

Manual Handling

24 February - Melbourne City

Basic Claims Management

24 February - Melbourne City

NSW Claims Management and Return to Work

3 March – Melbourne City

Role of a Return to Work Coordinator

10 and 17 February - Melbourne City
15 and 16 March – Box Hill Office

Advanced Claims Management

23 March - Melbourne City

Qld Claims Management and Return to Work

5 April – Melbourne City

New South Wales:

Introduction to NSW RTW Coordination

16 and 17 March - North Sydney

Basic Claims Management

30 March - North Sydney

Queensland:

NSW Claims Management and Return to Work

25 February - Brisbane

Cleaning system ‘reasonable’



The NSW Appeal Court has upheld a District Court ruling against a claimant injured when he slipped on a spillage in a Sydney shopping centre.

The court agreed the fall caused his injuries, which needed two knee operations, but said neither the centre manager nor the cleaning company were liable because the cleaning system in place was “reasonable”.

On May 31, 2006, Taleb Arabi slipped in a spillage on a ramp at Sydney’s Bankstown Centro Shopping Centre, sustaining injuries to his right knee, which required two operations. He took legal action against shopping centre manager CPT Custodian Pty Ltd and the centre’s cleaner, Glad Cleaning Service Pty Ltd, claiming breaches of duty for failing to clean the “sticky substance”.

On June 4, 2009, NSW District Court

Judge John Goldring said there was no doubt Mr Arabi had sustained a knee injury and his fall on the ramp was the likely cause. But he accepted the cleaner’s evidence the centre had a system of cleaning inspections every 15 to 20 minutes.

He found “the system of cleaning in operation was reasonable” and, therefore, there was no breach of duty. Mr Arabi appealed against the decision, claiming Judge Goldring failed to provide sufficient reasons for finding Glad’s cleaning system reasonable.

Mr Arabi’s lawyers argued Judge Goldring had not taken into account the cleaner’s evidence the cleaning contract required inspections every 10 to 15 minutes, rather than at 20-minute intervals. Nor had he considered Mr Arabi’s evidence the spillage had wheel tracks and foot marks, indicating it had “been there for sometime”.

Acting Justice Ron Sackville, who delivered the Appeal Court’s unanimous decision, said Judge Goldring had

identified the relevant issue under the Civil Liability Act, which was the “reasonableness” of the cleaning system. Mr Arabi failed to prove a cleaning system requiring inspections every 10 minutes would have avoided his injury.

Judge Goldring had assessed Mr Arabi’s damages at \$74,184, had his claim been successful, but to be reduced by 35% for contributory negligence. Mr Arabi had been talking on his mobile phone at the time of his fall and had not noticed where he stepped.

AJ Sackville said Judge Goldring “did not adequately expose his reasoning process” in deciding neither the centre nor the cleaning company were liable, but that did not necessitate a new trial.

There had been no challenges to his findings of primary fact. There was “no evidence of industry standards or the practice at any comparable shopping mall, much less evidence which demonstrated a general practice of inspections at least every 10 minutes”.

HR Adviser's happy to be an Aussie



As a child growing up in Egypt, GB Human Resources Adviser Fady Soliman always knew he'd probably live elsewhere in the world.

He had two preferred destinations – London or Sydney. He went to London, and hated it. He found the city depressing.

But Sydney was different: "I loved it." He first came as a tourist with his mother, Celine, and younger brother, Andrew. Seven years ago, aged 18, he returned as a student, enrolling at Sydney University. He graduated with a Bachelor of Economics and Social Science, majoring in human resources.

Today Fady is an Australian citizen and very much in love with his adopted country.

So much so that two years ago he convinced his father, Saad, mother and brother, to emigrate. The family is now reunited at their Pyrmont, Sydney, home.

Arriving as a student, Fady knew no one. But he soon established a network of friends, many of who were fellow international students. "We respect each other's differences and can learn from each other's cultures."

As a child, Fady travelled extensively in Europe with his family and was always

fascinated with "the outside world".

He appreciates the opportunities Australia presents. "You have to work hard, but can reap the rewards if you work hard."

Fady joined GB in November 2009 as an HR assistant and has since been promoted to HR Adviser.

His job involves reinforcing the GB culture and values, recruitment, and often providing a linkage between managers and staff.

Fady studied HR because he wanted to work with people every day and he has achieved that goal. He has no lofty career aspirations, saying he has learnt throughout life that plans do not necessarily come to fruition. "I want to do what I do with passion and for as long as it makes me happy – I want to be the best HR Adviser I can be."

Outside work, Fady is a keen student of the martial art Brazilian jujitsu. He says it's not just about fighting, but requires effort, commitment and strategic thinking.

On a sunny day, you'll likely find him at the beach, but he'll be soaking up the sun, rather than surfing and swimming. Fady's a dinky-die laid-back Aussie now.

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PrintPost Approval: PP431003/10072



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