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VALUE CREATION CREATES A CULTURAL DIFFERENCE

Liberty International Underwriters (LIU) is a division of Liberty Mutual Insurance, a Fortune 100 corporation which has been in business since 1912, so LIU feels it has several advantages in the Australian insurance marketplace, writes **Leon Gettler**.

There is a distinctive culture at LIU. As a division of Liberty Mutual Insurance, which has 50,000 employees around the world, there is the opportunity to share knowledge and learning, while ramping up the latest technology.

It is this culture that drives the success of the company and the relationships with its clients and partners.

“For me, one of the things to take away from our culture is that we have been around for a long time and we’re very stable, very strong and very consistent in the way we deliver our services to the market,” says Richard Todd, LIU’s Vice President of Accident and Health.

“While we have serious financial and regulatory responsibilities as an insurer, there are some benefits to not being locally listed on the ASX. It helps us centre our culture around our policy holders. We are able to really focus our decisions around the people and businesses that we insure.”

“We can quickly adapt to the changing needs of our policy holders and that’s a huge strength. Obviously we still have to be a sustainable and viable business but it’s done with the policy holders’ needs in mind.”

That has enormous implications for customer service.

Todd says LIU treats its customers with empathy and compassion and exercises the discipline of being absolutely clear about what the terms and conditions are, or are not, and delivering on that.

It all comes down to deliverability and that, he says,



Richard Todd

is the major differentiator for the company. This is what sets it apart from the other insurers.

“What differentiates us is that we deliver on our promises. That allows us to build trust and credibility and long-term partnerships. We’re not just looking for a quick win or to write some business for the sake

of it. We look at what we can bring to the customer and how we can provide value for them, and then we deliver on it.”

“It’s very easy to stick it on a PowerPoint presentation or talk about it when you are out in the market and meeting brokers and clients, but delivering on it is the

hard part, and that's the bit LIU does very well."

It's an ethos that has allowed LIU to build solid customer relationships. It has a number of long-term clients, and it also has a high staff retention rate. There's very little turnover.

"Every single company will say that employees are their best asset and happy employees will lead to happy customers or some similar theme on that. It's either on the first page of the website or in briefings to the market," Todd says.

"We say that too, but we deliver on it. The way employees are looked after and given opportunities to grow and develop is second to none here. There are huge career paths and working for a global organisation, there are opportunities across the company."

"Since I have worked here, I have seen people that were working on the front desk in reception showing potential and moved into our claims team. I've seen an underwriter move into marketing, and our Head of claims has a legal background and also manages our technology function. I have seen people move overseas and people being moved from overseas back to Australia. It really is a culture that develops and grows our people to ensure they have rewarding and stimulating careers."

"For me, I had the opportunity of being in Belfast for three weeks and Dublin for three weeks last year. Those opportunities to learn and meet different cultures and learn about their businesses and take those learnings back to Australia are amazing."

There is that word again: culture. And Todd sums up the culture by referring to it as 'collaborative'.

"Everyone is working together and the support that I have had in a relatively new line of business has been amazing," Todd says.

"Our service areas - such as legal, claims, actuarial, finance, IT and marketing - all of those areas are just as important as the areas that are out in the market day to day. They all work to deliver for our customers. And we are very clear



about what that value is across the organisation."

"We are very autonomous locally but for me it just comes back to everyone working together. It's collaborative, it's supportive and it's a great place to work."

The other great part about working for a global insurance firm is the teamwork and learnings across the company globally.

Sharing the technology has been particularly important.

LIU's Accident and Health business launched in late December 2016 and was able to leverage methodologies and technologies to build its system.

"It was built out of Belfast and we have full access to all the underwriting and service expertise and shared efficiencies. We are very good at sharing information and communicating across the organisation and we are able to really tap into that pool of knowledge. The most important thing for me is to choose what we use locally and adapt it to our needs. What that really means is that we are always in control of our destiny locally."

"We are still finishing our system build. I literally talk to Belfast every night about putting the finishing touches on our system and what our broking partners and customers are telling us they want."

The critical area, he says, is that the company is locally empowered.

"I have worked for global organisations my whole career, basically," he says. "The key difference for me is that LIU empowers people locally. You have access to all that wonderful knowledge and expertise around the world. You are still very nimble and still entrusted to make decisions locally."

Boston-based Liberty Mutual Insurance sold its first workers' compensation insurance policy over a century ago, and now operates across all the property and casualty disciplines, offering everything from disability insurance and workers' compensation insurance to home owner's insurance. LIU itself offers a huge range of products in Australia and globally.

In Australia, there are three key areas of Accident and Health.

There's corporate travel for groups ranging from businesses and sports clubs to schools. Customers include small businesses right through to multinationals purchasing group travel policies to cover their employees or members.

Then there's group personal accident, covering things like accidental death, disability insurance and weekly income replacement if people are sick or injured. Again, that is sold to groups. It might be a sports club, a company, or it could be a small business.

There is also expatriate insurance providing medical insurance for people who are overseas working for Australian companies. The latter is particularly complex. There is no Medicare overseas and health care

costs can be particularly high.

"We offer the full range of services with a 24/7 helpline which allows people to ring up and just ask questions about particular destinations or particular events," Todd says.

"If they are unfortunate enough to have an event - anything from a lost wallet to a horrific accident or a shocking incident, such as a terrorist attack, earthquake or tsunami - we can help. LIU offers a full range of assistance, including getting them to safety."

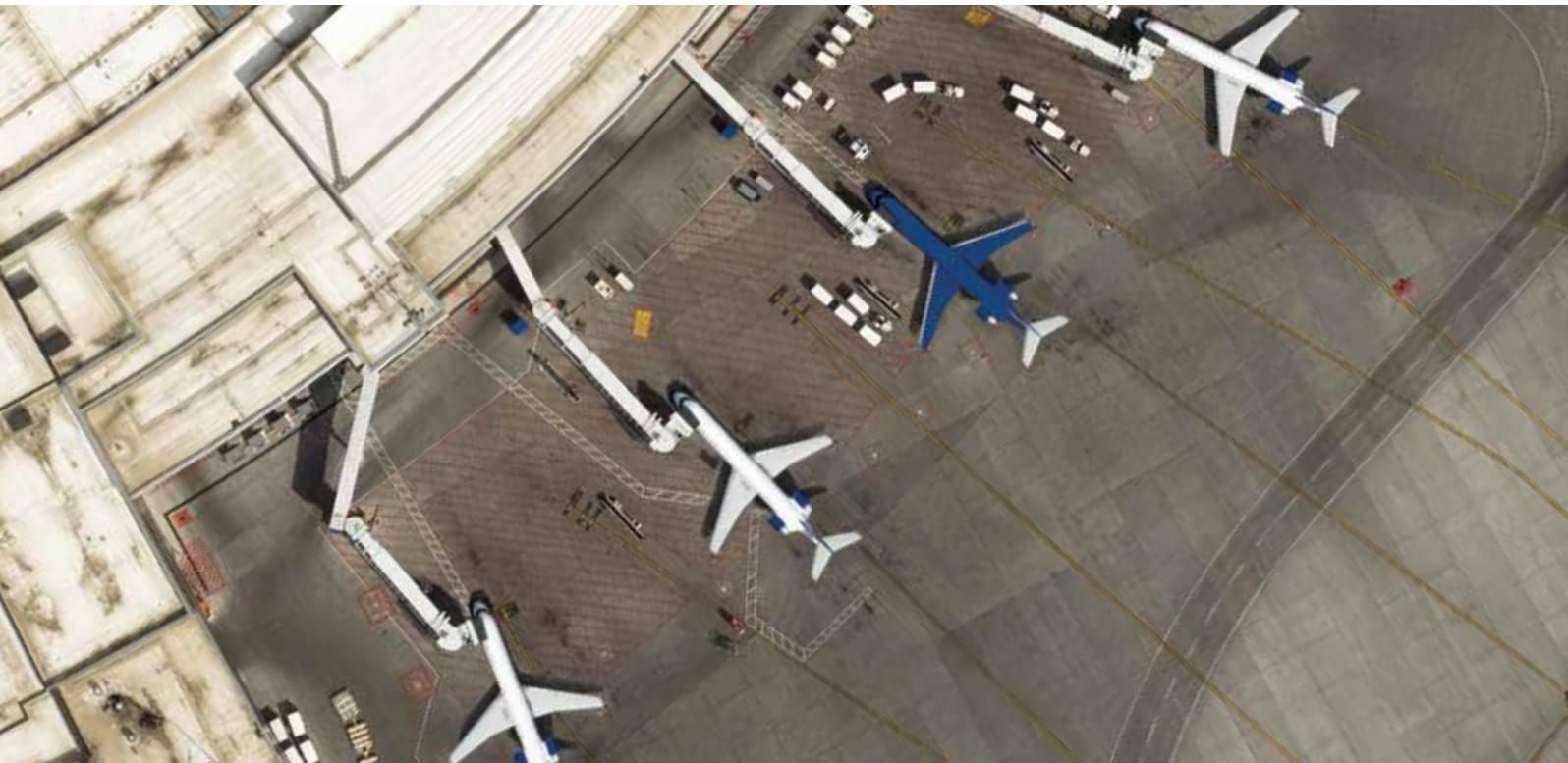
"If they are in need of medical attention, we help them access quality local services. It's really important to note that not all hospitals are the same, and not all countries have the same standard of health care. So we make sure that wherever they get to or wherever we take them, it offers the high quality of care that we would expect here in Australia.

If the care is not available in that country, we look after the air ambulance services and getting doctors onto planes to where they need to be."

Todd sees the business growing, bringing products to Australia and spreading out to Asia; however, the really exciting part for LIU, he says, are the opportunities offered by the changes sweeping through society.

"The technological changes and the development in society over the past 10 to 20 years have been phenomenal," he says.

"Changes that will see self-driving cars and increased working from home - I think there is opportunity to build service around these areas and grow businesses from there. I certainly see us at LIU working towards vastly different products over the next decade and creating value as opposed to benefits." **BFM**



Big picture thinking starts with tiny details

At LIU we focus on the client's needs. Through our extensive experience, local market knowledge and authority, we study the detail and work closely to provide bespoke solutions that add real value. It's what sets LIU apart.

liustralia.com.au



Liberty
International
Underwriters