



Risk Solutions: Professional and Financial Businesses

QBE European Operations





A risk management partner providing insight into claims trends and causes, as well as support to improve risk profiles and protect from the cost of claims

A balancing act

Risk is inherent in all business processes and stakeholders quite rightly expect it to be managed effectively to protect their interests. But the willingness to take risk when opportunities present themselves can be the difference between success and failure. Managing this natural state of play with the right checks and balances is therefore crucial to business continuity.

Your choice of insurance partner is of vital importance in this equation. Aside from the comfort of the promise to pay claims, businesses can benefit from the insight, support and understanding that a knowledgeable risk management partner can provide. This can help optimise risk controls, reduce the likelihood of claims, and stabilise the cost of risk transfer.

As one of the largest professional indemnity insurers in the UK, QBE has the advantage of being able to offer key insights into claims and best practice in risk management. These insights can benefit businesses of all types and sizes by helping them to improve their risk profile.

The true cost of claims

The overall cost of claims to a business can be multiples of the actual final settlement and legal costs. Aside from the possibility of higher future premiums, there are the immediate potential costs to consider too:

- drain on partner/employee time
- lost profit through written-off time and fees
- complaints, reputational damage and possible loss of clients
- personal impact including distraction, stress, ill-health and departure from the business
- business disruption and lost opportunities.

As a specialist insurer, our role extends beyond simply providing insurance cover for professional negligence claims. While this is a core element of our service, QBE strives to understand and support the specific operations, issues and needs of all our clients.

The benefits flow

By helping clients better understand their risk profile, and supporting them with a range of added value services, we can improve risk management and claims experience. There are a range of benefits to this approach including:

- better risk awareness and understanding of claims causation
- improved (best practice) internal operational risk management procedures and efficiencies
- improved client care procedures
- reduced business disruption
- improved risk profile and claims record
- lower insurance premiums.

Risk Solutions: Delivering awareness, insight and answers

Where client-focus, quality, and excellence are embedded in service delivery

QBE is one of the few professional and financial insurers with an in-house risk management resource that can provide a broad range of services, generally free of charge to our clients as part of our overall risk solution. Our team has extensive risk management and quality assurance experience and has worked with thousands of businesses, from sole traders and practitioners to large corporates. With more than 15 years' experience in this field we have honed our skills and services to a point where they are among the very best. Clients benefit from:

- services tailored to their own particular issues and concerns
- advice which blends experience and investigative and analytical skill, with sensitivity and diplomacy
- an holistic approach based on quality principles leading to a more robust framework for managing risk
- recommendations made in consultation with them to ensure pragmatic solutions and buy-in
- inbuilt continuous improvement philosophies so that changes are embedded for the long term
- reports to demonstrate to stakeholders the business's real commitment to managing risk.

Where other types of insurance are held with QBE, we can also work closely with our colleagues in liability, property and motor risk solutions to develop all-round risk solutions covering a broad range of risks.





Risk understanding

Getting right to the heart of issues to ensure change management is correctly targeted

Business process reviews and audits

Organisations experiencing insurance losses may benefit from a comprehensive review of the risk management controls across the business. Our reviews can look purely at operational aspects, or cover a much broader range of risks including leadership, management and supervision, operations, support functions, evaluation and improvement processes. Depending upon your issues and concerns, such reviews can be carried out at a single location or across different offices to identify any inconsistencies that might increase risk levels.

“Thank you for the time which you spent with us. Thank you also for the positive and constructive suggestions which you made. I have been looking after quality and risk for many years and without a shadow of doubt, this was the most beneficial audit in which I have ever been involved.”

Client comment

Claims causation reviews

Often, those tasked with dealing with claims are pressed for time, too close to the issue, or focussed on cost-effective remediation rather than long-term solutions. This means the full range of causative factors and the underlying linkages may not be identified so risk controls aren't optimised across the business.

Our team has successfully conducted independent reviews of large losses and claims histories for clients of all sizes, leading to reduced claims numbers and values over time. Our sensitive but thorough reviews ensure that the full range of issues is identified and risk controls optimised to prevent recurrence.

Governance/Management review

When it comes to risk management, leadership and the 'tone from the top' are critical to success. To assist businesses in understanding their own senior management's performance in relation to risk management, QBE can undertake an independent review to look at the operation of the board/management structure, the risk management framework, strategy and planning, stakeholder relations, and the individual skills and behaviours of the management team. Findings will be reported and discussed to identify the scope for optimising structures, practices and resources.

Organisational learning reviews

We often find clients where organisational intelligence has leached away over time such that learning ability needs improvement. Similarly lessons that need to be learned may not be fully identified, and those that are, aren't applied widely enough, or captured in a way that ensures behaviours are permanently changed. To support our clients, we work with them to identify key learning issues and how to embed the necessary structural, process and behavioural changes to reduce the likelihood of repeating errors.

Risk profiling

Actuarial analysis has proven that businesses engaging in QBE’s risk improvement processes experience a 25% better loss ratio compared to those that don’t

Clients insured with QBE have access to our unique **On-line risk profiling tool, QRisk**, to benchmark their own risk controls against a set of highly developed standards. Introduced more than 10 years ago and constantly updated to reflect QBE’s vast claims knowledge, the QRisk standards are some of the most highly developed in the market, bringing together quality assurance models, regulatory requirements and codes, sector-specific standards and guidance and recognised best practice.

For businesses with the benefit of more extensive in-house risk management teams and a mature risk management system already in place, the QRisk profiling exercise can still prove of value when used to compare offices within your UK, regional or global network, or to assess the relative risk levels within merger or acquisition targets.

Risk profiling questionnaires are available for a range of professions and businesses, including solicitors, surveyors, insurance brokers, and architects and engineers, including design and build businesses. Here’s what clients have said about QRisk:

“a very useful way to carry out a risk assessment and touched on areas we hadn’t yet considered”

“the extensive guidance and external links were really useful”

“certainly food for thought on some of our existing processes”

“we were greatly reassured that we have in place procedures in relation to those matters highlighted”

“very thorough and touched on areas we had not considered before.”

A further benefit of QRisk is that it also enables access to our extensive knowledge centre. This information point has been developed in association with leading law firm Clyde & Co, and houses an extensive range of claims and risk management guidance, some of which is exclusive to QBE.

Transferring knowledge

Providing information and knowledge transfer to create a best practice risk culture

Cross-class forums and risk seminars

Our annual client forum brings together respected thought leaders from the world of risk management to discuss topical issues, with both sector and cross-business appeal. We organise our own subject or sector specific seminars and support seminars organised by our brokers. Future events are always shaped by the feedback we receive to reflect the issues affecting our clients.

In-house seminars/workshops

Whether a short lunchtime learning session, or a series of sessions aimed at different groups within your business, we can develop a training solution that addresses your particular issues and concerns. Where appropriate, we will work with our claims team, underwriters and panel lawyers to deliver a training session which supports your organisation’s development plans.

Guidance notes and articles

While our team responds to any individual concerns we receive, when the same issue arises again and again, we will produce a guidance note to highlight it with all our clients. In this way we can provide practical advice for dealing with both established and emerging issues. We also monitor the work of QBE’s Emerging Risk Group, and work closely with our panel lawyers, claims team and external specialists to monitor and report on current and emerging trends and developments.

Claims Trends and Scenarios

QBE commissions independent research on topical risk issues to highlight concerns and issues for UK Plc as a whole, while our claims and risk management case studies and ‘top 10’ type claims articles are also popular downloads.

To find out more

More details about services, QRisk, QBE research, and case studies of how we have helped other clients are available at: www.QBEurope.com/risk-solutions/professional-indemnity/ or email us at RS@uk.qbe.com

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