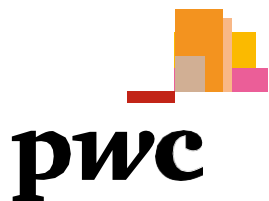




Hybrid claims workforce of the future – London Market



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Foreword

The London Market is responding to the changing world of work and risk, impacted by ongoing global events such as Covid-19, climate change, and the economic impact from rising costs and inflation.

In addition, local events such as Brexit, and market events such as Future at Lloyd's, are all challenging the business strategy and response, from culture, flexible working and well-being, to digitisation, talent, skills, and sustainability.

The claims profession is feeling the impact from these events and will continue to do so for some time. Whilst it is a profession that is generally challenged by a lack of investment in technology and its workforce, both are critical to the performance of a portfolio, profitability, the customer experience and a company's brand and reputation.

Since the last PwC and LMA report in 2019, some business and market strategies have progressed and are investing in the development of claims teams. However, the speed of change within claims functions has not been as great as we previously predicted, which is in part due to the shifting of organisations' focus during the pandemic.

One area where change has accelerated is the shift to Hybrid working, where a greater use of digital tools and applications resulted in short term boosted productivity in most places.

While many organisations in the market have now begun to return to office, it is clear that claims teams will continue to work remotely at least some of the time, with some taking this as an opportunity to revisit what skills and capabilities are needed within claims and where these roles are based.

This report has been written to help claims leaders and teams consider how they might best respond to the future, considering the ongoing impact of events in the industry and customer/client expectations.

The need to invest in the skills that are required in a new hybrid and digital working environment are even greater now than they were previously. Client and customer needs and expectations haven't remained static, they continue to increase and in some areas have become more nuanced often with a focus on personalisation.

Hybrid working will require changes to the claims operating model, that enable organisations to meet their customer, business, and workforce expectations. A consistent theme from engaging with the London Market is that there are challenges from a skills and training perspective resulting from Hybrid working, specifically:

- over the shoulder learning and support for new and young professionals;
- the transfer of knowledge from experienced professionals to new and young professionals;
- the development of technical claims skills and knowledge; and
- the upskilling and cross skilling of technical and human skills.

It is a question of thrive or survive, to invest in the development and upskilling of talent, to retain and attract people and create a workforce that can develop and execute on the business strategy, or not.

Michael G Cook
Partner, Claims and London
Market Consulting Lead

Paul Davenport
Finance & Risk Director
Lloyd's Market Association

The three most significant workforce challenges cited by leaders*

1. Identifying the risks of replacing human work with technology
2. Identifying the skills workers will need in the future due to increased use of data and technology
3. Understanding and communicating the impact(s) of automation and AI on the future skills requirements

*PwC 2021 Future of Work and Skills Survey

Hybrid model – overview

In 2020 and 2021, Financial Services as a whole and the London Insurance Market specifically, saw organisation respond to the impact of global events, with people and the organisations they work for being agile in response to the challenges they faced. These included continuing to deliver for their customers etc.

Looking ahead, there will be further change and uncertainty. We won't simply be returning to how we used to work, nor will we be continuing to work in an environment where the majority of people are working remotely. The future Hybrid working model will bring

increased flexibility into how employees operate, as well as the changes that they are looking for from their employers. It will also bring new challenges, including how best to lead, collaborate, and develop people, whilst generating the best outcomes for their business strategy, clients and customers. It's important for both individuals and organisations within the London Market to plan for now for as the hybrid model is adopted more widely by the market and clients, with some considerations shown below.

Considerations for when moving to a Hybrid model of working

People		Place	Technology
Broker/customer needs vs employee preference		Working location strategy	IT home set up
Productivity	Leadership	In person vs remote	Collaboration technology
Organisational agility and design	Inclusion and diversity	Workplace design	IT service management
Culture and behaviours	Employment law and policy	Building and occupancy management	Cloud
Reward and benefits	Roles and activity	Home office services and design	Property technology
			Cyber threat
			Digital experience and upskilling
		Behavioural Science	
		ESG	
		Data	
Over half (56%)* of organisations are considering changing benefit packages to reflect new employee priorities.		4 in 5* organisations surveyed are introducing flexible working initiatives to maintain employee engagement.	71%* of organisations surveyed plan to increase investment in tech to enable agile working over the next two years.

And the steps for making this transformation

- 1. Align** – Set the direction and align the team
- 2. Assess and Innovate** – Understand the opportunity and value
- 3. Approve and Mobilise** – Obtain approval and prepare to execute
- 4. Activate** – Deliver projects to make change and realise value
- 5. Evolve** – Support ongoing services and evolution of the solution

To further support the Market we have provided our perspectives on specific considerations for claims teams and the insurance industry on the following page.

*PwC 2021 Future of Work and Skills Survey



Hybrid model – impact on claims

The London Market's ecosystem is complex, with insurers, brokers and third parties interacting on a daily basis to service their clients and customers. With the Market having previously adjusted to a remote working model, it will now have to shift again as people begin to spend more time back in the office. This will add complexity to the way the Market does business and services its clients and customers, with different managing agents and brokers taking a variety of approaches to where and how people work.

It could be argued that the change to Hybrid working will be felt most acutely in claims, whose teams in the London Market have historically been dependent on being co-located with colleagues across claims, underwriting, and operations, to handle claims, casefiles, portfolio management, performance oversight and reporting, and training, whilst having relatively basic levels of technology to support them in their job.

Considerations for claims:



People

How is the claims portfolio and workload segmented and shared across the workforce, considering remote, hybrid, or office based people?

How does your claims service offering, philosophy, and culture, need to change and respond to employee and customer expectations?

How do you maintain, build, and develop relationships, with internal colleagues and stakeholders and external stakeholders and third parties?

How do you assess and develop talent and skills within claims vs the changing world of work, regulation, and any operating model transformation?

How do you support the knowledge transfer between people and foster organic development and collaboration between people / teams?



Place

How have you aligned or enhanced the claims team's working practices, policies, and people over multiple locations, to upskill, cross skill, introduce efficiency or improve quality and service?

How have opportunities to redefine and redeploy practices and people in locations, been considered in alignment with underwriters, brokers, customers, third parties, and or claim portfolio, claim complexity, or portfolio and product opportunity?



Technology

What and how can data and technology advance claims management and claim's skills to enhance performance and efficiency, specific consideration to be given to:

- digital and data led FNOL, workflow, and automation?
- expense (ALAE) control and claim triangulation analysis (indemnity, reserve, expense)?
- digital connection and collaboration tool – with colleagues, customers, brokers, and experts?



Process and controls

Have processes and controls been redesigned to enable oversight, maintain or enhance quality, and streamline activity across people and places – so that they best meet business objectives and performance?



Regulation

Have regulatory changes changed the risk profile of your claims function and portfolio, with particular regard to how you engage and treat customers, and how has this changed policies, philosophy, practices, controls, and reporting?

On the following pages we have considered personas of organisations that have been: proactive in engaging with Hybrid (Hybrid claims team); and those that have actively started planning but not yet implementing changes (Emerging claims team). We have considered how these personas may have looked to respond to a shift in working practices, along with the impact that these approaches could have on the claims workforce.



Hybrid claims team

Successfully delivering on Hybrid claims and workforce transformation

We have grouped insurers in two personas – below is a description of organisations that are adopting a Hybrid approach to work, location, or an operational model that best blends people and technology. Those organisations are already acting on their strategy and planning on the change that is needed within the claims function, following the experience

of 2020/21 to keep up with data and technology advancements within their business or the market. Insurers in the market can follow the Hybrid example to plan for or reach optimal levels of transformation in their claims function and workforce, in response to talent gaps, skill gaps, and the implementation of technology.



People

- Claims capabilities are assessed based on evolving business needs and the skills of the workforce, to identify and target claims specific skill gaps to develop a response to overcome those gaps.
- Performance is measured based on claim and portfolio outcomes, led by data, client and customer experience, instead of KPIs and SLAs on a transactional basis.
- Their adjustment to an inclusive, innovative, and collaborative claims culture and philosophy motivates their staff to perform, respond positively to change, and act as one team.
- Connecting claims knowledge and experience to enable on the job learning. They continuously upskill and cross skill their staff to increase technical claims expertise.
- They target skills and capabilities to develop a diverse workforce aligned to business needs and claims segmentation.
- To attract the best talent, these firms consider more than just monetary incentives – including Hybrid working, Hybrid operating model via the use of data and technology, and the ability to lead and champion innovation and sustainability initiatives.
- These firms have adopted a dynamic recruitment strategy to attract diverse talent and skill from inside and outside of the London Market.
- Job descriptions are focused to respond to capability and skills gaps, not job roles.
- They continuously monitor changing requirements of their organisation – i.e underwriting new lines of business and understanding the impact on the claims function.
- Claims performance management and measures respond to transformation, portfolio and customer outcomes, and skill development – and are less focused on transactional claims performance measures.



Place

- Hybrid working is well incorporated in the workplace across multiple locations, enabling claims teams to consider how they flexibly and remotely align to client and customer requirements
- The segmentation of a claims portfolio and activities enable access to the widest possible talent pool in differing locations and jurisdictions that can service clients and work in a differentiating way for their business – leading to a client servicing Hybrid location strategy
- A connected claims culture and philosophy is reinforced or reset responding to Hybrid, creating uniformity and across regions, so employees working from different locations are in tune with the organisation's values
- Strategic segmentation of business units/functions – having the right processes undertaken from the right location to best respond to client and workforce needs
- Ability to redeploy the right people onto the right activities as they operate in an agile customer and claims focused model, considering claim spikes and claim events



Technology

- Lead with business problem and or opportunities that enhance the portfolio and customer outcomes of a business, via data led and digital capabilities that are blended with the workforce capabilities that can embed and make optimum use of data and technology to deliver differentiating and business benefiting outcomes
- Digitise processes to increase customer satisfaction and prioritise customer needs to improve client/broker experience of moments that matter (i.e. raise claim, make claim, assess a claim, and get paid)
- Deploy the right technology connecting the workforce, locations, and clients, to enable Hybrid working practices and processes to be focused on simplification for users, including a global and data led claims workflow tool
- Integrated APIs via a claims data model, that connects an ecosystem of claim apps that are relevant for bespoke class of business needs or events:
 - Cyber & Ransomware
 - ESG
 - Indemnity and Expense Management & Analytics
 - FNOL claim interaction, automation, and payment
 - Efficiency through insourced, outsourced and automated business rules
 - Self service data analytics



Impact on workforce

- Firms can attract the best talent to enrich their workforce with diversity of skill, capabilities, background and thought.
- The workforce will be motivated and connected to purpose and social trends, that can increase job satisfaction and performance.
- A value driven workforce connected throughout will most likely be loyal to the company.
- Employees will have an opportunity to be innovative and creative by participating in a collaborative workspace/work culture. This will aid them in delivering exceptional services to the client, thus increasing client satisfaction.
- The firm will be able to establish a distinct brand and will set a precedent in the market for having the best culture and brand, which will help attract more talent in the future.
- Collaboration between teams regardless of location - be that home, any office or other place of work - is seamless and there is no detriment to the experience of being present and feeling included. This is equally applicable to the experience for the demographic of experienced hires, as well a new joiners to the world of work i.e. have never worked in an office.



Emerging claims team

Planning to deliver on Hybrid claims and workforce transformation

The second persona group is one where an organisation will have thought through their future model and approach to claims though have yet to implement this. These insurers have considered some of the implications of the Hybrid claims team and have purposefully

planned minimal changes, as they are working through the initial stages of a transformation journey, or are awaiting the change to be delivered to them centrally via market or Lloyd's change initiatives, or anticipate a change in regulatory requirements.



People

- These firms assess job role gaps to inform development and recruitment, and are delaying a view on capabilities and skills until impacted
- They deliver a claims development framework and training offerings to their employees, recycling knowledge and skills rather than upskilling or cross-skilling
- Implementing tactical adjustments to working practices and approaches by embedding those to best meet business, workforce, and client needs, following the lead and experience of others
- There is no strategic segmentation of claims management and it is challenging to redeploy resources or align talent and skill to an adjusted model
- Their hiring strategy is to replace roles rather than recruit by skills and capabilities. Often they prefer to hire and promote internally without taking the wider context of skill/capability gap into consideration
- The focus is less on evolving business needs and more on repeating/recycling existing skills



Place

- Their claims operating model is spread across multiple locations and consists of disconnected controls, philosophies, activities, people and process
- A satellite (office) of cultures, practices, and process has built up that impacts collaboration, decision making, and consistent delivery of performance
- They have yet to consider redesigning their workforce strategy and how to segment claims by locations/work to maximise customer service, and how flexibility can be enabled or supported by enhancing performance and claims outcomes
- There is a lack of uniformity in claims culture and philosophy across their office locations – it is therefore challenging to adopt Hybrid working styles due to this
- The outsourcing of claims management is a cost led and KPI managed service model, without developing a strategic response to developing talent, skills, and the servicing of a portfolio
- If the firm's culture were connected across regions then it would have been easier to segment the business – considering jurisdictional and class of business needs and opportunities




Technology

- Replatforming of legacy technologies to support claims management, with little process optimisation
- Repeat of claims management processes as a one size fits all approach to all classes, using new technology to repeat existing process and practice
- Digitisation considered but requires a data model and data requirements to be developed for future and modern claims management to be enabled
- Adoption of central Lloyd's Market technologies and initiatives, following the markets lead as part of a tactical response to modernising claims
- Deployed workflow management tools for claims in addition to other tactical automation processes to remove effort and improve efficiency
- Planning for claims data management and analytics capabilities with the current focus on regulatory and KPI reporting measures



Impact on Workforce

- Flexible working related conflicts between people requirements and policies or practice – leads to loss of resource/talent
- Workforce role based assessment – leads to hiring and training people and skills that are repeated in the business
- Conflicting cultures and practices – generating divergent behaviours and practices across the function which impacts change being embedded
- Creating transactional or tactical efficiency with technology – doing the same thing in a different way does not create meaningful (resource) capacity or enable redeployment
- Lack of collaboration and innovation approach and space leads to closed mindset and siloed working
- Reputation and brand challenged by the crossroads of tactical and divergent activities – making it harder to attract talent in a competitive environment



Digitising claims in the London Market

A lesson that has been learnt from ongoing events has been the strength of the (re)insurers' and the Market's response (well known for responding to CAT events and claims emanating from them) while being within an event itself.

The resilience of the market shone through, whilst showing the market's strength in problem solving, and agility in responding to new ways of working with the use of new technologies. This experience enables iterative and dynamic change to be progressed in the future with greater confidence, although the workforce and skills are needed to both execute and absorb that change and enable business and people growth from it.

The digitisation of claims is focused on the development and deployment of technology when it is critical that an integrated digitisation and workforce strategy is developed and executed to prepare for the future of work and enable a business to thrive from investment in data and technology.

London Market insurers are looking to improve the effectiveness and operating efficiency of their businesses and claims functions. There is an increasing need for digital solutions that drive benefits from self service, intelligent automation and integration to one off applications and partner ecosystems.

Organisations are actively looking to develop their claims operating model strategies, including:

1. Case and expense management analytical tools, to inform and predict claims outcomes.
2. Upgrading existing or implementing new claims technology (including claims system, document management, workflow, and payment tools).
3. End to end claims process efficiency, (including use of RPA and shared service centres).
4. Data – enhanced and bespoke claim data requirements, data capture, and analytics.
5. Claims segmentation strategy – considering the Hybrid working approach to how and where claims are serviced.

only 26% of business and HR leaders strongly agreed that they can identify the skills needed in the future due to technological change*

As well as (re)insurers embarking on their own claims transformation initiatives, London Market Insurers are also having to ensure that the areas they develop are compatible with the proposed claims initiatives within Future at Lloyd's.

Although London Market (re)insurers are challenged by the central pace of change and the lack of certainty of what will be delivered, when, and how, and the operational and workforce strategies are impacted from that uncertainty.

A conflict between the pace of change within businesses and the centre of the market is developing, which if not addressed through engagement and analysis could create a disjointed approach to change that adds complexity and cost to well intentioned transformation efforts.

All of this has a natural impact on people, talent, and skills with operational changes necessitating an evolution of these things in the future.

*PwC 2021 Future of Work and Skills Survey





The claims digitisation journey

Following on from our previous report we have reassessed when we expect transformation initiatives to be implemented by the London Market, whilst determining the impact this will have on the skills required in claims teams.

While some of the nearer term claim initiatives have been delivered, we see that other more transformational changes are taking longer to deliver than we previously expected. Some service and cost benefits have been delivered, in addition to data integration methods to drive data quality, and enable greater oversight and quality control of indemnity and expense, via:

- **SCAP** – reducing claims agreement by 3 days
- **Write-Back claims orchestration & workflow service** – adopted by 50 carriers
- **Gemini** – expert management API and expense management service
- **Vitesse & Faster Claims Payment** – removing loss funds and creating direct and instant payment of claims
- **MIS** – GEO data and imagery service for claim response & exposure management

only **44%**

of London claims employees consider technology to be extremely valuable in maximising customer service*

*CII New Generation 2021 claims survey



An update on some of the key initiatives expected to be delivered in the future- this reflects a market view, some organisations have already, or are in the process of, implementing some or all of the initiatives listed below

Modernisation

Transformation

Present - 3 years

RPA

Simple RPAs continued to be applied and used as tactical fixes to reduce non value add tasks such as data rekeying.

Smarter Loss Funds

Improving the process of issuing, managing and monitoring loss funds, ensuring appropriate fund levels and once no longer needed, can easily be identified and recalled.

Direct Settlement

The ability to make payments directly to policyholders. This would reduce time taken to make settlements and reduce costs of processing, banking charges.

Auto Settlement – Low Value/RPA

Automatic agreement of settlement transactions that meet the necessary criteria, without the need for an adjuster to touch the transaction at all.

Development of Claims Data Standards and Submission Methods

Defining the core and class specific data requirements for open market, delegated and reinsurance claims for digital submission.

Near Future 3-5 years

Claims Management and Real Time Orchestration

Providing all stakeholders access to real-time claims data via integrated workflow and rules.

Automated Fraud and Sanctions Screening

Data led fraud and sanctions validation via an integrated workflow.

Customer Portal

Retirement of legacy submissions methods allowing customers full visibility of the claims process, ability to 'self-service' claims, and integration of risk management tools.

Claim Automation Through Intelligent RPA


Enables claims to be automated from FNOL through to settlement, when certain parameters/triggers are met.

Data Led integration and Ecosystem

Ability to consume external data feeds to enhance the customer experience, data led indemnity, reserve and expense management via data triangulations and predictions, informing case management and litigation.



Looking beyond 5 years time, we expect to see the full adoption of digital processes and tools across the claims lifecycle, advanced analytics used to achieve better outcomes and combined with technology to enable automated segmentation and triage. This will ensure that claims and steps within the process that require human intervention take place while admin and low value/low complexity claims can be fully automated. Those insurers that achieve this will be well on their way to achieving true bionic claims function status.



Integrate workforce strategy to the future of work

Investing in people, skills, and practices to respond to change.

The future of work within a claims team is changing, which is impacting the role of a claims professional. The events being experienced are accelerating that change although the skill base of a claims professional or the diversity of skills within a claims team is not changing at the same rate, the workforce is therefore not set to adjust to future change and is not integrated with the change strategy.

Claims teams with leaders that invest in their workforce and skills will strengthen capabilities, claims outcomes, performance and brand reputation. The strength of the claims leadership strategy will empower and build trust in the claims workforce, whilst being attractive to new and future talent, and enable value to be generated from digitising the claims process.

A key decision will need to be made to inform the integrated digital and workforce strategy. Specifically where claims is to be positioned within a business and with particular consideration given to remote and Hybrid working. These key decisions will then provide opportunities to ensure access to a diverse and global talent pool, new skills and to create flexibility in workforce location. This will enable collaborative and digital working to be deployed across a shared portfolio in order to deliver customer focused outcomes.

That decision for claims teams will inform its future role, work, and approach to talent and skills, might it be:

- **Office based** – Importance placed on claims as a differentiating offering whose team members look to align working styles and patterns with their underwriters and brokers, including being physically there when meetings are taking place and to invest in these relationships as much as possible
- **Remote** – All or most work can be done from home with organisations not placing much value of physical presence in London, with there being benefits to the wider organisation (such as flexibility in working practices and cost reduction)
- **Hybrid** – Overlap with the above to enable organisations, with the focus shifting depending on what clients and others in the Market do, which can provide additional flexibility and for example, could result in claims teams being based on where the business is located – potentially creating an opportunity to reconsider footprint and move closer to customer

only **28%**

of business and HR leaders strongly agreed that they can rapidly adjust the workforce in response to changes*

Many claims teams have yet to work through their ongoing development plan.

Since the pandemic began there has been a notable reduction in development and learning opportunities. Some consistent themes and areas to address are:

- **Technical claims skills and knowledge** – the erosion of these skills and the disconnected approach to remote working puts at risk the performance and reputation of the claims function
- **Claims workforce capability and skills** – assess your people and skills now and enable and empower digital, data, human, and technical upskilling within a plan and personal objectives
- **Talent and skill gaps** – develop the plan and approach to filling skill and capability gaps, with diverse skill and talent from outside the industry
- **Connect the digitisation of claims to the workforce** – empowering those impacted by the digitisation to develop digital skills and redeploy roles
- **Develop the claims segmentation and outsourcing plan** – aligned to customer and business needs, complementing digital and human skills and methods

Evolution of the claims workforce – the impact on skills

When considering the ongoing events and the progression of business or market initiatives we have seen execution and adoption of digital or workforce change take longer than expected. That has been driven by three things: i) the pandemic (both through changes to ways of working and changing demands and priorities for claims); ii) a shortage of the people with the right technical claims, data, digital, and human skills that are needed to respond to higher workloads; and iii) a lack of investment for the development of people, technological change and appropriate data to drive this change.

The pandemic has induced Hybrid ways of working for which technical skills are the most important as employees working on their own (when they are remote) require in depth claims knowledge to deliver quality service and outcomes to customers and underwriters.

Following the impact to in-person connection and collaboration between colleagues, a plan to pass on technical knowledge and experience to upskill and cross skill claims professionals, is required with a greater need to support technical claims skills at a time when the need for digital, data, and human skills is needed. Without a plan there is an increasing risk that technical claim skills will start to decrease and the current skill gap widens.

The impact on skills and the development of others is also impacted from the increased volume of claims year on year, and with that the increased scrutiny of claims management, performance, and outcomes, with added regulatory pressures and reporting requirements. These pressures are requiring increased attention and development of skills across the four key claims skill types (below).

only **32%**

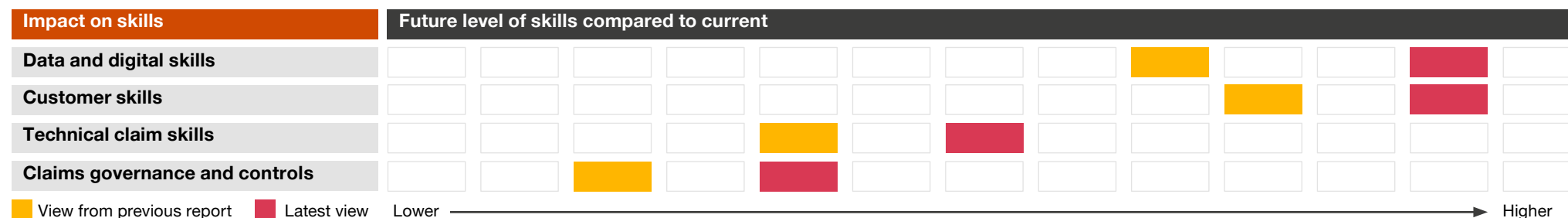
of London Market claims employees believe that technology training provided to them was sufficient in relation to new technologies*

We continue to see the evolution of the claims function, via technology deployment, outsourcing, segmentation, and the advancement of data and digital skills. This was recognised in our 2019 report but the ongoing events and the increased focused on digitisation has seen the gap widen and the need greater, although there is not always a recognisable place to source the development programmes.

Data, digital and customer skills still need addressing, as a new breed of technical skills that are fundamental to the changing role of a claims professional – these should not be confused with traditional “soft” skills.

The skill development and investment in both technology and data can assist with owning claims volumes and outcomes, without that the (re)insurers become dependent on third parties such as lawyers and experts which increases cost and impacts the development of technical claims skill and knowledge.

Similarly, with individuals increasingly engaging with customers and brokers outside of the office their customer related skills will need to further increase from where we previously thought. Customer/broker enquiries are less likely to come through designated channels or face to face meetings that teams can diarise and prepare for and there’s the increased likelihood that claims professionals will be asked to service customers through direct communication via digital channels.



*CII New Generation 2021 claims survey

The need for change

Earlier in the report we explored personas for organisations that either had began to implement or plan for changes to ways of working within their claims functions. We are that a number of organisations have yet to fully start to consider and plan for changes to ways of working and the wider impact this have on claims.

Some of the issues likely to be experienced by claims teams who have yet to fully engage with the digitisation and Hybrid agenda include:

Difficulty in replacing claims leadership as senior executives retire

Unable to attract relevant talent or create a pipeline of future talent

Begin to gain a reputation for inflexibility within an environment that isn't supportive of talent development or growth

Have a workforce of fixed or closed mindsets that can't respond to changing culture, operating model, or customer needs

Unable to deliver and or benefit from data led or technological change

Questions that claims teams should be asking themselves now:

- Engaging with the Hybrid conversation – what does this mean for your claims team – what is your Hybrid claims strategy?
- Identify skills gaps – do you have clear visibility of what existing skills you have within your claims team?
- What processing and technology capabilities do you have underpinning your claims team – are they fit for purpose?
- Does your claim leadership consider it important to develop the technical, digital, or customer skills within the claims team?
- Have you considered engaging with brokers and clients to understand what really matters and build your next generation claims proposition around this?

c. **70%**

of London Market claims employees believe that tech is being invested in more than talent*

only **30%**

of HR leaders strongly agreed that they are taking action on their workforce strategy*

It's important for organisations and the Market to re-engage with the digitisation agenda, without doing so the Market will become less competitive and meeting expense or combined ratio reduction targets become significantly harder. At the same time there's a risk the role of claims is being devalued at a time when it needs investment, without which the claims profession will be challenged by competing with digital claims service experiences, meaning claims becomes a less attractive function within the market and industry, resulting in a claims talent pipeline and skill crisis.

*PwC 2021 Future of Work and Skills Survey



Developing claims – LMA

The LMA are dedicated to supporting the development of our members no matter what stage they are at in their careers. The development of the enhanced claims curriculum – enabled and delivered by the LMA, is set to develop and make available claims offerings that respond to the market's requirements and the key areas of this report.

The Claims Curriculum

Formed in 2021 to identify and prioritise claims offerings that would support and enable the development of claims professionals:

183

employees from **42** different managing agents (incl. Run-off) and Members' Agent have attended **12** claims specific events.*

This is a total of **1,825** market learning hours.



Technical skills

- Actuarial (finance, reserving, risk) incl. best practice
- Contractual Law and Interpretations
- Expert & Budget Management
- Regulatory Requirements
- Product / Portfolio Management
- Commercial Acumen for claims
- The Foundations of Insurance
- Non-Standard and Standard Jurisdictions
- Mock mediation
- Cyber 101



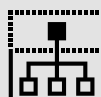
Technical programmes

- Claims Foundation Programme
- Claims Practitioner Programme



Customer skills

- Customer Skills
- Day in the life podcast series e.g. loss adjuster, broker, DCA



Digital skills

- Data analytics
- Data reporting



Virtual academy

- The Virtual Academy – a web-based learning solution designed to help our members meet their training and competency needs



Human skills

- Claims mentoring programme – Mentoring the Market with DAC Beachcroft LLP and Markel

* 2021 LMA metrics for the Claims Academy



Developing claims – PwC

PwC have been working with the London Market claims community on this important topic for many years now, including running Market workshops, Executive strategy sessions and full claims leadership team away days. In addition to the creation of this series of reports that provide tangible guidance, we are also supporting the claims community in the following ways:

Claims Workforce Requirements Workshops



Workshops with individual Managing Agents to explore the specifics of how they define and develop their future claims workforces.

This includes specific sessions on:

- Disruption in the insurance industry & disruptive technology
- PwC's view on future workforce and digital upskilling in an ever changing world
- What are the key skills required for the future and where are the gaps in your organisation?
- How can we address the skill gaps and what are the blockers?
- Actions and personal commitments from leadership and claims teams

Claims Target Operating Model Review and Operational Efficiency



We continue to work with clients to design and implement their future operating models. In an ever changing ecosystem of Future at Lloyd's, Hybrid working and wider modernisation, understanding how you deliver on your business objectives through your people, process, organisational design and technology is critical. We do this through:

- Assess as-is operating models and identify areas for short term efficiency gains, including process standardisation and automation
- Design target operating models that support management in defining how their business will work in the future; and
- Creating implementation plans that detail the steps required to transform their operating models

Hybrid Transformation Strategy



- Developing hybrid transformation strategies providing best practice guidance to be shared across portfolio companies
- Working with clients to build a business case, create a scheme of work, provide expertise & PMO support or to deliver workstreams. Deep diving into issues & devising a bespoke strategy & approach
- Building business cases and cost/benefit analysis around commercial viability
- Providing guidance on specialist challenges like tax, legal or reward issues
- Delivering insights to drive change including running employee and data led analytics sessions & workshops

Technical and Non-Technical Claims Skills Assessment



- We work with clients to help them achieve better clarity and documentation of existing skills and capabilities within their organisation.
- Through use of our skills assessment approach and framework we support clients in identifying gaps in technical and non-technical capabilities within their organisation and develop roadmaps and delivery plans to address these.
- We applied this methodology and approach when supporting the LMA in developing their latest Claims Curriculum.

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