



the definitive mark of achievement

LOSS ADJUSTING INITIATIVE OF THE YEAR

Merlin Claims



FINALISTS 2009

Cunningham Lindsey • Merlin Claims • QuestGates



## Merlin's magic

Newly rebranded loss adjuster Merlin dazzled the British Insurance Awards' judges with its claims management solution, which offers an award-winning combination of speed and cost savings, writes **Stephanie Denton**.

**Richard Webster, left, from Merlin, with Adam Simms of Service Solutions Group.**

the customer experience year on year. Finally, Merlin introduced an open-book policy with the client that offers full visibility of cost and profit from the contract.

The system uses Xactimate and XactAnalysis technology as developed by Xactware; it has already proved its worth in the US, where it is used by 18 of the top 25 property insurers.

This software delivers indemnity spend control to address and meet the required outcomes of the insurance industry in order to reduce indemnity spend, reduce the claims life cycle and its complexity, enhance the customer's experience and choice during the claims process and share risk and performance rewards.

Xactware is able to reduce claim life cycles and indemnity

tion and accurate reserving. The system produces detailed schedules online via graphical estimating and a validated, regional schedule of rates.

XactAnalysis is the web-based tool that provides the platform behind all supplier communication, integrating the claims management process, reporting and performance to offer real-time, online information that is fully transparent.

### Eliminating abuse

Merlin's use of Xactware has helped the company to reduce scope creep and abuse — achieving up to 20% savings in repair costs — while at the same time reducing the claims life cycle and enhancing the customer experience through managing expectations.

The system has been successfully piloted, with Legal & General agreeing to increase volumes to Merlin by 300% and enter into a sole-supplier arrangement. The judges were impressed at the way Merlin made inroads into the sector with not only the integration of a key software solution but a major rebrand and staff investment.

INTODAY'S economic climate, the insurance industry is under intense pressure to reduce indemnity spend and reduce cycle time, though without adversely affecting customer experience. No area feels this more than the loss adjusting sector and so, when the British Insurance Awards' judges saw a company that was able to achieve up to 20% savings in repair costs through innovation — while still enhancing the customer experience — they felt that it deserved recognition.

### A rewarding proposition

Last year saw the merging of AMG, Sigma Claims Solutions and Carr Greenwood Smith under the new brand of Merlin and the consolidated firm faced the challenge of turning its in-house knowledge and skill into a profitable and rewarding proposition for the insurance industry.

First, Merlin identified the issues facing the insurance industry — including factors such as increasing indemnity costs and client expectations,

lack of transparency in the claims process and a disjointed customer journey — and it set about developing a proposition to solve these problems.

The Total Claims Management Solution — underpinned by Xactware — has a menu of serv-

Ultimately, this is where the market is moving to and we like to think we are pioneers in terms of change. WEBSTER

ices and processes for a claim to follow. The model means that the insurer retains final loss notification and can repudiate claims or offer cash to settle high-volume claims with a low-value buildings and contents element — while Merlin determines the 'right solution', be it adjuster, surveyor or contractor led or a combination of these options.

A risk-and-reward mechanism was also introduced internally, with key performance indicators linked to individual appraisals and bonus structures, which incentivised Merlin staff to deliver indemnity cost savings and enhance

spends by providing solutions from reinstatement to complete rebuilds. It also, through a web-based client suite, improves communication and sets expectations through instant informa-

## Winning Words

Richard Webster, chief executive officer of Merlin, said: "We have had a lot of changes over the past 12 months, we've rebranded the business and moved away from the three brands — and core to our new proposition is that we are using Xactware as a software model. We are moving away from pure loss adjusting and this award recognises we have evolved as a business, and we are moving with the demands and expectations of the market. Ultimately, this is where the market is moving to and we like to think we are pioneers in terms of change."

# XACTWARE®

[www.xactware.co.uk](http://www.xactware.co.uk)

Reprinted with permission by Media Revenue Services Limited. Not to be reproduced without authorisation.



BRITISH INSURANCE AWARDS 2009 SOUVENIR SUPPLEMENT