



## Case study

Name: National Highways  
Sector: Infrastructure  
Location: National Project,  
remotely delivered

# Performance Improvement within the Green Claims function of National Highways

There are over 10,000 incidents per year on the National Highways network, causing an estimated cost to repair of around £40M. Damage to Network Property (DNP) is the term referring to those incidents where there is damage to an asset, or assets, on the network. In many cases this damage is caused by driver error and the cost of the repair is recoverable through the driver's insurance policy. The more National Highways recovers from Insurers against the cost to repair the damage caused, the more can be reinvested back into the network.

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*“This has been an absolute game-changer for us. The quality and outcomes that have been achieved would not have been possible in these timeframes without the support of the Managementors team.”*

Liz Herridge, Director of Network Claims and Transformation

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## Key challenges

- Significant under-recovery of costs, impacting on regional OPEX budgets
- Substantial and growing claims backlogs
- Very little visibility of performance
- Lack of standard processes and agreed best practice

## Key gains

- Bespoke, integrated Management Operating System developed and installed
- Processes and best practice agreed and documented, and roles and responsibilities defined
- Strengthened interfaces across end-to-end process
- Increased ownership and accountability of claims, improved team resilience and morale
- Asset Delivery recovery increased by 402%, comparing April-Dec 20/21 with the same period for the 19/20 Financial Year
- Overall recovery increased by 136%, comparing April-Dec 20/21 with the same period for the 19/20 Financial Year

## Introduction

Project Reditus began as a pilot in the East Midlands. Despite the East Midlands (Area 7) being the first region to transition to the Asset Delivery (AD) Model, it was recognised by Senior Management that numerous issues existed throughout the Green Claims process causing significant under-recovery of costs against target. The output of the team was below where it needed to be and a considerable improvement in performance was required in order to achieve the regions business objectives.

Given the frustrations and challenges present within this function, National Highways Leadership from across Portfolio and Performance, Finance and Business Services (FBS) and Area 7 Service Delivery were keen to address the issues and gaps within the A7 Claims function, and provide the tools, structure, clear processes and guidance needed to enable the team to achieve a step-change in performance. As such, Managementors conducted an objective review of Area 7's Claims function to understand the opportunity to improve and to identify the root cause of some of the key issues impacting this part of the operation.

Following the review, Project Reditus was initiated as a three-month pilot. Following the successful delivery of the pilot within the East Midlands, Managementors worked with FBS Senior Management to undertake a phased roll out of the project into each of National Highways' AD regions, including the newly mobilised Area 4 region, as well as the Central Green Claims team.

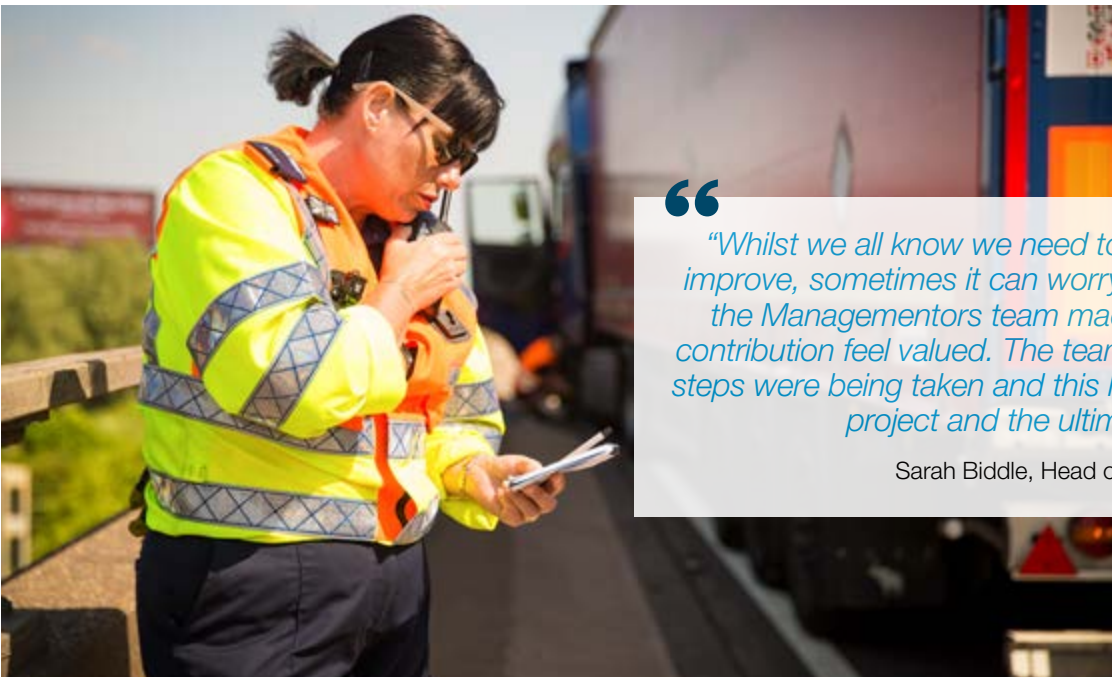


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*“It has been eye-opening regarding what can be achieved with the right tools, reporting and resource. We have been able to see what we are achieving each day, where the blockers are and what we can do to relieve these.”*

Julie Turner, Network Claims (Green) Team Leader

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*“Whilst we all know we need to continuously change to improve, sometimes it can worry individuals within a team, the Managementors team made each team member’s contribution feel valued. The team understood why different steps were being taken and this helped them feel part of the project and the ultimate success.”*

Sarah Biddle, Head of Network Claims

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## The Challenge

Initial analysis undertaken by the Managementors team highlighted a number of key issues within the Green Claims function. Whilst each region the Managementors team worked with as part of the roll out had its own distinct set of challenges, a number of common themes were present across the regions at the start of the engagement such as:

- Significant & growing claims backlogs
- Lack of follow-up of claims & little prioritisation of the WIP with claims ‘cherry-picked’ by the team
- Lack of standard processes and agreed best practice
- Low team output and significant under-recovery of costs, impacting on regional OPEX budgets
- Disconnect between regional recovery targets and realistic recovery

It became apparent that there was a distinct lack of performance measures, targets or a review structure through which to effectively manage recovery. As a result, Liz Herridge, Director of Network Claims and Transformation for National Highways stated that “the teams had become disengaged because they didn’t have any visibility of what was required from them. The lack of metrics meant they had no real idea of where they ought to be spending their time and what they should be prioritising.”

There were weak interfaces and a lack of clarity with regards to roles and responsibilities within the end-to-end process. This was something that Liz was keen to focus on by “unblocking the issues in the chain and making sure that the teams had the capabilities and the information to do their jobs to the best of their ability.”

Another area of focus was the Claims Team Operating Model and the need to increase the accountability and ownership of claims, with Liz highlighting the need to “upskill the team so that they felt confident in what they are doing.”

Furthermore, there was a lack of consistency in what we presented as a cost pack, risking reputational damage to National Highways and a lack of trust with Insurers. “The teams were fire-fighting because the quality of the cost packs that would end up on desks were so poor and they didn’t have an avenue to explore and try and get the information that they needed”, added Liz.

It was summarised by Liz that “as a team, we needed to work smarter and more efficiently and we didn’t have any of the tools to help us really understand where we needed to apply focus and why it was taking us so long. We intrinsically knew that our teams weren’t working as efficiently and effectively as they ought to be.”



## Approach

Taking a facilitative approach, Managementors worked in partnership with key National Highways stakeholders to implement processes and management controls to form a stronger, more productive Claims team, and improve cost recovery for the region.

In each region, it was of vital importance to gain visibility and consensus re the key issues hampering the performance of the region. To achieve this, workshops were organised involving stakeholders representing all of the functions that touched or influenced the end-to-end Claims process. In these workshops, both the 'as is' process and Management Operating System (MOS) were critiqued, with gaps and root cause issues identified. In each region, these were quickly translated into an opportunity log, and progressing these opportunities into solutions provided a focal point for the project.

Emphasis was placed on reducing wastage within the Claims team, often working with stakeholders upstream in the process to make improvements to the availability and quality of the information required in order to drive a 'right first time' approach to cost packs. Initiatives were rolled out in each region to strengthen interfaces and feedback loops with key stakeholders within the process such as Traffic Officers, Police Liaisons, Network Operations Management and the Service Delivery and Commercial teams, in some cases redefining 'as is' roles and responsibilities and processes in order to tackle the challenges brought to the surface. 'Right first time' tracking was also developed and rolled out to quantify and feedback issues and help address the root cause. At the heart of the project was the development and implementation of a bespoke MOS – providing the Green Claims function with the tools and reporting needed to effectively manage and improve its performance.

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*“The team that came in were really good at navigating some of the complexities and some of the worries and concerns by putting our teams at ease but also holding them to account. It was a nice mixture and balance of hand-holding, support, coaching and mentoring but equally being quite clear about expectations and delivery.”*

Liz Herridge, Director of Network Claims and Transformation

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## Outcomes

Following completion of the project, Liz commented “there isn’t one team that hasn’t been celebrating. The teams now have a sense of ownership, pride and accomplishment. They are really proud of what they do and collectively they can see the wider business acknowledgement that they are getting.”

One of the key elements of the Green Claims MOS included the development of a Target Operating Model for both the Regional and Central Claims team, increasing accountability and ownership by transitioning the regional claims handlers towards an end-to-end claims handling model, and redefining the role of the Central team within National Highways’ AD model. As part of this, skills gaps were identified within the team and training plans established to transition the teams to the ‘to be’ operating model.

The agreement of key performance measures for the Regional and Central Green Claims teams, and development of Regional and Central Claims Dashboards, is now providing management with clear visibility of daily/weekly/monthly performance. The reporting is supported by robust, performance-focused review structure, focussing on key measures and issue resolution. Close coaching has enabled the Regional and Central Claims Managers to shift towards a more ‘active’ style of management and use the data to understand their team’s performance and continuously improve. “We’re proactive, we’re no longer reactive. For me personally, it’s given me the tools that I needed to manage the overall team and have the assurances that we know exactly what’s going on.”

This paired with the development of the financial forecasting model has yielded great benefits. Julie Turner, Network Claims (Green) Team Leader highlighted that “for the first time we have more meaningful and accurate data on potential recovery in the pipeline. By using this data and working in a more collaborative way with both our Finance Business Partners and Operations colleagues we are now able to produce a robust picture of what is achievable and influence the setting of realistic recovery targets.”

Best practice responses have successfully been rolled out including guidance and letter templates to improve consistency and professionalism across the regions.

Looking towards the future, Liz is confident that the tools and behaviours embedded will continue to drive improvement in staff engagement, efficiencies and income. “The project turned out better than expected! We’re sticking to the rhythm and daily drum-beat of the meetings that were set up and each manager is responsible for making sure people engage” she says. “We’ve embedded the MOS tools and financial forecasting model into our ‘business as usual’ process. Our Regional Claims Managers now have a very clear process and set of tools to help them manage their workload.

We’ve got much better engagement from each area than we ever have had. Overall, it was one of the best things we’ve ever done and I don’t think we could have got where we’ve got to today without the Managementors team – it just wouldn’t have happened.”

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*I have just rung one of our Claims Handlers to say thank you and congratulate her on the results. She is thoroughly enjoying her work and the new challenges and quite honestly is a completely different to the person who began this project in terms of her levels of engagement and enablement. You should take credit as a team for this change and the benefits it has brought our staff.*

Rob Penney,  
South West Network  
Operations Manager

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*“Working alongside Managementors has been an efficient and easy process. The tools and resources supplied have enabled effective tracking of our Area 7 Claims team recovery and productivity. They have enabled our Area manager to understand the performance of her team and which key tasks to prioritise on a daily basis. The Managementors team have been focused on our key priorities and have provided support to the team and manager, to enable effective change resulting in an increase in performance. Results have been clear to see in an increase in our recovery and the performance of our team on our key metrics, over the period of the programme.”*

Performance Analyst,  
FBS Network Claims and Transformation

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*“Working with the Managementors team has been very driven, structured, organised and enjoyable.”*

Karen Barker,  
Regional Claims Manager

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*“As our project comes to an end. I just wanted to say a few words of appreciation for the help and support you have given us from both myself and the team.*

*I can't thank the Managementors team enough, the project has been a godsend. It's introduced me to the wider Area 7 team and got everyone working together to improve the end-to-end process from incident to settlement. The pace was a shock initially but we soon got into the flow of it and it has far exceeded my initial expectations. We have come from having nothing to team/wider team structure and are now consistently delivering amazing results. The reporting we implemented has given me complete visibility of what I would expect to see as a Claims Manager, highlighting the team's performance on a daily/weekly/monthly basis and would go so far as saying is one of the best BI reports I have seen within any claims department”.*

Tracy Tilford,  
Regional Claims Manager

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Contact us to find out what  
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