

# EQC Response to Canterbury Events

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Lessons learned

MARTIN<sup>1</sup>JENKINS



## Preface

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## Context

The Canterbury earthquakes of 2010 and 2011 were New Zealand's most damaging natural disaster. The earthquake of September 4, 2010 was of magnitude 7.1 with shaking that produced severe liquefaction in areas of soft soil, affecting several thousand homes in Christchurch and the Waimakariri District farther north. This was followed by thousands of aftershocks during following months. On February 22, 2011 a magnitude 6.3 earthquake ruptured a fault almost directly beneath Christchurch. This earthquake generated extreme ground shaking resulting in the damage or collapse of many commercial buildings, 182 deaths and extensive liquefaction.

In total, from the period 4 September 2010 to 23 December 2011 there have been 15 earthquakes that qualify as separate insurance events.

The loss of life from the February earthquake is unprecedented in New Zealand history, and the multiple event nature of the Canterbury earthquakes, with the extensive land damage and associated complexities are unprecedented in human history. For EQC the Canterbury earthquakes had resulted in 618,000 building, land or contents claims by 24 November 2011, and internationally the September 4 and February 22 earthquakes are each among the five most damaging earthquakes in the world by insured losses (Briefing to Incoming Minister 2011).

Responding to the demands of this situation for any organisation was always going to be far from „business as usual“, with response and recovery agencies developing new solutions in situ and finding existing arrangements at times inexperienced and inadequate for responding with textbook efficiency and effectiveness to demands on them.

Despite this, much has been achieved by EQC throughout the process of responding to Canterbury events as assessments have been completed, contents claims settled, emergency work undertaken and managed repairs underway in Christchurch. Organisational and outsourcing arrangements in place under the Catastrophe Response Plan assisted with this, as did the sheer energy and drive of EQC personnel, contractors and personnel from colleague agencies for getting things done.

EQC in early 2012 is quite a different organisation from that of September 4, 2010. There have been significant developments in capability, systems and processes as lessons have been learned on the journey.

The current report recognises these lessons and provides additional perspectives on key insights from reviewing the EQC response to Canterbury events.

## Main Messages

The EQC should:

- Broaden its legislative mandate, clarify leadership, and re-order the organisation's priorities so that fund management and insurance processes underpin the overarching role of risk managing recovery from disasters
- Reshape its business model to strengthen the central hub's ability to strategically manage its outsourced spokes, and modify the just-in-time approach to sustain a reserve capacity at the centre
- Escalate preparatory planning beyond events of largely predicted parameters to catastrophes with unknown dimensions, and deepen the layers, reach and skills of the on-call response

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## Mandate

- 1 The EQC's current legislation characterises it as an insurer and fund manager, focused on transactional processes, rather than a complex risk manager with policy and social responsibilities. This characterisation has limited its primary Government relationship with its Crown entity monitor, the Treasury.
- The EQC's role as a pivotal recovery agency needs to be reflected in the legislation, providing the prompt for it and the monitor agency to prepare for and activate this role.
  - The EQC's policy and social responsibility roles related to recovery need to be reflected in legislation to provide a clear mandate and attract appropriations, and clarify boundaries for the Minister and the Letter of Expectations.
  - The mandate is an equally important foundation for EQC to renew its HR strategy to attract younger, ambitious talent, including a range of strategies such as outsourcing, fixed term engagements, secondments, and public sector career enrichment opportunities.
  - The EQC is currently addressing its policy role as an agency responsive to the directions of the Government. In parallel, it should negotiate with the Treasury to ensure monitoring goes beyond fund management to report on all the dimensions of the EQC as a complex risk manager.
  - Policy should leverage the EQC's respected expertise in seismic research and modelling to seek an inter-agency solution for wider risk management affecting NZ, encompassing the preparation for and coordination of catastrophe response and recovery activity.
  - The funding framework should match the mandate. The current framework is out-of-date. Until February 2012, a premium of \$69.00 set in 1993 covered all 15 major events in Canterbury, based on the combined contents/ dwelling cap of \$120,000. This has been lifted to \$207, still a comparatively small increase, which may be insufficient to ensure that funds match the expanded mandate.

## Background

- 2 Following September 4 2010 the Government transferred oversight over EQC powers and functions in relation to Canterbury from the Minister of Finance to the newly created Minister for Canterbury Earthquake Recovery. The new Minister directed the EQC to adopt a more „hands on“ role in support of reconstruction activities through additional functions, including:
- Project managing a significant proportion of the residential repair and rebuild of Canterbury through the contract with FCC, (rather than settle all claims in cash – EQC's normal historic policy)
  - Designing and supervising additional land remediation activities for work separately funded by the Government
  - Providing key engineering advice to the Government (via Tonkin & Taylor geotechnical surveys)
  - Managing social assistance through:

- Identifying vulnerable households and those seeking temporary accommodation as a part of the rapid assessment project
- Expanding emergency work to include the uninsured (with the costs of emergency works to uninsured houses funded by the Government)
- The Chimney Replacement Programme and Winter Heat Programme initially managed by EECA and subsequently conducted through the FCC contract (and also carried out as „emergency repairs“).

3 These activities expanded a predominantly Crown Financial Institution into wider policy and social responsibility roles.

4 In its response, the EQC could accept the challenge of its new mandate, using its Canterbury experience to seek a more co-ordinated, cross-agency approach to the management of natural disaster risk and recovery, including the looming issue of slow, escalating catastrophic climate change. There is a precedent for this coordination in the formation of the Canterbury Earthquake Recovery Authority (CERA) in March 2011.

### Re-ordering business priorities

5 A realignment of the EQC’s organisational priorities is suggested, along the following lines:

**Figure 1 Priorities before the Canterbury events**

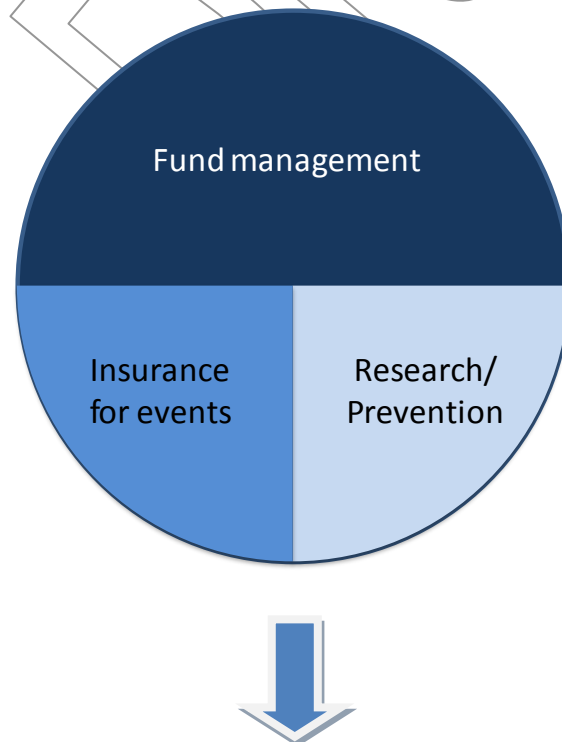
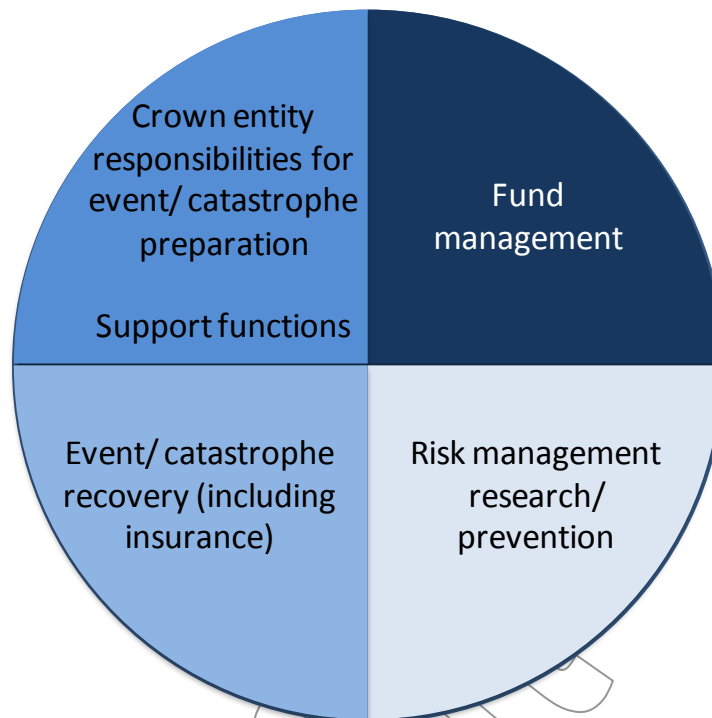


Figure 2 Priorities after the Canterbury events



- 6 Priorities as they were before the Canterbury events paid dividends insofar as the fund had accumulated to \$5.6 billion with high reinsurer confidence in EQC for the provision of cover, including renewing contracts following the Canterbury events. Investment in research contributed to this confidence and influenced strengthened building codes and standards.
- 7 However, these priorities diverted attention from preparing for, managing and operating recovery management in a major event situation. The CRP was not tested for a catastrophic scenario (see below). While no organisation could have been „text book“ ready for the unprecedented events in Canterbury, the EQC response was not as strong as it might have been had pre event priorities focused more on the demands of responding to a catastrophic event.

## Leadership

- 8 EQC's particular role in the continuum of *Research – Prevention – Preparation – Response – Recovery – Wind down* needs to be clarified, in concert with other agencies.
- 9 Under its legislative mandate and directions prior to September 4, 2010, the EQC engaged in *research* (through funding seismic and geotechnical risk analysis), *prevention* (through promotion and education work) and *recovery* (insurance claims management).
- 10 However, the September 2010 event had no loss of life. Because property was the primary issue, and the EQC had expertise on liquefaction, it became the public face for all facets of the continuum, even when the February 2011 event swelled into a civil emergency. This pitched the EQC into a response rather than a recovery role, for which it was not equipped.
- 11 The agency leading each segment of the continuum needs to be documented in legislation. A leadership and coordinating role should be separately identified from agents operationalising the strategies.
- 12 The Christchurch events also exposed leadership gaps within EQC. The detailed response plan focused on getting the frontline up and running and was not supported by a simple plan to identify and procure leadership. Experienced staff with leadership capability were thrown into hands-on operational roles and were unable to stay ahead of the curve. Or the converse occurred, operational staff were mobilised into leadership roles with little prior experience of managing large scale events. In the absence of overarching direction individual solutions were created on the spot with negative downstream consequences.
- 12.1 Hindsight indicates that the organisational support capability required for scaling-up to a very large contracted workforce was not considered adequately in planning, and was not put in place until comparatively late (e.g. communications support, human resource support, financial management and transaction processing support).
- 13 Leadership and strategic capability need special attention because key management arrangements and practices can slip when facing the operational pressures of a crisis. Organisational/ corporate support arrangements were inadequate to support the needs of an organisation facing a flood of activity and rapidly increasing in size. E.g. Finance struggled with the volume of processing and poor invoicing, and management information and challenge to managers re cost control slipped. Management accountants were added when this became apparent, but damage was already inflicted.
- 14 Expertise was also sometimes misdirected. Insurance experts were thrust into project management roles and non insurance experts managed insurance processing. It is recommended that the EQC train at least two senior staff for roles as whole-events managers, as a contingency for separating BAU from an event. Further management layers should be identified and strengthened.

- 15 The appointment of the GM Customer Services in September 2011, with strong logistics management and large-scale commercial operations management experience was the first time that EQC applied the capability required to manage a large scale disaster effort – but this was a full year after the first earthquake of September 4, 2010.
- 16 Leadership goes beyond the EQC. CERA has identified 48 separate roles and responsibilities requiring leadership, under the headings of *Decision-making, Infrastructure, Economic Recovery, Welfare, Insurance* and *Individual Projects*. This suggests the response/recovery agencies should identify and train in emergency management a pool of senior public servants (central and local Government) in active service, who are on call from around NZ (not just Wellington).
- 17 Only 3 of the theoretical list of 20 executive support people for the EQC were available on September 4 2010. The model for executive support also appeared weak. Executives were expected to serve for 3 weeks then leave, which hindered continuity<sup>1</sup>.
- 18 The EQC brought in new competencies and fresh perspectives, but missed opportunities to marry the systems knowledge of the „older“ staff with the management skills of the newer staff. For example, a combination of the knowledge of the claims system functionality of „older“ staff and the management capability of new personnel would have provided EQC with better workflow design for claims management, and helped avoid later challenges for managing data integrity and system performance.

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<sup>1</sup> This was addressed in the instance of the GM Customer Services in Christchurch

# Business model

## Hub and outsourced spokes

- 19 Prior to the Canterbury events, EQC's business model was heavily outsourced, with insufficient weight at its hub to link, balance, coordinate and interrogate the spokes. The core structure for strategic governance based on centralised decision-making was too light to manage its responsibilities.
- Expertise on the systems capability of the EQC was absent but needed to be at hand to constantly advise the management on realistic possibilities.
  - Critical outsourced contracts lacked performance measures and were not always well-managed, resulting in issues not being flagged early.
  - Without adequate reflection, new challenges were often met with more resources or new teams rather than working smarter. E.g. experienced staff claimed better use of the ClaimsCenter system could have saved 100 staff.
  - The lack of a strategic approach with associated risk management allowed suppliers to take advantage of the crisis and impose high contract costs. E.g. hourly rates were set which was more costly than fixed term contracts; Datacom scanning cost \$6 per page when much cheaper alternatives existed (which were eventually employed).
- 20 EQC has now built a stronger central core, particularly since the February earthquake. Initiatives undertaken are outlined in the final section of this report.

## Background

- 21 Historically, the EQC had a permanent staff of 22, one office in Wellington and a back up site in Auckland, and operated as a „virtual corporation“ with all core functions outsourced, except that of research/ risk analysis. This included outsourced call centres for claims lodgement, an outsourced claims administration/ processing facility in Brisbane, and outsourcing of the management and delivery of field operations to contracted loss adjusters, estimators and executive support staff.
- 22 It is clear that most outsourced agencies and personnel knew generally what they needed to do, but they received minimal leadership oversight and management. Arrangements for managing outsourced capability were in place up to a certain point, but little attention given to testing the adequacy of arrangements or developing and strengthening them.
- 23 Managing outsourced service delivery requires capability in the disciplines of project management, contract management and performance management, which differ from the more administrative and processing skills of insurance line management.
- 24 Indications are that these capabilities were not well represented at the „core“ or management level in EQC (from comments in interviews), leading to:
- Initial Call Centre contracts with variable pricing and narrow scope of activity
  - Little training or guidance for Call Centres initially

- No current contract for Gallagher Bassett Services (October 2011)
- Failure to set clear accountabilities and performance measures, which resulted in early contracts favouring the supplier of services
- Some individual contractors such as executive managers and contracted technical staff without contracts in place
- Inconsistent terms and conditions across early contracts for service.

### Just-in-time scaling

- 25 The weaknesses in the outsourced business model were exacerbated by EQC's just-in-time approach, scaling up from a small base, which left it without the necessary reserve to calmly initiate the first steps of up-scaling. This led, paradoxically, to instances of control through excessive rigidity. A quality assurance approach based on delegated authority and accountability, using random audits, would have been more cost-effective and empowering.
- 26 As with outsourcing, just-in-time scaling requires a strong central hub to manage the escalation, with both the capacity and capability to reflect and make an experienced evaluation before activating a swift operational response. Just-in-time is most effective when it proceeds in a well defined framework that allows this. It does not mean „hand to mouth“ or „last minute scramble“.
- 27 Communications and training particularly appeared under-capacity and under-capability. Different training models were used with different messages. This connects back to the centre. A solid core of capable communicators and trainers need to be very close to the heart of the organisation to manage and corral media noise and flood the public with constructive messages.
- 28 However, the capacity must be very flexible because good practice suggests communications needs to get very local, working to a nimble plan. Protocols must be struck with Minister's office. Key to success is not over-promising when the answers are not there, being ruthlessly honest around timeframes and providing explanations. E.g. EQC should have explained that it had a responsibility as a Government agency to be realistic on the first assessments, compared to private insurers who had different incentives for assessments and final claims settlement.

## Insurance model

- 29 The EQC and the private insurance companies share a relationship with the customer: the insurance company as the prime provider of insurance on an ongoing basis, and EQC as the first line insurer following a natural disaster.
- 30 However, historically the two insurers have tended to act independently, and approach their roles from different philosophical viewpoints (one commercial, the other public interest), employ different methodologies for assessment and sometimes come up with disparate estimations for claims. Indeed, they have incentives to do this because of the current legislative framework.
- 31 The EQC is currently reconsidering its model of being the first line insurer (including contents) to leverage the private insurance market's closer proximity, awareness and transactional intensity with customers. It requires significant levels of trust and protocols are being developed to accommodate the different commercial drivers and orientations and methodologies of private insurers and the EQC to the same properties, which has sometimes led to different assessments (and confusion for the common customer). A cleaner working interface between the two will strengthen relationships with reinsurers, and provide a better experience for customers.
- 32 The EQC has developed good relations with reinsurers largely because of the focus it has given research and risk analysis, and the attention given to the relationships. However it is likely that the EQC will also have to allocate more resource to maintain this relationship with re-insurers. It has already moved to increase the frequency of meetings. Up-coming audits are to test the integrity of its settlement data will require resource attention from EQC.

### Background

- 33 The Canterbury events highlighted a number of issues with the insurance model:
- The lines between the private insurer and EQC became blurred for the customer. People wanting earthquake damage claims cover often contacted their private insurer in the first instance. Some insurers provided assistance to customers for lodging EQC claims (their van became a de facto EQC shop front), others referred customers back to EQC, particularly where there were small claims that would obviously qualify for EQC cover.
  - Market research indicates that many customers went to their private insurer first for contents claims in particular. Those who went to EQC expressed some frustration at having Perth or Brisbane answer the phone, rather than someone with local knowledge.
  - The situation of one customer and two separate insurers led to some duplication of effort with customers in assessments, and engendered confusion, conflicting messages and disparate estimations for claims.
  - A joint working group has been formed, and a protocol for resolving disagreement/ disputes around „close to cap“ estimations has been developed.



## Culture and capability

- 34 The culture that prevailed in EQC prior to the events of September 4, 2010 was a significant determinant of the management and operational response behaviours on and after the first earthquake. This impacted the quality of decision-making, the ability of individuals within EQC to cope adequately with the demands of the flood of work to be done, and the quality of service provided initially to customers making claims for insurance.
- 35 EQC culture prior to and immediately after the Canterbury events exhibited a number of characteristics, with implications:
- Historically, the EQC was a small organisation living in largely quiet conditions. This encouraged a comfortable family culture (“nothing will happen until I retire”), which left silos unchallenged, and tolerated independent and self-sufficient decision-making and action by managers and staff in their respective areas. This dynamic was not problematic while the working environment was undemanding.
  - Urgency and energy come easy in times of major disaster response. People were „tossed into the field” which worked well where individuals were highly experienced and capable, and able to be self-sufficient. But there were many cases where „initially we had no idea what we were doing”.
  - Some things did not get shared or benefit from the insights of others. The most critical appears to have been the insider testing of the CRP (without external challenge) and its poor penetration. CRP testing needs external participation to provide insight and challenge (for example, from other agencies such as Ministry of Civil Defence and Emergency Management, New Zealand Defence Forces).
  - Also in this regard, the CRP testing did not appear to benefit from the insights into risk analysis and disaster modelling gained from EQC research to support representations to reinsurers (it was tested for the claims capacity that existing arrangements could handle - up to 30,000 - not beyond this). These insights might have prompted more „imaginative” scenario modelling and testing of the CRP.
  - The private insurance company has the initial and ongoing front line customer relationship with insured parties. The relationship with EQC has been more removed. People come to EQC as „claimants” after an event, having lodged a claim for compensation. EQC then administers the process of assessing and settling the claim. Historically, this „claimant” orientation has emphasised a transactional relationship between EQC and the individual over a customer service orientation. This situation has been addressed by EQC through significant changes to customer facing activities (e.g. call centres, assessments) and appointment of a GM Customer Services.
- 36 Following the Canterbury events, the EQC has attracted a number of energetic, highly capable individuals for key management and operational roles. It is considered exciting and challenging work, and new staff are instrumental in improvements to capability, and service delivery. There is increased communication and collaboration amongst managers and staff in EQC.

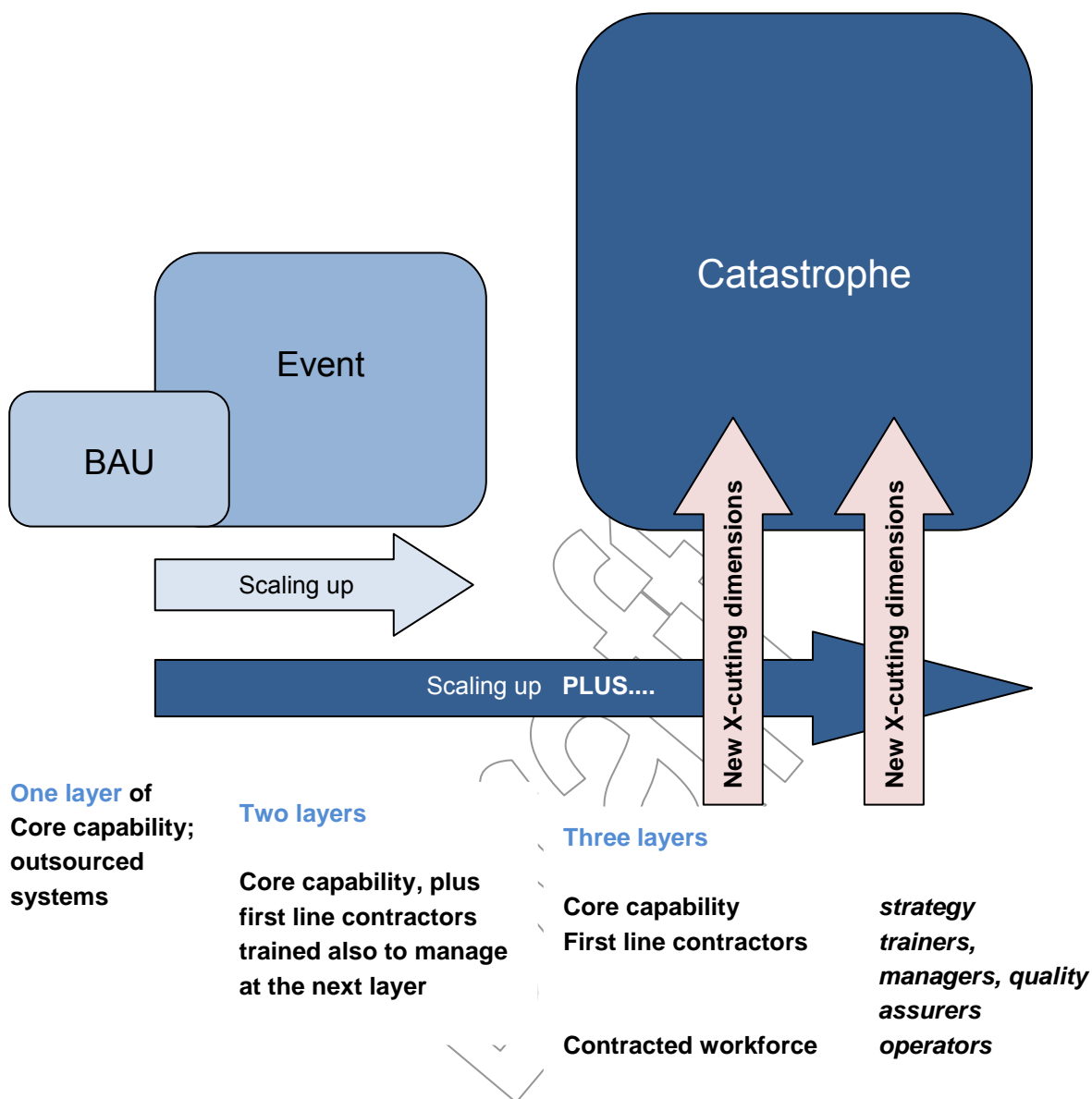
- 37 This urgency and energy is required in quiet times as well, while maintaining continuity. Strategies could include positioning the EQC as a stepping stone to executive appointments within the wider public and corporate sectors to active senior secondments. The culture and remuneration should be attractive. Individuals could be offered career development opportunities in the „pool“ of agencies involved in a whole of government view of risk management, response and recovery. This would include the Treasury, Department of Prime Minister and Cabinet, regional and local government and private insurers.
- 38 EQC human resource and organisation development planning should attract „high flyers“ for a short term contribution, and maintain alumni contact with them once they have left to provide the opportunity for an ongoing contribution to EQC’s preparedness and response capability. The EQC core organisation development capability needs the skill set to support this sort of activity.

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## Preparatory planning

- 39      Scaling up (from BAU to a big event) is a logical foundation/baseline principle, but:
- The CRP as it was prior to the Canterbury events was a principles-driven operational programme geared more for a known event than a plan for an unknown, elastic catastrophe. It focused on getting front-line staff up and running rather than scaling up strategic capacity and management. Many templates and formulas were too inflexible for the chaos, or were not communicated to new arrivals. A higher level focus on required capabilities/competencies would have been more empowering.
  - The response position was „business as usual, only bigger“. This meant that managers with small event experience were expected to cope with scenarios well beyond their previous experience and peacetime paper-based systems were simply expanded (with significant issues). It was only the shock of February 22 that caused a rethink of this philosophy.
  - The big event wasn't imaginatively cast (as truly catastrophic, ongoing, with embedded uncertainty). The big event for modelling the CRP was a Wellington event of known proportions.
  - The single event mind set affected some work. E.g. assessors for Sept. 4 damage ceased to gather data if it was above the EQC cap. When Feb. 22 hit, there as insufficient information on the file to compare Feb. 22 with past events. This presents challenges for allocating damage to events, with the EQC unable to complete a full claim assessment for any event until the impact of each separate event is calculated.
- 40      Importantly, scaling-up needs an in-built capacity to step back and reflect at key stages on whether conditions are scalable from BAU, or present new dimensions which requires changes which depart from the foundation/baseline plan. The principle that „catastrophe response procedures have the same basis as routine“ did not encourage applying different capability or working differently when a catastrophe occurred. E.g. paper data recording was used in the field when ClaimCenter is a web based field oriented tool.
- 41      The planning approach needs more layers, with a true catastrophe at its apex. It is in those conditions that standard administration and organisation support arrangements need to be tested (e.g. Finance and Accounts), against the human contingencies that are likely to occur. This layering is represented in the diagram below.

Figure 3 Layered responses: BAU – events - catastrophes



42 **Business as usual** is the scope of activity that EQC might reasonably expect to engage in on an ongoing, regular basis (2,000 – 6,000 claims p.a.). This will include activities to deliver on its core functions as specified in the Act, and in response to specific directions from the Minister.

43 BAU includes a hub of core capability, complemented by a base set of outsourced service delivery spokes managed from the hub. Competencies and roles within the organisation would be expected to include:

**Competencies**

- Strategic management capability (policy, business strategy, relationship strategy, risk management, organisational strategy, including scaling up)
- Contract and performance management (for outsourced service delivery)

- Project management (disciplines for role clarity, risk registers, regular minuted meetings, communications)
- Disaster Response – Planning and Implementation (operational and organisational scaling, as well as technical response capability)
- Research and risk analysis (for preparedness, funds management and reinsurance)
- Corporate „shared“ services competency across finance, information and knowledge management, communications, human resource management, training, operations support (site management, fleet management).

### **Roles**

- Core capability should include key roles for management of:
  - Policy and Strategy (Organisational Strategy/ Focus; Government relations; Risk Management)
  - Risk Funding (Investment/ Funds Management; Reinsurance)
  - Operations Management and Customer Services (Field Operations; Claims Management, EQC Quality Service Delivery – Quality Management)
  - Research and Education (Research Coordination; Risk Modelling; Promotion)
  - Support Services Provider Roles:
    - Communications
    - Organisation Development (human resources, incl. support and advice; training and development; business improvement)
    - Corporate Services (finance; risk & assurance; information systems incl. claims administration; IT support; information management; operations support)

44 Outsourced arrangements might include a pool of capability that is more than enough to respond to the average of 2,000 – 6,000 claims p.a.

- Pool of contracted loss adjusters and estimators (not dissimilar from the group size in place prior to September 4, 2010)
- Pool of contracted executive support who are regularly called upon to manage the field operations response
- Both these pools represent a reserve capability which can also be used as the advance force in response to a larger event (the next level)
- Outsourced claims administration capability (off shore or from within the private insurance industry – see discussion re insurance model above).

45 **Events** assume a simple scaling up of BAU resources with a focus on strengthening the management capability to supervise in the field to deal with increased activity (6,000 – 30,000 claims p.a.).

46 This requires a broader pool of potential managers for increased field operations and claims management in addition to the pool of executive support personnel who are

part of the outsourced business as usual group. This pool could be sourced from offshore, or from around New Zealand and be engaged through a Memorandum of Understanding requiring release from current commitments in the event of a large event. The critical factor is for people to be available to assist when required.

- 47 EQC in-house operations management resource would continue to manage the response, and people would assume specific event response management roles for the duration of the response and recovery operation, guided by a Major Event Response Plan similar to that developed by EQC for a major disaster event in November 2011.
- 48 Events require increased training activity to ensure that new managers and contract service delivery personnel are inducted to EQC values, approaches, operational procedures and systems that they will be using.
- 49 **Catastrophes** require a response capability beyond scaling up from BAU.
- 50 Core capability will have the competencies and roles to provide the corporate support services to manage a significantly enlarged contracted workforce. The EQC has a clear view of this following the Canterbury events.
- 51 Major challenges are for managing the scale of the work involved, and ensuring quality of service delivery under extreme pressure. This will require senior capability for large programme management and an expanded framework for quality assurance and performance management (including up-scaling the effort from training).
- 52 It is likely that EQC BAU management personnel will not possess the breadth and depth of large scale event management experience, and this will need to be outsourced. The EQC CRP planning and strategic HR planning should include arrangements for sourcing this capability and ensuring it is on the ground very soon after the event happens.
- 53 CRP plans should provide guidelines for BAU managers with smaller event co-ordination experience to „hold place“ in the short interim period, and then revert to BAU roles or act as support for the Event Manager.

## Systems

- 54 Very rapid shifts in technology will be ahead of a contracted workforce and the training systems. Training must concentrate on extracting the full capacity and functionality of current systems and known technologies. Introducing a new system or technology in situ requires rigorous cost/benefit analysis from centrally accessible expertise. (The ipad and COMET programme were introduced with minimal cost-benefit analysis and proved incompatible with IBM systems – issues have been overcome, but at considerable expense).
- This creates a peace-time need for constant research to identify the best systems and technology before an event or catastrophe.
  - The centre must hold some strategic systems knowledge, and IT needs to be part of strategic and operational planning (including training).
  - Processes and systems need to be constantly simplified (the average claim is touched by 14-22 people).
- 55 At the time of Christchurch, IT and HR were tier 3 roles with limited influence on strategic decision-making. IT and the business need to be integrated, so that IT supports the business rules and the business knows the capability and limitations of IT.

## EQC Progress

- 56 The previous sections outline some significant criticisms for lessons learned, but the EQC has already responded by conducting a major event planning exercise in November 2011. Further, it has applied rigorous internal analysis and invited external feedback on its performance in Canterbury.
- 57 In response to the Canterbury events EQC has initiated the following actions (in summary):

### Capability development

- Key executive and other management positions have been created and filled with capability to match the role:
  - GM Communications, GM Organisation Development, GM Strategy, Policy & Legal, GM Customer Service, GM Corporate Services; GM Research and Development.

This has added to and strengthened the capability at the senior management table, as well as the operational response in Canterbury.
- Further positions have been created at the centre to strengthen strategic and operational management.
  - Risk & Assurance Manager, Chief Information Officer, Business Information Unit Manager, National Claims Manager, Call Centre Manager, Business Improvement Manager.
  - Increased resource has been provided to support these roles.
- The GM Customer Services has provided the central management core for operations management, including contract management and operational finance management.

### Organisational initiatives

- Development of an organisation-wide, coordinated Major Event Disaster Plan, including clear roles, responsibilities, and roadmaps for action at key stages to guide EQC recovery responses to large claim scenario.
- Developing a strategic approach to catastrophe response through a framework incorporating proposed plans for catastrophe response, major event response, business continuity planning and disaster recovery planning.
- Development of a new operating model design to better support EQC business incorporating „shared services“ and accountability mapping.
- Establishment of a Programme Office to manage and support business improvement initiatives within EQC.
- Design of a new management reporting framework.
- Improvements to governance and management of claims in Christchurch.



- Enhancements to ICT systems, processes and staff through a ClaimCenter upgrade and a national telephone network and wide area network.

### Operational initiatives

- Roll out of the Fast Track Claims processing programme to expedite smaller claims processing (up to \$10,000)
- Implementation of the Rapid Assessment Programme to respond to the decision that all dwellings be assessed post February 22, irrespective of insurance status
- Conversion to electronic data capture in the field of inspection and assessment data (via ipads and COMET)
- Establishment of Call Centre Support Team to provide proactive outbound calling and support call management
- Business process mapping (Promapps) of key operational processes and access to this via intranet
- Upgrade and review of field training programmes for increased relevance to the job at hand

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