

# The changing face of auto: fresh perspective meets new technology

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It's the call we're hearing across the country: help needed. And the auto industry is no different; from regional carriers who simply don't have enough people on hand to keep up with demands of the business, to corporate partners with large fleets working overtime to keep up with changing technology, the question is the same — how do we keep up with ever-changing industry advancements?

For the problem solvers and the quick thinkers, this opens up an opportunity for partnership, choosing partners who are focused on people and technology, with the capacity and expertise to supply a bundled solution that creates efficiencies and cost savings.



### THE [MISSING] TALENT FACTOR

From long-term workers nearing retirement age to flagging recruitment efforts to bring new talent into the fold, there is now – and will continue to be, for the foreseeable future – a gap in human resources throughout the auto industry. And it’s impossible to ignore or avoid how labor shortages, exacerbated by the still-raging pandemic, have affected the marketplace as well.

That leaves us with an aging demographic of industry insiders, a younger demographic looking elsewhere (perhaps not even aware that opportunities in the auto industry exist) and a swath of people who have found their way into claims rather than setting that as their primary career path.

So how can we mirror our industry reflection to the changing face of the young professional? To turn the tide, we can and should be reaching across the talent gap with:

- College development training programs that authentically welcome new perspectives and fresh faces into the fold
- Social media campaigns that reach younger candidates where they are, and can teach them about career paths in claims handling
- Holistic benefits that speak directly to them – like purpose-driven work, flexibility in their workplace environment, and an organization that will take care of them mentally, physically, financially and professionally

## TECHNOLOGY ADVANCES AND OPPORTUNITIES

Along with new faces and fresh perspectives, adding to this changing face of the auto industry is a different approach to how we're using technology.

There aren't a lot of places where "one size fits all" turns out to be true — it certainly isn't in claims. Where before all claims went to one place, through one process, we know now that all-or-nothing approach is rarely what's best for customers. Instead, smaller carriers and fleets would benefit from modeling the programs and processes of the larger, tier-one carriers, in terms of making sure they're using the right type of loss adjustment expense (LAE) and lowering their overall indemnity costs.

Fueled by technology, we're seeing a necessary shift at the adjuster level when it comes to determining method of inspection (MOI), based on information found through the first notice of loss and damage description. Field appraisers are saving time with technology by managing their workload and overall work process directly from the field via mobile applications; for the adjuster, repair triage tools that can identify what type of loss goes through what type of repair process (e.g., photo estimatics or total loss processing) are done at the first notice of loss or the desk level.

## Type of loss

- Low severity (no intention to repair)
- Medium severity (vehicle will be repaired)
- High severity (border or potential total loss)

Basing a recommended MOI on the type of loss – rather than draping it with a blanket solution – increases customer satisfaction, drives down LAE cost and severity, and streamlines and simplifies the whole process.

By triaging correctly up front, you've got more quality control over your claims as well. As many carriers work through shortages with staffing and recruitment efforts that are more competitive than ever, they're turning more frequently to outsourcing as an efficient way to manage the end-to-end claims piece.

Other industry trends we're seeing:

- **Telematics**

In a *people first, tech forward* environment, nothing aids our experts more than expedited access to data in order to control claim costs. By merging the information we get from telematics and cellular technology, we're able to access real-time claim data at an accident scene.

- **Direct repair programs**

Through a national network of shops, clients can choose a repair facility and submit claims directly after capturing basic claim details, toggle between preferred network or chosen repair facilities to compare labor rates, and view repair facility ratings based on KPI metrics (e.g., cost containment, cycle time, customer satisfaction).



- **End-to-end auto solutions**

From accident to settlement: An end-to-end auto solution will cover everything from end-user mobile applications to full-service vendor management to complete claims management. It'll provide adjusters an actual triage model, walking them through whether something needs field support or if it should go to a direct repair program, for example. The right technology will guide the adjuster through the process, helping to determine if a claim can be photo estimated, or if it's a total loss that will require "boots on the ground."

## **TALENT + TECHNOLOGY + TOOLS**

With a robust blueprint of what you're trying to accomplish, from challenges you're currently facing to areas of future growth, we can build a strong foundation — one that will continue to support strategic growth through customized technology and expanded solutions.

An end-to-end auto story needs to incorporate both seamless process and exceptional technology, keeping it effortless for consumers throughout the lifecycle of a claim. And behind it all should be a talented, knowledgeable team of experts, busy matching solutions to needs.

### **What to look for in an end-to-end auto solution:**

- A seamless, efficient process, which will lead to a direct reduction in costs
- Agility via a customizable workflow, either through end-to-end handling or as a tailored supplement to existing first notice of loss and policy verification processes
- Technology that ensures a fast cycle and response time, minimizing frustrations for the consumer when they're in the midst of a challenging, often stressful time
- Robust auditing and oversight protocols to ensure accurate estimates
- Insight and transparency into costs and work cycle through detailed reports

## **RESOURCE**

<https://www.sedgwick.com/blog/2021/08/03/vehicle-dents-dings-and-damage-the-role-of-pdr>