



Risk Management/Loss Control

New safety program and strong relationship with underwriters lead to major savings

SUMMARY

A contracting firm specializing in highway guardrail installation had severe losses driving up insurance costs above industry average. Alera Group stepped in to help explore options and bring down costs.

- \$100,000 in cost savings
- Improved risk management

The Client

The company is a second-generation, family-owned contracting firm that specializes in installing guardrails on county, state and interstate highways.

The Challenge

Roadside construction workers face exceptionally high risk in an already dangerous sector. According to the Federal Highway Administration, 10% of all workplace injuries in the construction industry are in road construction.

In this case, the company had more than its fair share of severe losses, including the death of one worker. The poor loss experience had driven up insurance costs to the point where it was putting the company at a competitive disadvantage.

The client asked the broker to put the insurance out to bid. But the broker was reluctant to proceed, given the loss history of the account and the limited number of insurers with an appetite for roadwork contractors. Frustrated with the existing broker's hesitancy, the client wanted a fresh perspective and asked Alera Group to help explore options.

The Solution

Alera Group met with the client to gain an understanding of the organization's history, culture and the plans for the future. Losses were driving the company's insurance premiums above industry average. An analysis of losses revealed that some were due to bad luck while others were in areas where the company had an element of control. To date, the owner had been unwilling to address the business practices contributing to claims.

Through a collaborative effort between the Alera Group team and the owner's son, a convincing case was made for how better risk management would reduce the risk of injury to workers and ultimately decrease insurance costs.

The Result

Alera Group took the account to market in search of a more competitive program. A positive outcome depended on building a convincing story explaining the company's loss history and the proactive steps the organization was taking to minimize future claims.

The new plan, in tandem with Alera Group's close market relationships and reputation for quality risk management services, opened the door with several insurers. Ultimately, Alera Group saved the client \$100,000 on renewal.

Sustainable savings

In a market sector served by a small group of insurers, remarketing the account every year to save money was not a viable strategy. Minimizing the claims that were causing premium surcharges was critical. Alera Group worked closely with the company to establish a safety culture. Consistent, quality safety meetings focused on real-world experience have raised workers' awareness of how to protect themselves and their team members.

Improved risk control

While the client can't change the hazardous nature of its business, the program Alera Group has helped implement is positively impacting the work environment. Fleet safety is a vital part of the program. New employee hiring policies and procedures such as the use of designated drivers are increasing driver quality. Using in-vehicle trackers enables the company to see real-time information on driving patterns, helping prevent losses.

Fewer accidents, fewer lost workdays

According to the National Safety Council, the average work injury results in a 21-day disability. Reducing on-the-job injuries that result in lost work time is minimizing the burden on workers required to fill in the gaps and helping the business continue to meet customer commitments.

About Alera Group

Alera Group is an independent, national insurance and wealth services firm with more than \$1.1 billion in annual revenue, offering comprehensive employee benefits, property and casualty insurance, retirement plan services and wealth services solutions to clients nationwide. By working collaboratively across specialties and geographies, Alera Group's team of more than 4,000 professionals in more than 180 offices provides creative, competitive services that help ensure a client's business and personal success. For more information, visit [aleragroup.com](https://www.aleragroup.com) or follow us on [LinkedIn](#).

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