

RISK MANAGEMENT

Managing compensation needn't be a financial burden

ALTHOUGH workers' compensation insurance is one of the most significant recurring costs a business incurs, few managers understand their capacity to reduce that cost, according to risk management company Aurenda's business manager Michael Chester.

Mr Chester said that, in his experience, most businesses simply paid their premium when it fell due, believing it was a 'necessary evil' over which they had little or no control.

"There is an avenue of control open to businesses to reduce their premium and if they exploit that avenue they will save money," Mr Chester said.

"A good claims history can reduce a premium," he said.

"However, reducing the cost of injury within the business means that the risks associated with each and every injury that occurs must be managed, not just the injuries that become claims."

Aurenda managing director Deb Macksy believes that by reducing the cost of their workers' compensation claims, businesses put themselves in a position of considerable strength to negotiate and receive a lower premium.

"We can show instances where, under our guidance, companies have reduced the cost of their claims and, as a consequence, have saved up to \$1.5 million in workers' compensation insurance over five years," Ms Macksy said.

According to Ms Macksy, many businesses only sought help when they



Business manager for Aurenda, Michael Chester

reached crisis point.

"We've had companies come to us with premium loadings of hundreds of per cent as a result of a poor claims history," she said.

Aurenda offers businesses a range of packages to reduce their claims costs by managing workers with injuries more effectively and understanding the world of workers' compensation.

"Employers can dramatically reduce the financial and human costs of workplace injuries by controlling medical, rehabilitation, legal and wages costs

associated with claims," Mr Chester said.

Integral to this process is a commitment from management to provide a safe and supportive environment for injured workers' return to work programs.

"Aurenda's experience is that implementation of this in businesses across a range of industries typically results in a 40 to 60 per cent reduction in claims' costs within the first 12 months.

Clearly, achieving such a significant reduction will have a major impact on claims history at the next insurance renewal," Mr Chester said.

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When the blood hits the floor, we're there for you

Fortescue Metals Group (FMG), Austin Engineering and Byrnegut use Aurenda to reduce the costs associated with workers' compensation claims by up to 60% in the first year.

Aurenda are experts in recognising post-injury risk exposures. We advise many of Australia's leading companies on the best course of action, from the moment the injury occurs to the moment the worker returns to work.

If you want to reduce the pain of injury costs, call Aurenda now on **(08) 6389 8900**.

"Austin Engineering has engaged the services of Aurenda for the past 3 years and thanks to their professional support and guidance we have achieved an outstanding result in growing a strong safety culture within our business. The growth and development of our safety management systems has resulted in a significant reduction in our workers' compensation insurance over the past 3 years."

Paul Clarke, General Manager, Austin Engineering



Aurenda

BECAUSE INJURY COSTS

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