

2018/2019

IAG Quality Report

Partnering with industry to deliver exceptional quality, service and value.





Luke Gallagher Executive General Manager Short Tail Claims

IAG's purpose – we make your world a safer place, is underpinned by our belief that we can make tomorrow safer than it is today.

Our Quality Framework is an integral part of our Promise to Customers to deliver repairs to the highest possible standards which benefits all road

For the seventh consecutive year, we lead the industry in conducting quality inspections and providing the results to reinforce our dedication to ensuring all repairs meet our quality and safety standards.

These principles and values are embedded across our entire business.

Our expert teams are the most highly trained in the country.

In the motor vehicle industry, the latest developments by

manufacturers and the increased use of advanced technology, are making the modern motor vehicle not only safer, but smarter.

We're focused on ensuring our Assessors and Partner Repairers continue to build their knowledge, keep up to date with the latest technology and are suitably trained.

Our IAG Property team continues to test future technology, such as high definition drone imaging to provide the most efficient claim experience for our customers.

Another key safety initiative is our Motor and Property teams Workplace Health and Safety (WHS) Contractor Management Program which is improving workplace health and safety for our colleagues, contractors, customers, partners, suppliers, visitors and other people who may be impacted by our work activities in the community. The WHS Contractor Management Program commenced with our Property repairers 18 months ago and has now expanded to our Motor repairers.

This latest IAG Quality Report highlights our dedication to quality, safety, continuous improvement and leading industry initiatives across the Motor and Property portfolios to make your world a safer place.

Our Quality Plan



Lifetime Guarantee

Providing peace of mind to our customers by guaranteeing the workmanship of the repairs we authorise.



Genuine Parts

Our Parts Guidelines simplify authorising repairs and makes our expectations of repairers clearer.



Repair Performance Consultant (RPC) Roles

Our RPCs work with the repairers to improve quality and manage our quality data.



Repairer Premise and Equipment Audit

Audits conducted based on a standard checklist.



Access to IAG Research Centre motor vehicle technical support and information



Quality Inspections

Repair and inspection criteria guidelines and repair quality data.



Quality audits and monitoring of processes



Regular reporting of Quality Performance



Guidelines and Tools

For measuring and managing quality. A consistent framework for repairer performance management and a matrix for handling quality issues and making improvements to our repair management system.



Assessor Training

We have a tailored smash repair training program for our motor assessors nationally which complements existing training and is backed by a highly-trained assessing workforce.

How we deliver Quality Repairs

Our Motor and Property Quality Framework provides protection for our customers and gives them the peace of mind that is an integral part of a great repair experience.

IAG's high quality repair standards are underpinned by our Quality Plan which is regularly reviewed by our Insurance Supply Chain team.

Our investment in quality inspections, documented guidelines, tools and training, enables us to

deliver high quality repairs for our customers and caters for the latest technology.

Repair plans which identify the correct repair methods in accordance with documented manufacturers technical specifications and repair guidelines (including those supplied by other industry agencies or authorities), ensure we provide our customers with a quality and safe repair.

Motor Repair



IAG's Quality Repair Framework provides our customers with confidence in their vehicle repairs, which is backed by our lifetime guarantee.

The Quality Repair Framework brings together our 10-point plan to monitor and control quality performance.

This year we have taken a 5-year snapshot to give a broader view of our Quality Frameworks. During this period more than 218,000 quality inspection were conducted by our Motor Assessors and Auditors.

We are the only insurer in Australia to complete this number of quality inspections to ensure we deliver high quality repairs for our customers.

This valuable quality data is used by our Repairer Performance Consultants to work with repairers to improve repair outcomes.

Quality Report Card Definitions

Safety issue

Significant rework/rectification required due to poor repair potentially compromising the safety of the vehicle therefore not meeting our quality and safety standards.

Quality issue

Repair issue requiring slight or minimal rework through to poor repair potentially compromising the pre-accident condition of the vehicle.

Behavioural issue

Issues relating to repairs not completed as authorised and customer service.

Quality inspections

Detailed inspections performed by our Motor Assessor or Auditors of motor vehicle smash repairs.

Quality Inspections 5yrs FY end 2014 – 2019



218,618

Number of quality inspections



11.63%

Quality inspections as a % of authorised repairs



1,178

Number of behavioural issues



11,494

Number of quality issues logged



96.5%

Average quality score



198

Number of potential safety issues

Our Quality Repair Criteria

- Parts
- Remove and Replace
- Repairs Panel Alignment
- Welding/Bonding
- Structural
- Mechanical
- Occupant Safety

Paint:

- Colour match
- Blemishes
- Gloss level
- Texture finish
- Paint blends
- Interior colours
- Sealers, Adhesives, Foams

Maxine Colligan Worldskills Regional Gold medal Winner



Motor Quality Improvement Initiatives

IAG Supporting the Motor Repair Industry

IAG proudly supports a program that encourages young people to enter the autobody repair industry.

Maxine Colligan enrolled in a prevocational course involving work experience at Campbelltown TAFE in early 2016. After completing this course and achieving best student in class, Maxine struggled to find employment in the industry despite her exceptional abilities.

Her TAFE teacher, Carl Tinsley, suggested that Maxine attend an IAG Autopath careers evening, held to encourage young people to take up a career in the autobody industry. Mark Reid from AMA Group was at the careers evening and was introduced to Maxine. After speaking with Maxine he was so impressed with her attitude and commitment to training that he offered her a position on the spot as an apprentice spray painter, starting at Gemini Campbelltown the next day.

Maxine was thrilled. After months of disappointment she had a position in her chosen career. She commenced her training as an apprentice and improved her skills by attending TAFE an extra 2 nights per week in her own time.

Maxine competed in the Regional WorldSkills competition where she won the Gold medal. She then progressed to National WorldSkills competition where she finished with the Silver medal. Maxine was placed in the WorldSkills train-on squad to prepare for the 45th International WorldSkills competition in Kazan, Russia. Maxine was then named in the Skillaroos squad to represent Australia at the competition, where she competed against the best in the world and proudly secured the Bronze medal.

At the same time, she was also awarded second place in the sustainability award where competitors are judged in terms of saving materials, water and energy.

Maxine was also awarded the Gold medal for Best in Nation. This award is presented to the competitor that achieves the highest mark out of all the competitors from their country.

IAG is proud to support a program that encourages young people to enter the autobody repair industry and congratulates Maxine on an outstanding outcome that was made possible by her persistence, dedication and pure talent. Maxine is a fine role model for anyone aspiring to enter the autobody repair industry.

Property Repair



We ensure our customers get the peace of mind they deserve through our quality program and comprehensive inspections. Using the information we gather, we're able to enhance the delivery and professionalism of our service.

Last year our Property Assessors and Partner Coach Auditors completed more than 29,000 quality inspections.

In the past 24 months, we have expanded our quality inspection

framework to also focus on Home Contents claims and non-structural repairs.

Quality Report Card Definitions

Quality inspections

Detailed inspections performed by our Home Assessor or Auditors of building repairs.

Quality issue

Repair issue requiring slight or minimal rework through poor repairs compromising the condition of the work.

Safety issue

Significant rework/rectification required due to poor repairs potentially compromising the safety of the property.

Partner Repairer

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A repairer/supplier who is recommended to customers by IAG.

Quality Inspections



29,142

Number of quality inspections



13.1%

Quality inspections as a % of authorised repairs



4,899

Number of quality issues logged



1.69%

Quality issues as a % of authorised repairs



155

Number of potential safety issues



0.05%

Potential safety issues as a % of authorised repairs

Please wear a helmer in Building B **Property Quality Improvement Initiatives** IAG Work Health & Safety Program 13,833 subcontractors and trades have completed the required training.

IAG has progressed with the embedment of its Work, Health and Safety Contractor Management Program which provides training to all IAG Partner Repairers, Glaziers, Restorers and their contractors, as well as our Property Assessor and Auditors. This includes Health and Safety spot checks on site, as well as in the Partner Repairers' offices, with a focus on high-risk areas including:

- Working at Heights;
- Safe work method;
- Job Safety Analysis;
- Tested and tagged electrical; and
- · Safety data sheets stored for chemicals.

Since the implementation of the Health and Safety Contractor Management Program 13,833 subcontractors and trades have completed the required training.

IAG Corporate Communications

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We make your world a safer place