

The clause most likely requires proof of recklessness on the part of the insured but interestingly, there is no authoritative judgment by the Supreme Court of Appeal determining the test.

There are a number of judgments by the Gauteng and Kwa-Zulu Natal High Courts suggesting that proof of negligence suffices and others in the same jurisdictions and in the Cape High Court holding that the correct test is recklessness.

The latter judgments hold that the requirement is what is 'reasonable' as between insured and insurer without being repugnant to the commercial object of the insurance

contract. The judgments that require recklessness hold that the insured should not deliberately court a danger, the existence of which the insured recognises by refraining to take any measures to avert it.

The Supreme Court of Appeal in *Renasa Company Limited v Watson* had the opportunity of considering whether the bar had been set too high by requiring the insurer to prove recklessness on the part of the insured. The court held that it was unnecessary to determine the issue because the matter could be disposed of on the main defence raised. The court did however say that, at the very least, proof is required that a reasonable person in the position

of the insured would have foreseen the reasonable possibility of the loss eventuating and would therefore have taken reasonable steps to prevent the loss.

Where the policy expressly indemnifies the insured for liability arising from its fault or negligence, the court is unlikely to determine that negligent failure to adopt reasonable precautions is sufficient to constitute a breach of the clause. There may however be appropriate facts and policy wordings which allow for a more nuanced development of the law on reasonable precautions, but proof of foreseeability of the loss eventuating will always be needed.

Enabling an insurance loss adjuster career path for unemployed youth

DIRECTING SUPPLY CHAIN DEVELOPMENT FUNDS TOWARDS FUNDAMENTALLY CHANGING LIVES, IS A LEADING TOPIC FOR THE FINANCIAL SERVICES INDUSTRY IN SOUTH AFRICA, AS BUSINESSES NAVIGATE THE VARIETY OF OPPORTUNITIES BEING OFFERED; FROM VENTURE CAPITALISTS, EDUCATIONAL INSTITUTIONS AND SPECIALISED INCUBATOR PROGRAMS.

One big question is how to enable supply chain development that ensures direct economic empowerment, and maintain the efficiency and effectiveness policy holders want.

This article shares some of the themes emerging through the Nedbank Insurance supply chain development program in collaboration with Sedgwick South Africa (Pty) Ltd.

The focus is specifically on the

relationship between unemployed youth and building capacity to establish a career in insurance and on the other hand the opportunity to evolve business models. This approach offers a contribution toward enabling an industry lead win-win opportunity that supports itself.

At the heart of this initiative, are the opportunities opened up for candidates who have taken the first steps in building careers in loss adjusting. The two-year journey is designed to qualify candidates as junior loss adjusters with a Higher Certificate in Insurance. Candidates have expressed the value of a well-structured initiative, with relevant workplace experience, and feedback has highlighted the blossoming of candidate confidence in relation to communication and practical skills (producing loss adjuster reports to an agreed quality standard).

Five key insights that have been identified throughout the program are; enabling an authentic work experience that requires management buy-in and involvement from both Nedbank and Sedgwick; the importance of responding to operational adjustments that are required for unemployed candidates; programme

design that requires structure and an integrated development approach; a formal screening and recruitment process which is critical and independent facilitation which enables focus and accountability.

The screening process and workplace bridging program are invaluable to candidates, Nedbank Insurance and Sedgwick. It ensures that all parties are able to meet the attitudinal requirements within the workplace and adjust to the dynamic nature of learning in a new and culturally unfamiliar complex industry. This aligns with a relatively common statement from many employers: "I can train the work but I cannot train attitude" and ninety percent of the opportunity is related to attitude.

Preparation of the workplace environment with management teams at both Nedbank and Sedgwick, coupled with the input of the various mentors in the business units, is an important driver to align behaviours with program intentions. The program design includes, mentorship training for workplace mentors, coaches and candidates, formal education, industry association expertise, and independent and neutral facilitation.



The detailed planning process allows for structured workplace experience deliverables, a collaborative governance structure as well as transparent reporting and interaction. Instilling an intentional and integrated workplace structure, with well-defined outcomes, is significant in accelerating the learning curve of the candidates, and the value add to both Nedbank Insurance and Sedgwick. It also

provides candidates with ongoing support and review at all leverage points of the program.

This has been especially significant to Loss Adjustors, where anecdotal comparisons of past programs to this pilot, have been consistently positive.

“The difference has been in the structure of workplace outcomes and the regular check points”, says

Mr Bernd Gerhard of Sedgwick South Africa. Furthermore, Mrs Loreal Raath of Nedbank Insurance indicated, “the partnership is vital, we need to be building confidence with candidates and employers alike, so it becomes a natural part of how we build our service in the years to come”.

The collaboration team encourages other Insurers wanting to make a difference, to explore the opportunities of alternative business models, as well as the relevant Sector Education and Training Authorities (SETAs). Insurers can enjoy the benefit of recurring learning and insights, in piloting an integrated and measurable program of this nature, within Loss Adjusting.

A sincere thanks to Nedbank Insurance and Sedgwick South Africa (Pty) Ltd for enabling the independent facilitation of ecosystem stakeholders through this pilot program, Harambee Youth Employment Accelerator and facilitator Debbie Donaldson from, because YOU'RE worth it!



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