

An Underwriter's View of Stress

Workshop Outline

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1 What is the workshop setting out to achieve?

The prime objective of the workshop is to share the perspective that an underwriter might take of stress. It will make use of up to date research to improve our understanding of the subject and workshop participants are encouraged to come prepared to contribute. We will also discuss how actuaries can learn to turn analysis into proactivity so that, through the very act of assessing problems faced by insurers, they can become part of the solution. It is hoped to include an opportunity to assess our own levels of stress so that we can conclude with a very personal understanding of the subject. Among the specific activities we expect to cover are the following:

2 What is "Stress"?

- ▶ What is excessive stress?
- ▶ Is it irrelevant? ie look only at effect?
- ▶ Some stress needed to motivate.

3 Underlying Exposure

- ▶ Culture of the employer.
- ▶ Developing awareness of stress.
- ▶ Society more pressurised.

4 Developing Attitudes - eg towards "thin skull" or "thin skinned".

5 Cause and Effect

- ▶ Multiple causation eg home life and trauma.
- ▶ Inter-relationship of home/work ⇒ vicious cycle vs virtuous circle.
- ▶ Effect both physical & psychological.

6 Legal Liability

- ▶ Negligence.
- ▶ Foreseeability.
- ▶ Taking account of individual personality.

7 Latency Period - to what extent is it a latent condition?

- ▶ Eg can cope well at one stress level but not slightly higher.
- ▶ Eg external factor means no longer cope.
- ▶ If genuine stress, symptoms such that cannot hide for long.

8 Responses

- ▶ Assess both the physical and mental risks.
- ▶ Accept that employees have different levels of robustness to work pressures when effecting assessments.
- ▶ Put in place systems that manage change in the work place.
- ▶ Respond to previous mental ill health and overt signs of impending breakdown.

9 Opportunities

- ▶ Analysis of causation factors ⇒ improved risk management.
- ▶ Analysis of claims features ⇒ guidance on cost implications.
- ▶ Generalising - systematic approach to casualty exposures.