CLIENT CASE STUDY · INSURANCE · 2019

$4 million off the annual insurance premium.

# Berwicks reduces insurance premium by $4 million

**Berwicks aligned a full risk review with training, exercising and assessment of emergency response capability at a Global organisation’s manufacturing plant. The insurer noticed — recognised the reduction in risk and repriced the premium**

*Trinidad production facility.*

| $4m | 3 months | Site-wide | All shifts |
|---|---|---|---|
| Cut from the plant's annual insurance premium | From the insurer's site audit to the revised invoice | Process, infrastructure, security and logistics reviewed together | Plant and Shift Managers trained to one standard |

HOW THE SAVING AROSE

*The premium reduction was not a project objective. It was an unplanned consequence of a broader risk and response programme, identified only after the accounts team queried the invoice and traced the difference back to the insurer's own audit report.*

## Why this matters

Risk is usually managed function by function. Process safety sits in one team, security in another, logistics in a third. Each may be competent in isolation and the site still carries risk that nobody owns.

**Insurers do not price functions. They price the whole site — and they price what they can see, understand and verify.**

## The engagement

A global petrochemical business, headquartered in Switzerland with production facilities in Trinidad and Texas.

| THE CHALLENGE<br>**A wider look at risk, not a list of fixes** | |
|---|---|
| TRIGGER | The CEO knew there were potential risks at the Trinidad plant and invited Berwicks to visit the site and take a wider look at the business. |
| MANDATE | Not simply to find individual areas for improvement, but to review risk more broadly across the operation. |
| APPROACH | Delve beyond individual areas of risk — process, infrastructure, security — and join the dots between them. |
| GOAL | Improve risk management by aligning disparate elements and strengthen the plant's overarching emergency response capability. |

| THE OUTCOME<br>**A verified change in the site's risk profile** | |
|---|---|
| PROGRAMME | Following the initial assessment, Berwicks developed a programme of risk measures to be addressed. Multiple improvements were made across the site, from CCTV to process clarification. |
| CAPABILITY | Improvements were supported by Berwicks emergency response training at a localised, operational level. Plant Managers and Shift Managers took part together to ensure a consistent approach across the team. |
| CONTINUED WORK | The team stayed on site, reviewing individual areas such as security and logistics through the lens of risk and emergency preparedness. |
| THE AUDIT | With improvements made and a risk mindset instilled, an insurance auditor conducted a planned site review. The tour showed the auditor the changes made at every level, how resilient the facility had become and how the site team could respond to incidents while preventing situations from escalating. |
| THE INVOICE | Around three months later, the annual insurance invoice for the Trinidad plant arrived in the Switzerland office. It was $4 million less than the previous year. |
| VERIFICATION | The accounts team assumed an error. After months of back and forth, the disparity was traced to the auditor's site visit and the extra measures recorded in their report. The plant's risk profile had genuinely reduced to the tune of $4 million. |

## How the work was sequenced

**1**

**Site visit and assessment**
Attend at CEO invitation, then assess the plant and the wider business rather than a single risk area.

| | |
|---|---|
| 2 | **Joined-up risk review**<br>Examine process, infrastructure, security and logistics together and connect the findings. |
| 3 | **Programme of risk measures**<br>Develop and deliver a prioritised set of improvements across the site. |
| 4 | **Emergency response training**<br>Train Plant and Shift Managers together so response is consistent across every shift. |
| 5 | **Independent verification**<br>A routine insurer audit records the change; the revised premium follows three months later. |

## Where the value was created

- **A joined-up view of risk —** Process, infrastructure, security and logistics assessed as one system rather than in isolation
- **Demonstrable resilience —** Improvements an auditor could see, understand and record in their report
- **Consistent response —** Plant and Shift Managers working to the same standard, on every shift
- **Prevention, not just reaction —** A site team able to stop situations escalating, not only respond once they have
- **A measurable financial return —** A lower risk profile priced into the annual premium, year after year

## In our own words

> *“This is an example of Berwicks joining the dots and improving risk management in a deep and demonstrable way. So much so that the changes we instigated were acknowledged by the insurer as dramatically enhancing the risk profile of the plant in Trinidad.”*

**Chief Executive Officer, Berwicks**

## The return on investment question

Risk work is usually justified by the incident that did not happen — which is difficult to put on a balance sheet. Here, the return arrived as a line item.

A single year's premium fell by $4 million, before counting the value of a more resilient plant, a trained response team and an operation better able to contain an incident before it escalates.

JOIN THE DOTS

Berwicks looks across the whole operation, builds response capability that stands up to independent scrutiny and embeds it with the people who will use it.

info@berwicksconsultants.com | +44 20 8088 3830 | www.berwicksconsultants.com