



Norwegian Natural Perils Pool's crisis simulation exercise

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Storm 2009

- In February 2009, the Norwegian Natural Perils Pool conducted a major crisis simulation exercise.
- The emergency preparedness of its insurance company members was to be tested.



- The goal of the exercise was:
 - To increase the Natural Perils Pool and insurance companies' ability to coordinate and manage damage claims in the event of a natural disaster.
 - To find out whether the companies had the resources to respond to the thousands of additional claims in the event of a major natural disaster.



Scenario



Scenario

- Prior to the start of the exercise, participants were also given the “daily updated weather report” in the form of a television broadcast.
- The western regions of Norway were overnight struck with the worst storm in the country’s history.
- There have been reports of extensive physical damages from the city of Egersund and north along the coast.
- Hurricane winds were recorded at several weather stations, with the strongest winds at a constant of 45 miles per second and reaching speeds of 70 miles per second, or 250 km per hour.
- This is the highest wind speed ever recorded in Norway, even greater than the New Year’s Hurricane of 1992.”

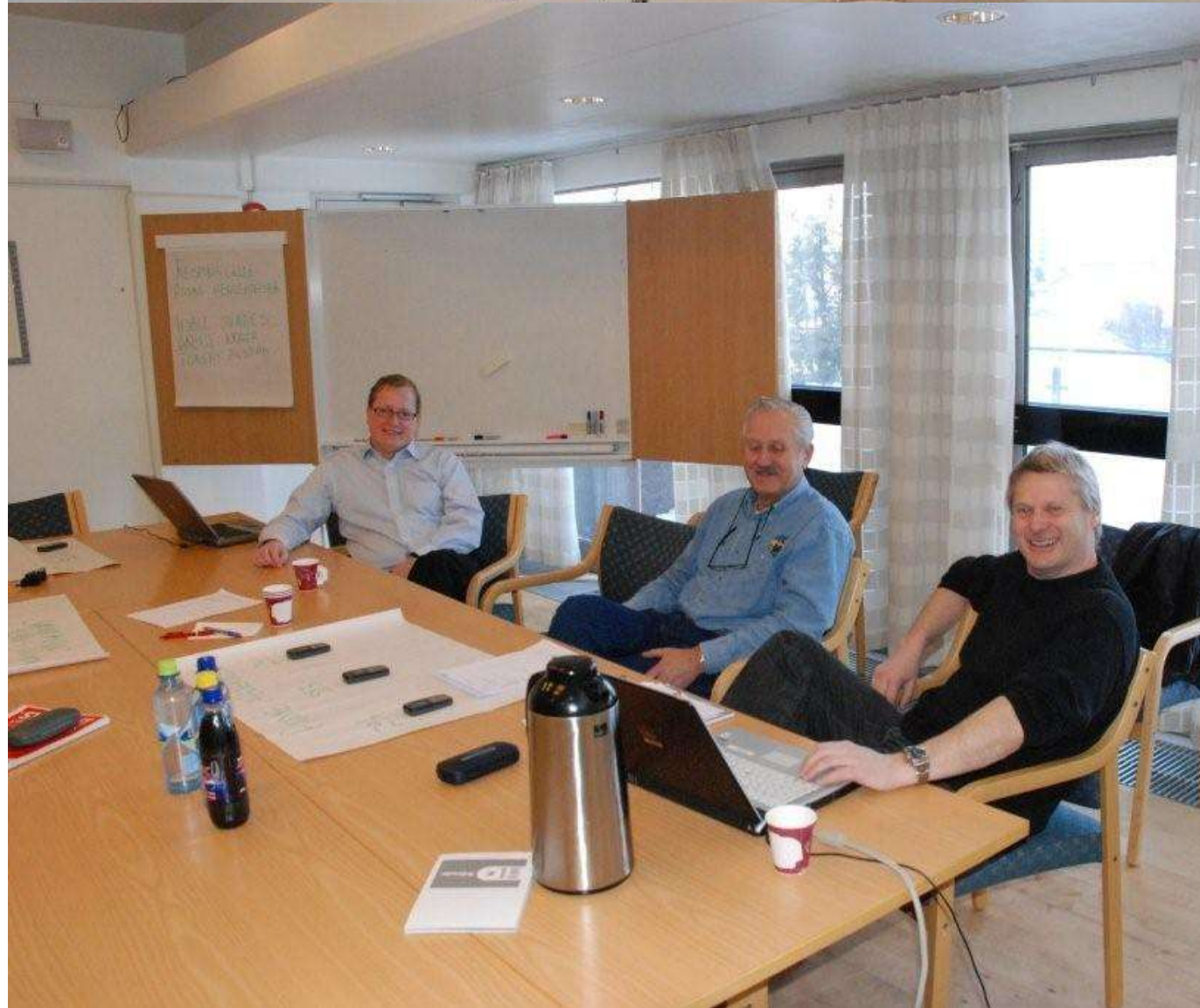


Emergency guidelines

- The exercise's scenario was based on the emergency guidelines which both the Natural Perils Pool and the insurance companies have devised to address major coordinated events.
- The exercise planners carefully reviewed all guidelines during the planning phase in order to determine what type of response and/or activity was necessary as the given scenario played out, and designed the scenario based on these.

Organisation and execution

- Approximately 200 people were involved in the exercise, either as participants being tested or as actors playing out the scenario.
- Actors' group located in Oslo.
- The companies organised in their own office locations.



Testing of customer call-in capacity



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- During the two-day exercise, 1460 damage reports were placed via telephone, spread out between the 5 companies.
- Findings clearly demonstrated that registration of the initial damage report must be better
- More training regarding commercial properties, more training to handle questions about natural damages and more training in handling these types of situations are key issues in the evaluation of the exercise.

The insurance industry in Norway is prepared !

The insurance industry in Norway is prepared

- The simulation exercise demonstrated that it is very important to practise this kind of situation.
- One of the key elements in this type of process is actually the planning phase.
- Reviewing guidelines, warning routines, contact information, etc, often reveals things that need to be addressed. By the time the simulation begins, much of this has been put in place, and there are often additional issues that arise during the course of the exercise.
- Customer service is a major challenge. It is important to obtain adequate and correct information FROM the customer, so that the further processing is as effective as possible for the company
- The greatest challenge in an event of this nature is actually the length of the scenario and the follow-through, appraisal, etc.

Questions ?