

### Few Failures Because of Readjustment

Considering the fact that passing through a period of adjustment always is a painful process, more or less, to business in general, it is gratifying to realize that few scars are being made by the present one, and those up to the present time are of minor importance when measured by the magnitude of our commercial and industrial position. Comparatively few corporations among the thousands that are doing business have been compelled to drop their dividends. The bulk of them are continuing payment to their shareholders of a return on their investments—if not what they have been regularly accustomed to pay, something, at least.

For this fortified situation the wise judgment of most of our corporate executives and their boards of directors is responsible. In the accentuated period of prosperity produced by the war these men kept keenly in mind that there would come a day when there would be an abrupt end and to prepare for it they kept strengthening their cash resources, poured profits into maintenance, adopted a liberal policy in marking down depreciation; while others went so far as to set aside a portion of their profits against their inventories so that when prices for material began to go down the reduction to them caused no ill effects.

It remains to their great credit that so few failures have occurred because of the readjustment. Had there been less foresight exercised in the preparation for this transition from war to peace conditions we would have been reminded of an acute business depression by the presence of soup kitchens and bread lines.

### CASUALTY ADJUSTERS

Today the really efficient claims expert talks to the claimant as one man to another and tries to effect an honest disposition of the case.

The first thing he does is to investigate the circumstances in order to determine where the blame lies. If it appears that the assured was negligent and was responsible for the accident then he tries to ascertain what the real value of the claim is. And, mark you, both the adjuster and the home office are desirous of settling the case for what it is worth—no more, no less. It is true that there are some companies extant which still adhere to the old system, but these are not the reputable companies and they do not boast of their methods in the advertisements. As a matter of fact society as a whole has assumed a different attitude toward the whole affair. The assured, generally, expect the injured man to get a square deal from the company and if it appears that an adjuster is trying to bamboozle an honest man, the policyholder is going to be heard from. This is

particularly true of property damage cases; the assured doesn't want to be dragged into court to defend a trifling case if he knows that he was to blame and the other fellow deserves to be reimbursed for his damage. And when the adjuster evinces the desire to settle just claims immediately, without even waiting for a claim to be made, the assured is certain to render greater co-operation in the event of serious accidents which ought to be resisted.

Therefore, your modern, efficient adjuster has found the habit of talking to the injured as one man to another. If the claim is meritorious he does not pretend that there isn't a thing in it. He doesn't insult an honest man, who is lying helpless on his back, by insinuating that there is nothing the matter with him, or that he is a malingerer. On the contrary his attitude is sympathetic; he informs the claimant that his client wants to do the right thing, that he is sure that everything will come out all right; and he impresses upon the injured man the uselessness of employing a lawyer unless the matter cannot be settled amicably.

This attitude arouses the sense of fair play in the claimant and thus impels him to discuss the case sensibly and honestly. An adjuster who handles his claims with the right spirit can obtain from the claimant the names of the adverse witnesses and after these have been interviewed he can recommend to his company the proper disposition of the case without being obliged to work in the dark in constant fear that the other side is going to spring some surprise on him because he is unable to determine the nature of their offense.

Workmen's compensation has, of course, done away with the problems of master and servant claim and in this branch of adjusting there is no chance for the claims man who has cards which he will not place on the table. Every phase of workmen's compensation should be open, honest and above reproach. As we have hitherto stated, the adjuster who handles this sort of business is more than the mere agent of corporations—he is a social worker in the truest sense of the word. He should feel and he should make the assured and the injured realize, that he is legally and morally bound to give every claimant every dollar to which he is justly entitled and by carrying out this program, he can consistently stand on his rights and refuse to pay exorbitant and fraudulent claims. The fact that every settlement is scrutinized by the respective compensation boards and the insistence upon the observance of the letter of the law so far as the insurance companies are concerned has done much to bring this condition about, but insurance companies are not losing money by it—which proves that it is the best policy for everybody concerned. C. W. MORRIS, *In Insurance Field*.