



**LV=**

County Gates, Bournemouth, Dorset

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**Facts and Figures:**

|                 |   |
|-----------------|---|
| Total staff     | 5,000   |
| Locations       | Headquarters in Bournemouth, with smaller operations in Brentwood, Bristol, Croydon, Exeter, Hitchin, Huddersfield, Leeds and London. |
| Sector          | Financial services  |
| Annual turnover | £96 million (2010)  |

**Scoring from the Research:**

|   |       |
|---|-------|
| <b>Primary Benefits</b>   | ★★★★★ |
| Monetary benefits including pay, pension, and share options   |       |
| <b>Secondary Benefits and Working Conditions</b>  | ★★★★★ |
| Non-monetary benefits like leave allowance, and flexible working conditions   |       |
| <b>Training and Development</b>   | ★★★★★ |
| The availability of function-related development initiatives and programmes   |       |
| <b>Career Development</b>   | ★★★★★ |
| Includes long-term career path development, talent management, succession planning, and performance management  |       |
| <b>Company Culture</b>  | ★★★★★ |
| Culture management – the policies and procedures that a company has in place to establish and nurture a healthy culture, e.g. diversity, CSR and social/networking activities |       |

**Outstanding for:**

- Being a fast-growing company on the up
- Rewarding performance with recognition
- Offering employees a strong flexible benefits package
- Providing staff with a plethora of online learning tools



**LV= is the UK's largest 'friendly' (or mutual) society, with more than one million owner-members [it has no shareholders]. It provides a range of financial services including general insurance, life cover, savings and investments, financial advice and pension/retirement products. Today it has 4 million members and customers and has almost £1 billion in capital resources.**

### About the Organisation

LV= dates back to Merseyside in the 19th century where, as the Liverpool Victoria Friendly Society, it offered so-called 'penny policies' insurance to widows and widowers. Despite having undergone many changes since, it still remains in the hands of its members today.

Its most significant recent change came in 2007, when the society dropped the Liverpool Victoria name to modernise and rebrand itself to become LV=. By both harking back to its roots, but also having a striking similarity to the word 'Love' – the rebrand is often case-studied as an example of one that has been extremely successful (it's strapline is enabling people to 'look after what they love') – and a major coup was also securing the domain address LV.com – beating 150 year old Louis Vuitton to it. (The Italian company unsuccessfully tried to say it had a right to the LV moniker first).

The rebrand marked a period of rapid expansion, and LV='s biggest growth area has been the general insurance market (car, home, pet, holiday and SME). It also provides insurance for other businesses, having struck partnership deals with Nationwide and Asda, as well as supplying a range of life assurance, investment advice and retirement and pension products.

Between 2009 and 2010 LV='s profits rose 118%, almost a third of which came from general insurance. During the same period net earned premiums rose 43%. Motor insurance >>

has been a particular success story for the company. Five years ago it was the UK's 22nd biggest provider; now it's the fourth. In 2010 it hired 1,300 new staff and the following year won an HR Excellence Award for its recruitment and retention policies.

David Smith, LV's HR director, says, "We're in a good position. We've got a strong management team, which we've recently bolstered with some strategic hires. We're all meeting our business and people targets. Our long-term aim is become Britain's best loved insurer."

## Company Culture

David summarises the company's philosophy as follows: "When you grow quickly, as we

have, you don't want to lose the culture you created. So we've articulate it as being 'sharp with a heart'. What that means is we want to be commercial and leading edge, but we also want to look after our people, be easy to do business with, care for our customers and deliver great value to them."

If staff surveys are an accurate barometer of internal opinion this transition is being managed very well indeed. Some 93% of staff responded to the 2011 survey and they rated the organisation as having improved upon already impressive scores in 12 of 14 areas measured. LV= now outperforms both the financial sector benchmark and all high performing organisations across the board. Staff



**"My role is largely a support role, making sure my team answers calls, and making sure customers are happy. But if there's any area you're not comfortable with there's always someone who can help you"**

"I've had a lot of opportunities to develop my career. From the day I started as a customer services representative the training we've had has been fantastic.

"The same goes for the support I get. Because I know I've got the support of other managers I feel empowered in my role to do a good job."

**Abigail Lampkin, 23**  
**Customer service team leader**  
**First joined in 2007**



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**David Smith, HR director**

turnover too is impressive, averaging 20% in its customer service centres – less than half the industry average.

One aspect of work people seem to approve of is its intranet site, 'Heartbeat'. It provides information on just about everything they need to know, whether it is about other areas of the business or what events are taking place. It can also help with job opportunities or in giving staff new skills.

Recognition has an important role in shaping the culture. High performers can be nominated for commendations or cash prizes by their peers. At the end of the year a Dragons' Den-style competition pits winners identified during the year against each other. Winners of this event receive thousands of pounds in prize money or are given a foreign holiday. There are a variety of gifts for long-servers too, at five, 10 and 25-year intervals.

### **Innovation and Creativity**

The company has aimed to be innovative in the delivery of both products and people policies.

On the product side this often ties in with the 'sharp with a heart' philosophy. When, for example, customers were left stranded overseas due to the Icelandic ash cloud LV= adapted some of its travel insurance policies, so individuals

affected could receive recompense for delays experienced. In a similar vein it arranged for pre-paid mobile phones to be despatched to customers affected by flooding in Cornwall who wanted claims advice.

In order to improve its reach among people it wanted to hire, LV= also worked with Apple to design one of the first jobs/careers apps. This effort was enhanced by the use of image-recognition software in a recent billboard advertising campaign. Here, potential new recruits were able to send a photo of employees featured in the campaign to a contact number so that they could then be contacted back with details of the opportunity.

### **Pay and Benefits**

"It's important for us to be paying market-competitive salaries, but equally we have a very good bonus scheme as well," explains David, "So, anyone who joins can get a bonus up to 30% in a year. That applies equally to a PA on a bonus scheme or a sales person on a sales incentive scheme."

Those new to the business, working in a customer services role have a starting salary of £15-20,000 (including bonuses). Due to a tradition of promoting in-house, LV= does not operate a dedicated graduate scheme; however, »



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entrants to its management training scheme initially earn around £20,000, plus bonuses. There are a variety of middle management roles and the external market dictates the size of the compensation – normally anywhere between £25,000-£45,000.

LV= operates an impressive employee contribution pension scheme where it double-matches contributions up to 14%. There's a flexible benefit scheme where staff can flex benefits such as annual holiday leave (normally 26 days rising to 30), BUPA health insurance, childcare vouchers, home computers and a cycle-to-work offer. A range of discounts on LV= products are also available to staff and closest family members.

## Career Development

New recruits are left in no doubt about how much LV= values them: its 'Welcome' induction programme is delivered by the executive team and very often features a talk by the chief executive.

The company understands that small details count for a lot: as well as receiving their ID card new hires are given £5 'coffee money' for their first week.

Customer service representatives (CSRs) receive up to six weeks' training to bring them up

to speed with LV='s different products and services. To help them, they are each assigned a buddy, and the rest of their learning is delivered online through LEON, the company's in-house training tool. It comprises 10 modules and CSRs have to pass it. Proficiency here is vital to ensure it meets expected service standards.

E-learning is also used for personal development. LV= is particularly proud of its five leadership programmes. "Say, you are a customer services rep and want to become a team leader," says David. "You may be good at managing yourself but you need to know how to manage others. Our 'Becoming a Leader' programme helps you to acquire those different skills."

At the other end of the spectrum a small number of senior managers participate in its year-long Leadership Masterclass, which is run in conjunction with Ashridge Business School.

Elsewhere there are apprenticeships on offer for staff studying for NVQs, such as the Certificate in Insurance. A schools programme also operates in several local schools. So far almost 500 students from local schools and colleges have studied for a Certificate in Team Leading – a Chartered Management Institute (CMI)-ratified qualification.

## Corporate Social Responsibility

At a time when financial services company are under greater scrutiny, LV= is forensic in its approach to CSR. Its board has all the right representations, including departmental heads as well as the chief risk officer. Further below there is an executive committee for each business area as well as a range of audit committees to assess risk, compliance and many other corporate activities on a regular basis.

The company is active in the charitable sector

on two levels. Its main national charity is LV= SOS Kit Aid, which provides used and new rugby/cricket kit to disadvantaged children in the UK and overseas. In ten years £2 million's worth of recycled kit has been sent to 19 developing countries.

On a local level, regional community committees made up of members of staff, in each of LV='s main offices have devolved responsibility for managing a budget to support local good causes.



**“Although I’ve only been here for less than a year, the company has already said it wants to take more of its media work in-house”**

“I deal with all the media enquiries, work with our media relations business and attend meetings with heads of the business, reporting back to them on our press coverage.

“The fact LV= wants to do more PR internally though me shows it already has a lot of faith in my abilities. It’s quite daunting, but flattering at the same time.”

**Addy Frederick, 24**  
**Press officer, Life and Pensions**  
**First joined in 2011**

