

Peoplecare lives up to its name

Wollongong-based health insurance fund Peoplecare takes a novel approach to customer service. Living up to its name, Peoplecare actually uses real people at its Wollongong office to answer all incoming calls.

Peoplecare CEO Michael Bassingthwaighte (front) with General Manager - Marketing and Communications Anita Mulrooney and Deputy CEO Dale Cairney at the health insurance fund's Wollongong headquarters.

In contrast to many service-based businesses, Peoplecare made a conscious decision that it would not use Interactive Voice Recognition (IVR) technology or outsource its phone inquiry services to cut costs. Every call to Peoplecare is answered by one of its highly trained and experienced staff, who can immediately call up the member's complete records on their computer and deal with any inquiry easily using Peoplecare's state-of-the-art digital workflow environment.

This human contact with Peoplecare's experienced operators is one of the reasons the health fund recorded 15.7 percent growth in 2010-2011 compared to the industry average of 3.2 percent.

The ability to offer expert, personalised service for every phone inquiry has also helped Peoplecare win contracts to manage two boutique funds, including the Reserve Bank of Australia's Health Society.

Peoplecare CEO Michael Bassingthwaighte believes this direct personal contact gives Peoplecare a competitive edge.

"Our member satisfaction, products and service are amongst the highest in the health insurance industry, something we're really proud of," Mr Bassingthwaighte said.

Peoplecare is one of the success stories of Wollongong's business community. Since the not for profit health fund opened its books to the public in 2007 - having previously been restricted to steel industry workers and their families - it has added 10,000 new members nationally and more than doubled its workforce.

It is also the only health fund in Australia currently providing management services for other independently owned private health funds, giving small private insurers the chance to outsource their operations to Peoplecare while retaining their identity and individualised services.

Peoplecare pioneered outsourcing with a private equity organisation in 2007, while the agreement with the Reserve Bank Health Society became another important milestone in May 2011.

Mr Bassingthwaighte sees great potential for expanding this side of the business. "Winning the Reserve Bank Health Society contract was a real coup for Peoplecare," Mr Bassingthwaighte said. "They put the business out to tender, and we won - with support from Trade and Investment NSW."

(Trade and Investment NSW also assisted Peoplecare with the fit-out

of new office premises in 2010 to accommodate the growing business).

Peoplecare now manages the bank employees' fund as an arm of its business, providing a much lower cost base through economies of scale and other efficiencies.

"The Reserve Bank is obviously a very good brand to be associated with, but the real benefit for us is the way managing three health funds has allowed us to expand our business and build our capabilities here in Wollongong by employing the best people."

Peoplecare has 26,000 members and its workforce is nudging towards 55, having been just 23-strong with the fund "went public" in 2007. And Mr Bassingthwaighte said strong staff loyalty had been a key element of its success.

"We have a very committed, loyal staff," he said. "People see us as a great place to work, and only two staff members have resigned in the past few years. When we advertise a position, we get around 200 applications."

Mr Bassingthwaighte said Wollongong was the fund's traditional home, because it was established in 1952 as an employees fund for the John Lysaght steel

processing business (which later became part of BHP Steel and then BlueScope Steel). He says the city remains an ideal base to service its members right around the country. "Wollongong has many advantages, but a stable workforce is one of the most important for a business like ours. People living here have a good work-life balance, and there is a strong pool of skilled people," he said.

Peoplecare also has a strong connection with the University of Wollongong (UOW). Around one third of its staff are UOW graduates and it participates in an intern program run by the Faculty of Commerce, while Peoplecare General Manager - Marketing and Communications Anita Mulrooney chairs UOW's Alumni Development Group.

Mr Bassingthwaighte said the Illawarra business community also provided a supportive environment. "There is a real sense of collaboration between colleagues in the business community," he said.

Peoplecare has twice been named Illawarra Business of the Year, most recently in 2010 when Mr Bassingthwaighte was also named Illawarra Businessperson of the Year.