



PRIMA INSTITUTE 2023



Building a Robust Risk Management Program

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Robust:

Strong and effective in all situations

~www.dictionary.com





Learning Objectives

- 1. Discuss the difference between traditional and enterprise risk management
- 2. Understand the elements critical to the success of a robust program
- 3. Consider critical steps in the process of building a robust program
- 4. Identify methods for evaluating your program



- 1. Discuss the difference between traditional and enterprise risk management









Traditional versus Enterprise Risk

Risk Universe

Political	Business	Economic	People	Financial	Natural
Government / Legislation	Compensation	Cost Inflation	Succession Planning	Foreign Exchange / Commodity	Weather (Storm / Flood)
Public Opinion	Demand Failure	Global Economy	Health & Safety/ Wellness	Capital Availability	Climate Change
Environmental Change	Safety Standards	Local Economy	Labor Relations	Interest Rates	Earthquake / Volcano / Tsunami
War / Terrorism / Riots	Premature Obsolescence	Crime	Human Error	Insolvency / Credit Risk	Fire / Explosion

Wholly Insurable

Significantly Insurable

Significantly not Insurable

Not Insurable

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2. Understand the elements critical to the success of a robust program



Executive Support



- » Educate management on the organizational benefits of a risk management program
- » Top down not bottom up
- » Support for risk initiatives
- » Performance-based goals for department heads
- » Continuous process



Strong Environmental Health & Safety Program

SERVICES PROVIDED: FY22

48	Fuel Tank Inspections	
99	Safety Inspections	
32	Environmental Compliance Audits	
231	Wellness Events Hosted	
33	Pop-Up Training Events	

- » Knowledgeable EHS staff or outside consultants
- » Access and analysis of loss data
- » Policies and procedures
- » Regulatory compliance
- » Know your customers & your business operations



Strong Claims Management Program



- » Experienced claims manager
 - Communicate with employees and supervisors
 - Manage TPA
 - Coordinate return to work
 - Select physicians
 - Manage attorneys
 - Manage claims



3. Consider critical steps in the process of building a robust program



- » Start with the basics
 - Conduct risk assessment to understand operations and identify exposures
 - Analyze data
 - Develop recommendations
 - Prioritize action plan



Risk Assessment



- » Engage your customers
- » Connect with customers personally
- » Understand operations
- » Ask “what keeps them up at night”
- » Uncover reasons for perceived risks
- » Validate with data analysis
- » Develop and prioritize recommendations



Prioritize Recommendations

RISK MANAGEMENT STRATEGIC GOALS 2018

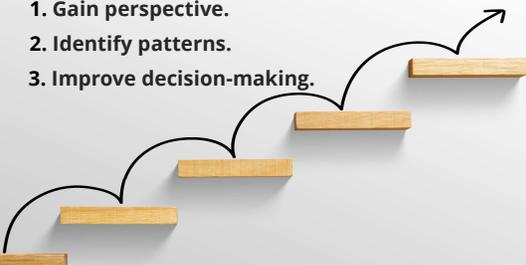
- 1 Increase Directors Support
- 2 Focus Efforts on Top 3 Claim Drivers
- 3 Improve Communication & Training
- 4 Promote Wellness
- 5 Seek Efficiencies and Improvements

- » Implement risk management strategies
- » Review and modify insurance coverages
- » Eliminate services
- » Transfer/outsource services
- » Target high frequency and high severity causes of loss



Data-Driven Goals

1. Gain perspective.
2. Identify patterns.
3. Improve decision-making.



Material Handling



- » Assessments
- » Training
- » Equipment



Strong Claims Management Program



- » Require 1st reports of incidents to Risk
- » Contact injured employee
- » Create/manage return to work program
- » Oversee and manage TPA
- » Specify infectious disease physicians
- » Provide claims training
- » Conduct employee survey
- » Choose physicians panel



Strong Claims Management Program

- Relationship with Doctors
 - Understand exposures
 - Operations
 - Job Duties
 - County WC program



TAKE YOUR DOCTOR TO WORK DAY



Communication and Outreach



- » Committees
 - Safety & Health Council
 - Facility Safety Group
 - Infection Control Group
 - Environmental Management Council
 - Health & Wellness Council
 - Security Workgroup



Wellness Program



- » Wellness Program
 - Added benefit
 - Impact self-insured retention-health
 - Develop programs to impact WC co-morbidities
 - Reduce WC frequency and severity



Communication and Outreach



- » Programs
- » Events



Strong Risk Finance Program



- » Risk appetite
- » Insure v. Self-Insure
- » Limits
- » Retention/Deductible
- » Address unique exposures
- » Partner with the right carriers



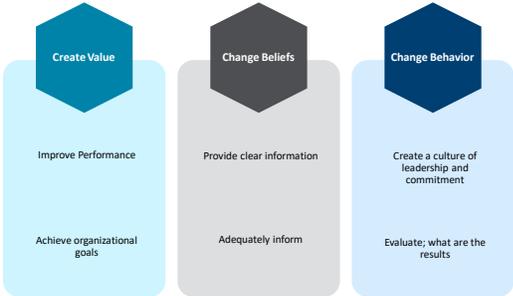
4. Identify methods for evaluating your program



- » Report cards
- » Batting averages
- » Golf handicaps
- » Sales goals



Communicate Results



Lessons learned



- » Sell, Sell, and Sell...
- » Relationships are essential
- » Data is key
- » Never quit trying
- » Put your money where your mouth is
- » Strive for excellence

Remember... Everyone wants to be on a winning team



Questions?





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