

With the upcoming RIMS Annual Conference, RIMSTech thought it was a good time to focus on risk management benchmarking and what new technology is available to risk managers. In this issue, we look at RIMS' online benchmarking service.

## ONLINE INSURANCE BENCHMARKING from RIMS

Risk managers have constantly searched for an independent, timely source of data with which to set goals, evaluate their performance and make informed insurance purchasing decisions. For over 20 years, the best source of information has come from the Risk and Insurance Management Society in the form of the annual RIMS Benchmark Survey and its predecessor.

The big drawback with an annual book is that the underlying data is collected once a year and shortly becomes out of date.

The online RIMS Benchmarking Survey evolved to fill this void. In late 2002, RIMS contracted Advisen Ltd. to administer the survey, with the express purpose of creating a dynamic, online version that brings real-time, relevant, and objective information to the fingertips of risk management professionals.

### Greater Timeliness and Accuracy of Data

Data is collected as policies are renewed rather than once annually. The RIMS data center is set up to receive the data in a variety of formats ranging from electronic spreadsheet submissions to faxed binders and dec pages. Many organizations authorize their brokers to submit the data on their behalf. Using hi-tech and human techniques, the data is scrubbed and normalized, and the contributor is consulted regarding anomalies. The system also allows users to update retained loss and administrative cost data online, whenever new information becomes available. For these reasons, the collection of contributed data sets surpasses any previous RIMS benchmarking effort for depth, accuracy and timeliness.

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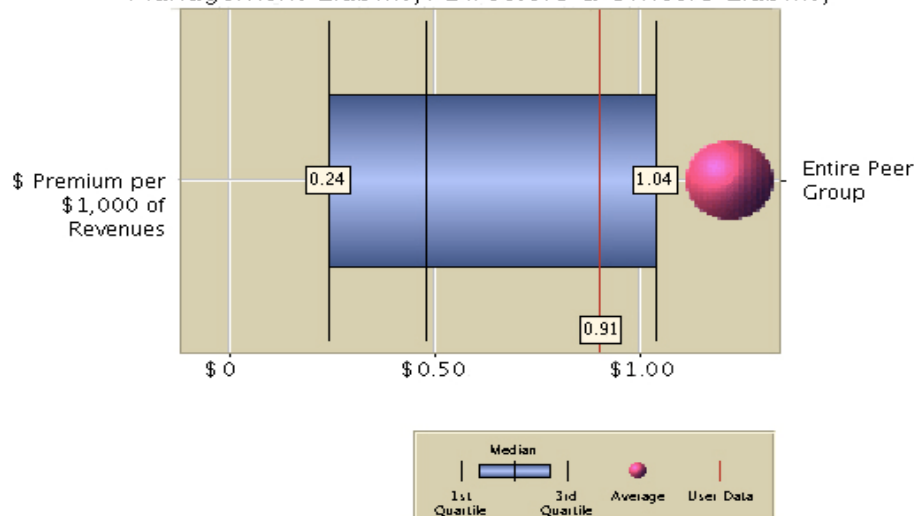
### Contact TAC

If you have an idea for a RIMSTech Bulletin or have comments you wish to share, you may contact by email any of the following individuals:

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TAC welcomes feedback on this bulletin and suggestions of topics for future bulletins. Topics and content are the sole discretion of TAC.

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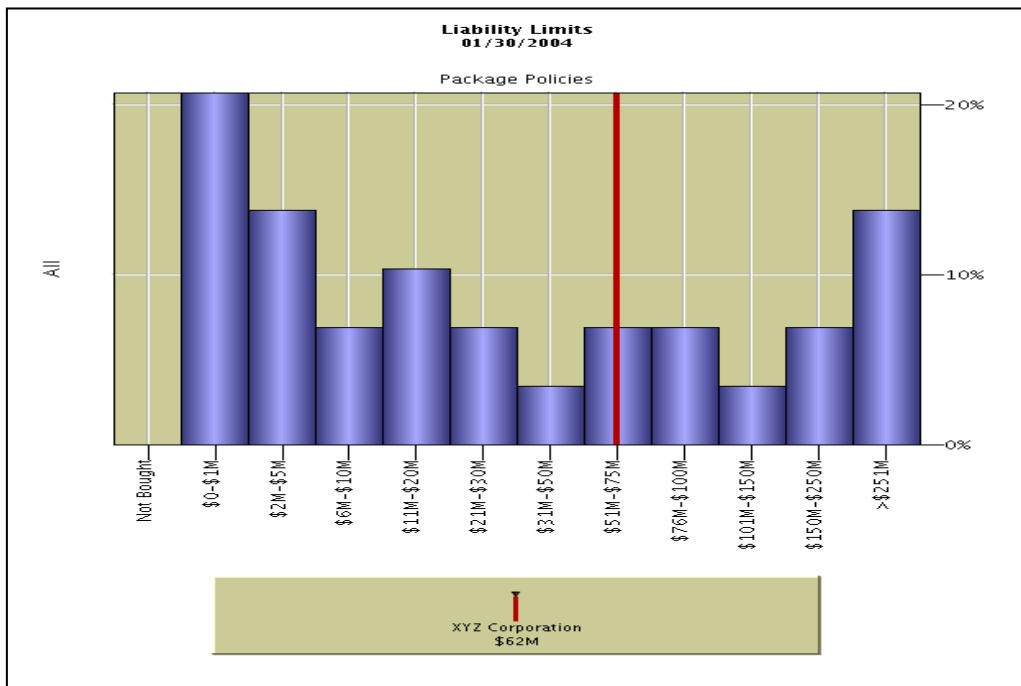
## Greater Insight to Market/Peer Pricing and Buying Patterns

The online database of over 1200 respondents grows every day, providing a large pool from which subscribers can set flexible peer groups to measure themselves against. Confidentiality is addressed by never disclosing any benchmark comprised of less than 10 contributors. The online benchmarking service contains an array of slicing and dicing abilities. Click a button to yield premium data for policies incepting thus far in 2004 or during the previous six months ahead of your renewal. No reason to flip between multiple pages in a book or try to reverse engineer certain data sets; instead click to designate a line of coverage, an industry, a cost of risk measure and a timing sequence. Easily cut and paste graphical output into presentations for effective, high impact communication.

There are a dozen lines of coverage, in over 30 industries, that may be benchmarked for premium, retention, limits, retained losses, administrative cost and total cost of risk. As more data is received, the specificity of analytics increases, allowing drill down into the smallest subsets of criteria. All of this means risk managers now have a tool that allows them to spot and evaluate pricing and buying trends, and communicate how these trends impact their coverage decisions.

## Communication and Presentation Tools

Online Survey Contributors benefit immediately, by being able to display their insurance policy data via proprietary software. The *Chart Your Program* (CYP) function allows the creation of multi-line, multi-year charts of coverage. Whether evaluating renewal alternatives or preparing for a board meeting, the CYP software instantly displays insurance programs. This is a terrific tool for communicating programs with management, another big challenge facing risk managers.



## Deeper Understanding of Specific Markets and Custom Analysis

Using the dynamic database, we have been able to provide unique insights to segments of the risk management community. For the October 2003 RIMS Real Estate Symposium, a brief on the state of the insurance market for real estate entities was prepared. Now that the hard-copy 2003 RIMS Benchmark Survey has been published, expect similar reports regarding state of a market or trend analysis and anomalies across coverages, industries and regions, and expect that they will be readily available to benchmarking participants.

## **Features of the Online Benchmark Service:**

- Real-time access to a continuously refreshed and growing database.
- Flexibility in selecting peer group demographics.
- Unique communication and management tools including "Chart Your Program."
- Continuous enhancements -- deeper industry, cost, policy and trend analytic functions coming soon.

## **To Contribute Data:**

E-mail or fax schedules of insurance to:  
to: [benchmark@rims.org](mailto:benchmark@rims.org)  
Fax: 212.655.7453

Call: 800.655.6590

Log on to: <https://rims.advisen.com>  
for further information.

*Contributors get a free 90-day subscription to the online benchmark service.*

## **To purchase a one-year subscription:**

### RIMS member:

- Contributor: \$325
- Non-Contributor: \$1,750

### Non member:

- Contributor: \$400
- Non-Contributor: \$2,000

## **To see a Demo:**

Visit the Advisen Booth at RIMS 2004, April 18-22, San Diego, CA or call Advisen Ltd. at 212.897.4800.