

May 2004

Enterprise Reporting

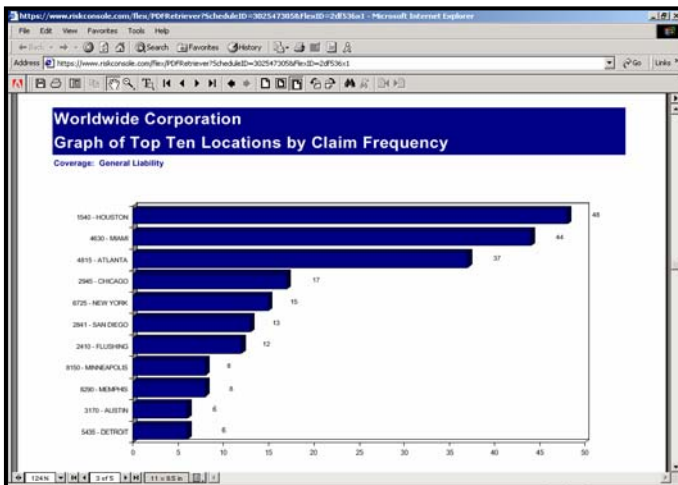
The following RIMSTech case study is an interview with Reed Rainey (Director of Risk Management) and Maria Griffith (Senior Risk Financing Analyst) of Target Corporation about enterprise reporting and Target's adoption of technology to communicate risk information throughout their organization.

RIMSTech: For the purposes of this discussion, let's define enterprise reporting as the process of sending out information to an entire organization. Tell us about the beginning of this project. What goals did you have in setting up an enterprise reporting program?

Reed: When I got this job, the very first thing I noticed was how little access we had to data critical to risk and how little dissemination of that data we provided. Therefore, our vision has been to provide data and analytics to the field that will improve business processes and reduce losses.

The main challenge to the risk management department is staying ahead of risk and being aware of risks before an event. We want to continue to expand our influence throughout the organization. With a company of this size, we can't do that without being on the cutting edge of technology.

We decided that risk management information system technology would be the tool to drive this entire process. This technology is going to improve our access to (and leverage of) information tremendously and do so very quickly. Thus far, the results and speed in which we have been able to get this up-and-running has really exceeded my expectations. It is very exciting for us.



Benchmark Report

never been told "our system can't do that." Instead, our RMIS vendor has partnered with us to change the system so that it will do exactly what we need it to do.

Our new system has the ability to do reporting throughout our location hierarchy, creating reports for all levels of management, from store managers to senior leadership. They have developed drill-down capabilities using hyperlinks to link from total company results down to the individual claim detail at a store location. This ability allows us to engage and educate leaders at any level on risk management results and initiatives.

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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.

RIMSTech: So you worked out your requirements and found a vendor who could meet those requirements. What has happened since then?

Reed: As a result of the flexibility, customization and access to data that RiskLabs and this technology is providing, we keep uncovering pyramids and departments and related areas where we can provide great value, power and analytics to the organization.

As of yet, we don't know how high is high, we are still uncovering just the low hanging fruit of where this technology is of value throughout our organization. Not just to Risk, but across the corporation. That is very powerful. And the more we learn and the more this technology is developed, the more we uncover. There is great power and energy behind risk data and the ability to disseminate it.

RIMSTech: Although it appears that you are doing some advanced things with this program, what types of traditional enterprise reporting are you doing?

Reed: We know that there is great power in our ability to focus the stores' operations leaders' attention on something that can be very complex for someone without in-depth knowledge of risk management and with as many concerns as these managers have on a day-to-day basis. Our goal was to generate reports around claims and frequency, and also provide summaries to all layers of the organization.

As a result of that mission, we now have monthly reports that provide very high-level summaries of claim and safety results, with very detailed drill-down capabilities throughout, from the top of the corporate hierarchy to the regional level, all the way down to the store level and even into the claim detail.

What this allows us to do is include safety and claim management accountability at a leadership level, all centered on each store's executives. Our ability to focus people's efforts and simplify what can be a complex process for operation leaders has been an enormous step for us. This is worlds away from where we were just 12 months ago.

RIMSTech: Do you anticipate this enterprise reporting project will grow beyond traditional risk management information?

Reed: Maria is working on about 25 different modules for numerous pyramids throughout the company. Some related to risk, and some not even remotely related to risk.

We have come across opportunities in the organization where this technology provides a solution. It has afforded us the ability to provide information to a store or a department that we normally would not have.

For instance, we know years in advance when we set our lawn and garden sets in our 1,300 Target stores. We believe that as a result of this process, we are going to uncover a hazard trend either on the sales floor, back room, stock room, on the trailers, etc. We may be able to determine a trend around a specific set around a specific time of year.

As a result of that trend, we may be able to dig further into the type of loss or type of claim and determine root causes of those claims, provide leading information prior to setting up the stores that may lead to direction that may eliminate (or certainly reduce) injury around those times of year.

Overall, we believe we have a great opportunity to anticipate and thus reduce frequently occurring injuries through trend analyses throughout the organization. As you can imagine, there is great power in that.

Enterprise Report Drill-Down

	Count	Paid	Outstanding	Incurred
Total Store	2,585	9,611,857	13,000,983	22,621,839
CORPORAL DEPARTMENT	4	193	11,500	11,800
Claims	5	2,925	0	2,925
	2,597	9,614,982	13,012,483	22,636,485



Region	Count	Paid	Outstanding	Incurred
East	497	979,061	2,224,945	3,204,040
West	421	4,619,785	935,291	5,555,057
South	617	1,498,282	2,534,466	4,032,790
North	650	2,514,827	7,315,245	9,830,052
	2,585	9,611,857	13,009,983	22,621,839



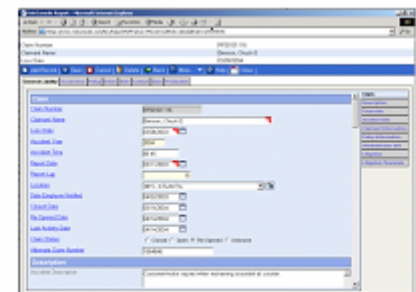
Zone	Count	Paid	Outstanding	Incurred
Zone 00	344	577,942	835,656	1,213,620
Zone 01	349	781,670	1,582,735	2,373,811
Zone 10	124	139,255	306,105	445,390
	617	1,498,282	2,534,466	4,032,790



Location	Count	Paid	Outstanding	Incurred
000 - BIRMINGHAM	1	0	0	0
000 - JACKSON	20	83,558	59,899	143,456
000 - KANSASVILLE	30	59,876	226,715	310,257
000 - NASHVILLE	1	856	0	856
000 - ATLANTA	235	354,367	338,255	692,352
000 - CHICAGO	41	49,780	16,766	66,546
	344	577,942	835,656	1,213,620



Claim Number	Claimant Name	Loss Date
Location: 4815 - ATLANTA		
BEO100002	Kellerman, Doug F	3/1/2000
BEO100004	Eagan, Harold G	5/15/2001
BEO100006	Ridder, Bob Z	11/19/1999
BEO100007	Ewenett, Anthony B	11/19/1999
BEO100014	Quincy, Antonio C	11/21/1999
BEO100016	Vankom, Dan	11/23/1999
BEO100018	Walters, Steven J	11/23/1999



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