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## New Technology's Impact on Risk Management Efforts

Imagine you're a risk manager of a regional grocery chain. In this month's loss data you note that your safest store, one which recently passed a compliance audit with flying colors, is reporting a significant increase in slip and fall claims in the produce aisle. Especially troubling is the location of the fall. You recently implemented a number of best practices to prevent falls in the often wet produce aisles. And if one of your safest stores is showing an increase in slip and falls, something must be wrong. So you wonder ...

**Are my best practices ineffective?**

**Are they not being implemented correctly?**

**Did last month's unseasonably wet weather have an impact?**

**And most importantly...**

**Even if I know these answers, how can I ensure my solutions are properly implemented?**

So the search for answers begins. You request copies of the safety logs for the days in question. A few days later, after a number of requests, you receive a complete set. The logs suggest that the new slip-resistant mats you recently ordered were put down during produce spraying and that the aisles were properly signed. You review the claim reports but find that only two mention the weather conditions at the time of the event. After a week of research, with no definitive answer on a cause, you conclude the increase is an anomaly and hope for the best next month.

Yet, you think to yourself, "There must be a better way to evaluate these losses. If I could have at my fingertips a complete picture of an event, I know I could properly and quickly evaluate the root cause. But how can I correlate my losses with my compliance audits and be sure my claim reports contain all the information I need to properly evaluate the losses? And even if I'm confident I understand the underlying issue and have an accurate solution, how can I be sure my corrective actions get properly imbedded in store loss preventions efforts?"

### **Newer Software Solutions**

Newer, web-based software development tools are now making it easier to integrate information from the disparate systems involved in risk management efforts. These development tools, like J2EE and Microsoft's .NET platform are making it easier to connect applications and systems to exchange data via the Internet. These tools are also providing more flexible event reporting modules that can adapt intake questions to the event being reported to significantly improve the data collected for each event. The result is the availability of better event information, the ability to better correlate losses with prevention efforts, and access to tools that ensure effective use of best practices. All of these things help improve loss costs by focusing on eliminating losses before they occur.

### **Event Intake Solutions**

Intake solutions have evolved significantly since the early days of call center claim reporting. No longer are they a static set of questions with limited integration of external system data, accessible only via phone. Today's systems are web-accessible 24 hours a day, 365 days a year. They integrate HR and policy data to improve accuracy and productivity, and they adapt questions based on the type of event being reported. Finally, they quickly share information with other systems and individuals to expedite claim triage and reduce long-term costs.

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Two of technology's most significant impacts to event reporting are the use of Dynamic Scripting and Reflexive Questioning. Dynamic Scripting adapts the interview question groupings presented based on information captured during the intake process. Reflexive Questioning allows specific questions to be presented or hidden based on pre-defined workflow rules. Flexibility has also been enhanced by providing Page Builder utilities that allow managers to adapt intake screens as their event information requirements change.

### Compliance Audit Tools

Historically a paper-intensive process, compliance audits are now being migrated to web-based applications that provide universal accessibility and interactivity. Using web-based tools or standalone applications which gather data that is then uploaded to the web, auditors can now easily capture audit information, manage recommendations, and monitor corrective actions. And since this information is web enabled, it can be correlated with post loss results and readily reported on.

One of the most valuable components of the latest audit tools is the ability to generate corrective action recommendations which can be tracked via the web. So now, not only can loss prevention compliance efforts be measured, but action plans to eliminate deficiencies can be assigned to specific individuals to ensure accountability for their completion.

### The New Risk Management Continuum

By utilizing technology advances to consolidate all risk related information into a single, consolidated database and enhancing the event information gathered, risk managers are now gaining a complete view of the entire risk management continuum. No longer a series of separate, incomplete data views, consolidated risk information databases allow risk managers to better translate loss information into loss prevention efforts, which supports the continuous improvement of loss control best practices.

To support this new improvement focus, risk management databases are expanding and integrating with other systems containing risk management information. This connectivity reduces data research efforts while increasing the time available for risk analysis and root cause identification. Such centralized databases now include all the data associated with potential operational risks, including:

- Library of Best Practices
- Compliance Audit Templates and Results
- Loss Results
- Complete Event Information

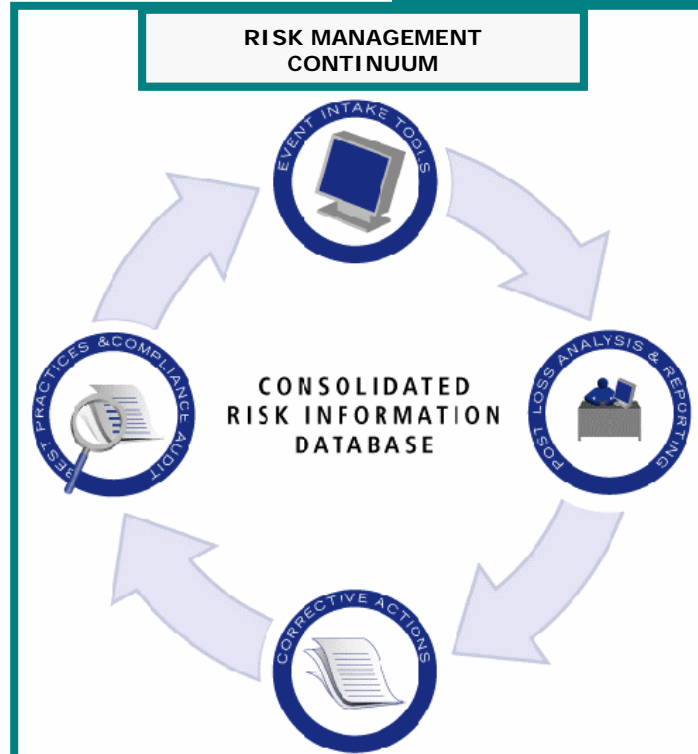
A consolidated database allows for faster analysis of loss root causes and provides a medium for sharing and measuring compliance with future corrective actions, a cycle that supports continuous process improvements.

But how does this help our grocery store risk manager?

By integrating advanced intake capabilities into his event reporting tools, he has learned that weather was not a factor on the days the incidents occurred. He can also see online safety audit logs that clearly show that the new floor mats were placed in the produce aisles during spraying.

It would appear to be the new floor mats causing the problem. He can now alert store managers of the issue and immediately update the store's best practices to encourage use of the previous floor mats until he can research the failure of the new ones.

Newer technologies and processes are now being introduced to facilitate the sharing of risk information between the multiple systems containing risk-related information and to help enhance the data available for risk analysis. These technologies are making it easier for risk managers to better connect post-loss results with pre-loss prevention efforts. The result is a framework for the continued improvement of loss prevention best practices that are certain to help mitigate future losses.



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