

Risk Management Information Systems:

THE BUYER'S GUIDE

E-Book

The pressure is on to manage evolving risk, anticipate what's around the corner, and analyze the big-picture impact – all in less time with fewer resources. If you don't have clear sight lines into your risks, you'll have a hard time delivering on these expectations. Before you know it, TCOR goes up, exposure to risk goes up, and the stress on risk management goes way up.

A new-generation Risk Management Information System could be the solution you need to convert risk data into a strategic advantage. A RMIS brings all of your risk data together to give you unprecedented insight into your risks, the relationships, and the impact on the organization. But the question is: Will the return will be worth the investment? A RMIS can be a powerful tool – but in truth, not every company needs that much power.

This e-book will help you decide if a RMIS is right for you – whether you are considering purchasing a RMIS for the first time, replacing a homegrown system, or upgrading an outdated one. Read on to learn more about what a RMIS is, what it can do for you, and how to buy one.

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WHAT IS A RMIS?

A Risk Management Information System (RMIS) is a software platform for collecting, managing, analyzing, and reporting risk, claims, and safety information.

Consolidates Data

Seamlessly collect and consolidate data from all stakeholders and systems in your risk ecosystem – including carriers, third-party administrators, vendors, brokers, and employees – for a single view into your risk, safety, and claims information.

Automates Workflows

Automate and streamline risk management processes – renewals, claims management, policy management, incident management, root cause analyses, premium allocations, and more – so you can spend less time consolidating data and more time analyzing what it means.

Facilitates Reporting & Analytics

Explore your data, proactively answer questions, and uncover trends with advanced reporting and analytics.



HOW A RMIS CAN MAKE LIFE EASIER

A RMIS can help you eliminate many risk-management pain points.

PAIN	RELIEF
Time pressure Manually collecting, consolidating, formatting, and analyzing data in preparation for a renewal can tie up manpower for weeks, or even months. And handling claims is just as labor intensive.	A RMIS automates data collection and workflow, so you can spend less time on routine tasks and more time on strategic actions that add long-term value.
Disparate systems Systems that can't talk to each other require a lot of manual labor to bring the data together.	A RMIS is designed to seamlessly handle vast amounts of data from numerous insurers/TPAs in multiple currencies.
Data quality Finding and correcting an error in a giant spreadsheet is like finding a needle in a haystack. Even small errors that go undetected can wreak havoc on the integrity of a database – which can spell disaster if that information is used to make critical business decisions.	A RMIS validates data as it's entered. Any incorrect or missing information is flagged so it can be addressed immediately. Data is consolidated, formatted, and immediately ready to go into reports.
Limited visibility Storing risk, safety, and claims data in numerous locations makes it almost impossible to visualize the relationships between critical risks and the cumulative impact on the organization.	A RMIS brings all information together into one platform, so you can more easily identify and respond to emerging risks and trends that previously might have gone unnoticed
System accessibility Critical details can get lost or forgotten if, say, you have to go all the way back to the office to fill out an incident report.	A RMIS can record events anytime, anywhere – even in the field. And the intuitive, auto-filled forms make sure that the information is captured completely and accurately.
Reporting Manually extracting information from numerous sources and creating meaningful reports is no easy task. And you have to start from scratch every time the numbers change or someone wants a different report.	One click is all it takes for a RMIS to turn incredibly complex data into sophisticated graphics that are understandable and actionable.

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PAIN	RELIEF
Segmented information Tracking data in multiple systems is not only time-consuming, but it causes problems with workflow, data consistency, and visibility. And it's expensive.	A RMIS consolidates all data into a single, up-to-the-minute source that provides a clear view to identify trends, as well as underlying issues.
Regulatory compliance Ever-increasing compliance demands, combined with greater scrutiny by regulators, are turning up the pressure to produce more reports, with greater accuracy, in less time.	The easy-to-use regulatory compliance workflow and reporting features of a RMIS can accommodate frequently changing regulatory and legislative requirements.
Security threats If the wrong person gains access to the system or makes changes to the data, you could be in serious trouble – especially if the information is sensitive.	Access to a RMIS is strictly limited to authorized users, and every change and update is documented. Your data also is stored and protected in a secure, cloud-based platform with a robust disaster-recovery infrastructure.



ADVANTAGE: RMIS



Make Informed Decisions

- Consolidates real-time risk, safety, and claims data to identify trends, risks, and opportunities so you can take action.
- Provides a centralized view to help you better understand the relationships between critical risks and the cumulative impact on the organization.
- Delivers powerful analytics that provide the strategic insights you need to optimize your insurance program.
- Creates easy-to-interpret reports that communicate a clearer picture of your risk, safety, and claims data.



Increase Productivity

- Automates routine tasks, which frees up your time for strategic thinking.
- Reduces costs by consolidating and eliminating duplicate systems.
- Saves time by collecting data in a standardized format.
- Automatically sends alerts, reminders, and regular progress reports to key stakeholders.
- Allows any authorized user access to real-time information anytime, from anywhere, on any device.



Improve Data Quality

- Captures data consistently and thoroughly with standard templates, intuitive forms, and auto-filled fields.
- Minimizes human error by guiding users through the data collection process.
- Automatically validates data as it is entered, and flags any unexpected, missing, or inconsistent data fields.
- Seamlessly integrates data from multiple internal and external data sources – including carriers, TPAs, third-party vendors, and your own internal departments – and ensures data is captured in a common language.



Tighten Security

- Restricts access to authorized users, using the highest level of security.
- Documents all changes so you know who made what change, when they did it, and why.
- Stores data in a secure, cloud-based system with sophisticated disaster-recovery protection.

POPULAR RMIS USES

A RMIS should suit your current processes, people, and requirements – and have plenty of room for future growth. Here are some of the most popular RMIS uses and the value they provide.

RMIS APPLICATION	WHAT	WHY	HOW
Certificates of Insurance	Streamlines management and compliance tracking for incoming Certificates of Insurance to reduce exposures from contractors, tenants, suppliers, and other business partners.	Manually keeping track of COIs that are about to expire or fall out of compliance with your requirements is a challenging, time-consuming process – and the more partners you have, the more likely it is for something to fall through the cracks.	• Search, request, validate, track, follow up, and record certificates in a single location. • Continuously identify certificates that are about to expire or fall out of compliance. • Maintain up-to-date insurer financial strength and ratings from A.M. Best. • Tailor exception messages to suppliers via templates to rectify missing, incomplete, or incorrect certificates.
Claims Administration	Provides one centralized place to manage and analyze claims from initial submission through final settlement to resolve claims faster and keep costs down.	The longer a claim lingers, the more expensive it is. Monitoring claim information from multiple sources is time consuming, and it's difficult to gauge the impact on the organization.	• Settle claims quickly, economically, and fairly. • Improve productivity and workflow. • Import and simultaneously validate data from all carriers, TPAs, and internal departments. • Optimize deductibles, limits, and reserves. • Compare similar claims and outcomes, rank cause by coverage or location, and measure KPIs. • Avoid fines and increase efficiency by automating regulatory reporting.

POPULAR RMIS USES

RMIS APPLICATION	WHAT	WHY	HOW
Claims Management	Consolidates all claims data into a single location to track and analyze claims from initial submission through final settlement to resolve claims faster and reduce costs.	Inefficient manual processes causes claim leakage and make it difficult to identify trends and take corrective action.	• Consolidate claims data across carriers and TPAs for a clearer picture of overall claim activity. • Validate claims data for better data integrity. • Compare claims based on cause, nature of injury, coverage, and loss date. • Measure performance of carriers and TPAs. • Identify claim trends to reduce exposure. • Manage reserves and claim lifecycle to mitigate costs.
Cost Allocations	Accurately allocates premiums and fees based on your actual experience and methodology.	Holding managers accountable for their own losses is a powerful motivator to make necessary changes. Yet equitably allocating shared costs across an organization can require complex calculations based on data from multiple sources -- which is time consuming and often fraught with inaccuracies.	• Allocate premium costs based on exposure and claim experience at a business-unit level to drive accountability. • Increase accuracy and efficiency of allocating premiums and fees. • Seamlessly integrate data from multiple sources to correctly reflect actual experience. • Preserve a historical record to show trends, make projections, and correlate cost-control measures with financial results.

POPULAR RMIS USES

RMIS APPLICATION	WHAT	WHY	HOW
Exposure Management	Automates values collection to gather data quickly, easily, and accurately.	Collecting, entering, formatting, and consolidating loss exposure information via email or phone calls is incredibly time consuming and error prone – and it has to be repeated for every renewal.	• Speed up the values collection process. • Increase accuracy by automatically consolidating, validating, and flagging unexpected items. • Send automatic email reminders to the person responsible. • Identify important changes and trends year over year. • Generate market-ready reports with one click. • Make better, faster decisions.
Incident Management	Captures data right at the source to quickly get accurate information to those who can investigate, evaluate, and take action.	Even one safety incident can be devastating to finances, reputation, and lives – yet incidents don't always get reported because of a cumbersome process. And making sense of the information you do get can be difficult if, for example, each division sues a separate incident reporting system that captures different information.	• Capture data quickly and consistently with simplified templates, intuitive forms, and auto-filled fields. • Attach pictures, documents, and other information directly to the file. • Send alerts automatically to those who need to know what happened. • Identify early warning signs and trends to mitigate future claims.

POPULAR RMIS USES

RMIS APPLICATION	WHAT	WHY	HOW
Policy Management	Tracks and manages all insurance policies and features, including premiums, layers, limits, deductibles, carriers, and more.	Answering even simple questions about coverage can be difficult and time consuming if the information is buried in paper files or stored with a broker.	• Get a detailed view of all insurance policies. • Identify duplications or gaps in coverage. • Sort coverage by different criteria to answer questions like counterparty risk. • Run advanced analytics on premiums and losses. • Convert complex information into easy-to-understand graphics.
Root Cause Analysis	Identifies underlying issues so safety measures can be implemented to prevent future problems.	Costly incidents will keep happening until you stop treating symptoms and cure the real cause of the problem.	• Apply a standardized, data-driven process for consistent results. • Seamlessly integrate claim, incident, occurrence, and cause data for a singular view into events. • Collaborate easily with other departments and stakeholders. • View a breakdown of all causes. • Uncover the source of the problem so corrective action can be taken.

DO YOU NEED A RMIS?

Whether or not you need a RMIS depends on the complexity of your risks and how sophisticated your needs are. Here are 11 questions to help you decide.

01 Do you work with only one insurance carrier or TPA (past and present)?

02 Do you have low frequency and severity of claims?

03 Are you able to easily report to your executive management and/or board?

04 Is your risk, safety, and claims data easily accessible wherever and whenever it's needed?

05 Is it easy to collect and analyze the information you need for insurance renewals?

06 Are you confident in the integrity of your data?

07 Are you pleased with the level of insight you are getting from your data analysis?

08 Are you sure that there are no duplications or gaps in coverage?

09 Can you view the current status of a claim?

10 Are your reports easy to run – and are they sophisticated enough for your purposes?

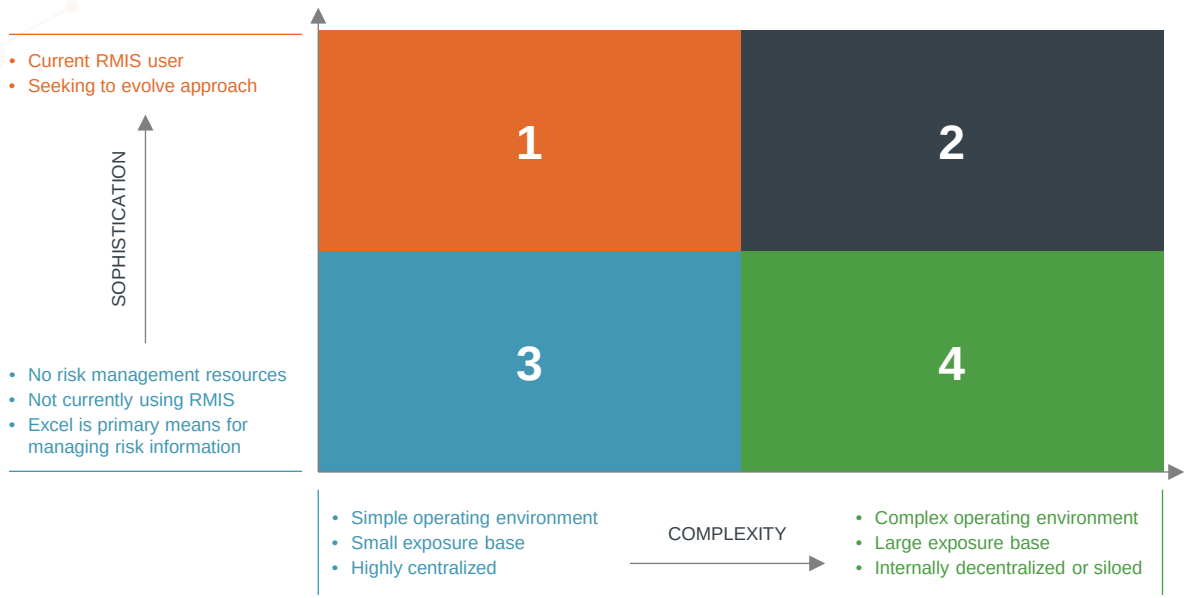
11 Can you easily answer questions about premiums, coverage, and claims history?

If the majority of your answers are "yes"

Your current system for managing risk is doing its job. A periodic review of the status will make sure you stay on track as your needs grow and change. (Quadrant 3)

If the majority of your answers are "no"

Your current system has become more of a hindrance than a help, and it's limiting your ability to manage risk effectively. A RMIS could provide the foundation you need to manage risk at a more strategic level. (Quadrants 1, 2, and 4)



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HOW TO BUILD SUPPORT FOR A RMIS

Buying a RMIS is a significant investment that requires support well beyond the risk management function.

The right RMIS will certainly make a risk manager’s job easier and the team stronger.

It also can improve communication between departments and senior management and increase the visibility of risk management throughout the company.

The challenge is to convince others of the value a RMIS can provide. The most compelling evidence is the direct cost savings you get from improved safety, lower claims, and more efficient processes. Equally important – if harder to quantify – are the strategic advantages that come from maximizing scarce resources and making smarter, faster decisions about risk.

If you are looking for help with managing an expanding risk portfolio, a RMIS could be well worth the investment – and one that could pay lasting, positive dividends to the entire organization.



3 WAYS TO START A RMIS CONVERSATION

Process improvements

A RMIS simplifies and speeds up manual processes like collecting data and formatting reports, which frees up staff time to focus on improving safety, reducing losses, and other tasks that add real value to the organization.

Cost savings

A RMIS can provide immediate savings by significantly reducing labor costs through automation and workflow improvements. And over the longer term, a RMIS can identify other cost savings opportunities via analysis and insights into trends that previously may have gone undetected.

Return on investment

A RMIS almost always pays for itself–often in as little as two years.



10 STEPS TO BUYING A RMIS

Technology is important–but it isn't everything. RMIS success also depends on selecting the right provider that understands both your needs and the demands of your stakeholders.

1

Take an inventory of the issues you're having with current business processes or technology.

What are your pain points? Applying new technology to a broken process won't solve anything. Address problem areas upfront, and establish clear objectives that you want the RMIS to accomplish.

2

Identify RMIS needs across the organization.

A RMIS touches many functional areas, so it's important to include all stakeholders in the buying process to make sure their voices are heard.

3

Understand how the RMIS will complement–or replace–your current business processes or technology.

Do your homework about the features and capabilities of the RMIS to understand how it fits with your current systems and requirements. And can it expand to accommodate future needs?

4

Give the RMIS a test drive

Take the time to request a demo or trial. How easy and intuitive is the user experience? Are all the features you need accessible from a tablet, phone, and laptop? Are the reports and analytics sophisticated enough for your needs? And are they easy to do?

5

Make time for implementation.

Like any enterprise-wide software implementation, RMIS implementation doesn't happen overnight. Replacing a decades-old system in a matter of weeks is unrealistic and will likely lead to disappointing results. Allocate ample time to analyze, design, plan, test, and execute the software – and build in extra time for any unknowns that are unearthed during the process. Don't rush. And don't skimp on user-training time.

6

Know where your data will be stored.

Is the RMIS cloud-based? Public or private? What security measures are in place to protect your data? What about in the event of a disaster? What is the vendor's security track record?

7

Work with people you like and trust.

Technology is great, but people make the real difference. Are you comfortable with everyone you'll be working with? Will the person answering your call know you, your business, and your industry– and will they be able to resolve issues?

8

Demand great service.

Find out what type of support is offered – phone, online portal, or email – and the guaranteed response time.

9

Know what you're buying…

Have a clear understanding of what features and services are included in the pricing structure, and what it might cost if your needs change.

10

…And whom you're buying it from.

Always make sure the RMIS provider has demonstrated expertise in technology, risk, and insurance – and the longevity and resources to go the distance with you.

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About Riskonnect

Riskonnect is the leading integrated risk management software solution provider that empowers organizations to anticipate, manage and respond in real-time to strategic and operational risks across the extended enterprise.

Through our unique risk correlation technology, over 900 customers across 6 continents are benefiting from actionable insights that have not been previously attainable to deliver better business outcomes. Riskonnect has operations in the Americas, Europe and Asia employing more than 500 risk management experts. To learn more, visit www.riskonnect.com.

For more information, please contact your local Riskonnect office or visit our website at www.Riskonnect.com

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