Top 5 RMIS Tools

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Do you have the right tool for the job?

Having the right tool makes any job easier – and managing risk is no exception. Too often, though, companies get stuck making do with spreadsheets and other outdated tools because, well, that's the way it's always been done.

A new-generation Risk Management Information System offers a range of sophisticated options that make managing insured risk smarter, faster, and more strategic. These RMIS tools can help you stay ahead of the curve, instead of scrambling to adapt after the fact. If you're still managing risk by emailing spreadsheets back and forth, it might be time to take a more proactive approach.

This e-book showcases the top five RMIS tools and explains how they can help you effectively manage risk to drive organizational change – and ultimately lower your total cost of risk.

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ONE:
INCIDENT MANAGEMENT

Even one safety incident can be devastating to finances, reputation, and lives. The key to preventing future problems is to get accurate information about every incident and near miss to those who can investigate, evaluate, and take action. Time is of the essence.

In reality, incidents don't always get reported. Maybe the form is confusing. Maybe your employees are afraid of being blamed for what happened. Maybe incidents are reported, but critical details are missing simply because they were forgotten by the time the form was completed. And it can be hard to make sense of the information you do receive if, for instance, each division is using a separate incident reporting system that can't communicate with the others.

Whatever the reason, the result is the same: You don't have all the information you need to prevent future incidents or claims. Under these conditions, safety measures, unfortunately, might not be implemented until there's an actual loss.
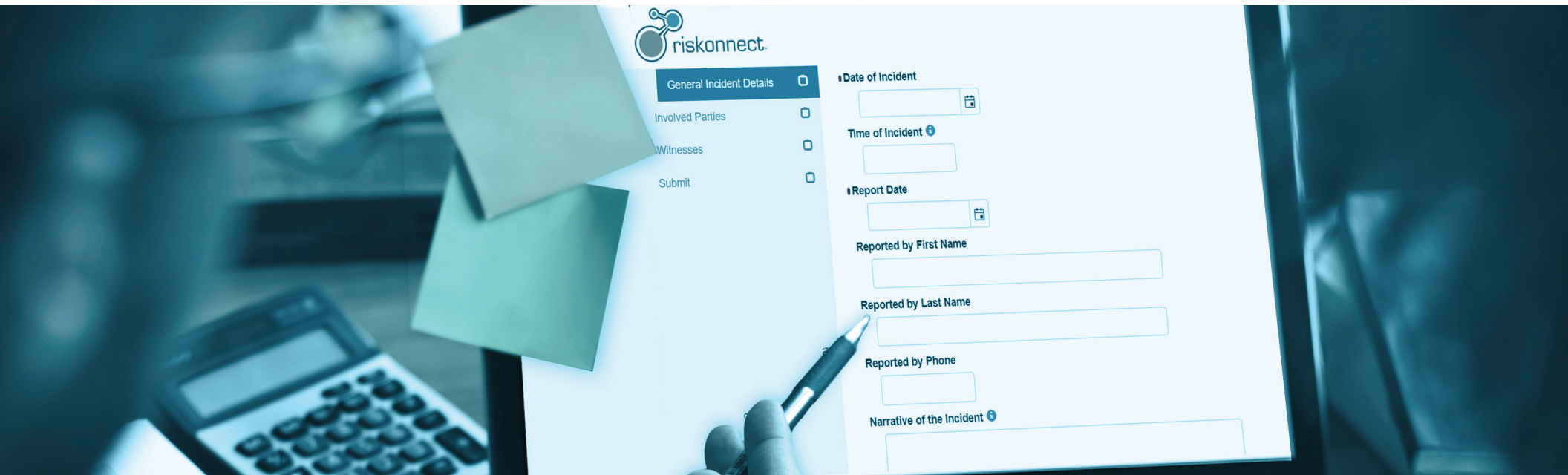
Technology takes incident reporting right to the source so data can be recorded while the event is still fresh. Simplified templates, intuitive forms, and auto-filled fields speed up the process and capture data consistently and thoroughly. You can even attach pictures, documents, and other information directly to the file. The system also sends alerts to the people who need to know what happened.

A cloud-based incident reporting tool consolidates all incident, near miss, and safety hazard data into a single platform, which is accessible anytime, anywhere, by anyone, on any device. Having consolidated information can help you spot early warning signs, track trends, and monitor what incidents turn into claims. Identifying issues early also means you have a greater chance of implementing safety measures in time to protect people and property.

The speed, accuracy, and depth you get with technology are hard to duplicate with spreadsheets or other paper-based systems. Just translating data from multiple spreadsheets into a single format to begin the analysis can require a significant investment of time – and critical information might still be missing.

With uneven data quality, spreadsheet analysis often leans on anecdotes to fill in the blanks. But it's difficult to distill numerous anecdotes into an effective, comprehensive action plan – especially if you have a high volume of incidents, multiple locations, or limited resources. By the time events are documented and analyzed, it might be too little too late.

TWO:
CLAIMS ADMINISTRATION

The longer a claim lingers, the more expensive it usually gets – so it makes sense that anything that can resolve claims faster is sure to reduce costs. That's exactly what a claims management tool is designed to do.

Every carrier and third-party administrator has its own proprietary system for managing claims. Trying to pull together all of that data into a spreadsheet for analysis can be a major ongoing headache. Working off of multiple systems also makes it difficult to track the status of current claims or ensure the right party is being held accountable. In short, things end up falling through the cracks.

A claims administration tool gives you one centralized source to manage and analyze claims throughout the entire cycle, from initial submission to final settlement. All of your data can be imported – and simultaneously validated – via an automatic data service or simple spreadsheet upload. Information from the adjustor, OSHA, policy documents, and so forth can be added right where it's needed, instead of hidden away in a separate file. Any missing or incorrect information can be detected and updated immediately.

Claims can be sorted and viewed by a variety of criteria, including coverage, carrier, TPA, cause, location, and loss date. You can easily compare similar claims and outcomes, rank cause by coverage or location – and measure carrier performance to ensure your claims are being handled efficiently.

What really takes today's claims administration tool to the next level are the strategic analysis and benchmarking you can do. The unobstructed view you get with consolidated information can help optimize your deductibles, limits, and reserves. And it facilitates collaboration across the organization to get answers and solve problems, helping you settle claims as quickly, economically, and fairly as possible.

More than 90% of executives surveyed by Deloitte said that risk management is becoming more important to achieving their organization's strategic goals.
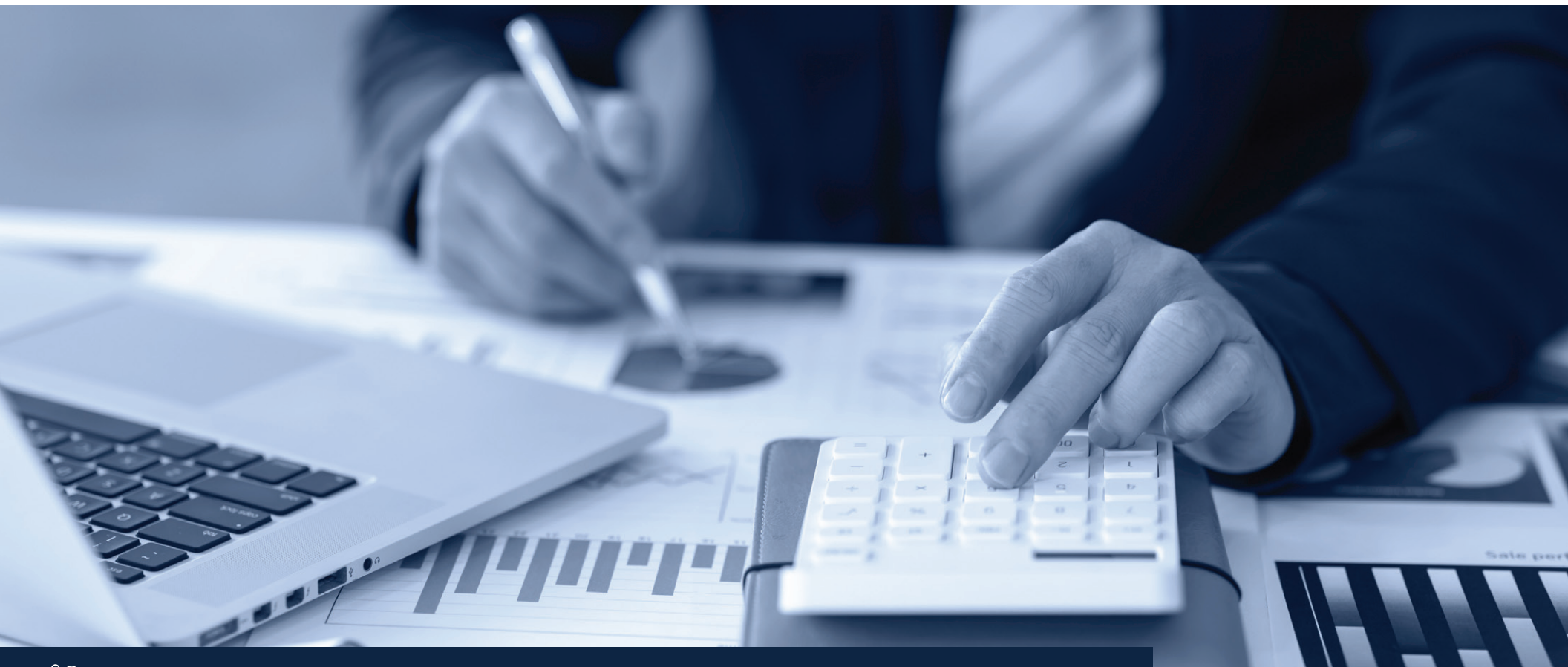
THREE:
EXPOSURE MANAGEMENT

Collecting current loss exposure information for an insurance renewal is often the bane of a risk manager's existence.

This frustration is understandable if values must be tracked down via email or phone calls to numerous individuals using a patchwork of spreadsheets. The responses then need to be reformatted, consolidated, and entered into the system. Every manual keystroke or cut-and-paste action increases the chances of human error. And this time-consuming process has to be repeated for every renewal.

An exposure management tool can help you spend less time gathering information and more time analyzing it by automating virtually every step of the process. Data is entered one time – in the field – on user-friendly screens that ensure consistency and accuracy. Missing or incomplete information triggers an email reminder to the person responsible. And you get regular progress reports on what has been received. Any unexpected values outside your designated parameters are flagged and require an explanation before they are included.

Values are automatically consolidated across the organization to show important exposure changes and trends from year to year. Reports can be generated with one click for better, faster decision-making. Everything is formatted and ready to go for market submissions. The high-quality data you deliver to your insurer might even help you negotiate a lower premium.

The right tool can take the pain out of the process.

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FOUR:
COST ALLOCATIONS

Equitably allocating shared costs across an organization can be hard to do. So hard, in fact, that some companies simply divide the total premium cost by sales, payroll, or locations. Or nothing happens and unallocated expenses drag down the entire risk budget.

The truth is, accurate premium cost allocation matters more than you might think. Holding managers accountable for their own losses can be a powerful motivator to make, for instance, return-to-work initiatives a priority. Getting this done appropriately and in a timely manner, however, can be especially challenging for multinational companies with numerous business units. And the stakes are high, often involving millions of dollars in premiums.

The complex calculations necessary to equitably allocate premiums and fees quickly overwhelm the capabilities of spreadsheets. Plus, the risk, safety, and claims data behind those calculations often needs to be pulled together manually. Not only is this extremely time-consuming, but the inevitable inaccuracies may lead to questions of fairness.

The consistent and precise structure provided by an allocation tool dramatically increases the credibility and efficiency of premium allocation. Complicated formulas can seamlessly integrate existing data – on claims, policies, locations, etc. – with your own specific business requirements for a tailor-made solution based on actual experience.

Different allocation scenarios can be previewed in advance to determine the best overall result. The final formulas can be stored and reused in subsequent years for consistency over time. You also can look back at historical allocations to analyze trends, make projections, and correlate cost-control measures with financial results.

A well-run allocation system can lower the cost of risk by 5% - 10%.

FIVE:
INSURANCE MANAGEMENT

What happens if you have to locate the policy language or limits on a past or current coverage? If your search involves digging through a file cabinet, you aren't alone. Even today, policy documents are often buried in paper files.

Once the right contract is located, you might have to wade through 100 pages or more to find exactly what you're looking for. The more brokers, carriers, and incidents you have, the harder it is to keep track of important information if each policy is scattered in paper files or with your broker. It's difficult and time-consuming to answer even simple coverage questions or provide proof of coverage when a claim occurred.

An insurance management tool provides a quick and easy way to manage your policies from all carriers and brokers. You can effortlessly locate policies that are, for instance, about to expire or those with outstanding claims. Or you can search all policies filtered by coverage, broker, or carrier. Each policy also can be loaded with local currency then converted to a common exchange to accurately compare global policy information.

Insurance policy information can then be consolidated into coherent, aggregate programs by period or business line. You can choose what policies to group together into each program – and quickly sort the information by layers, limits, deductibles, carriers, or other criteria. The tool also can run advanced analytics on premiums and loss runs that just wouldn't be possible with a spreadsheet.

Best of all, the information can be visualized in graphic form with a simple click of a button, turning an incredibly complex structure into something understandable – and actionable. That's the power of a top risk management tool.

THE RIGHT RMIS TOOLS = COMPETITIVE ADVANTAGE

The technology you use to manage risk had better be able to keep up with increasing pressure to turn vast amounts of data into better, faster decisions that will not only manage costs, but strengthen the business.

The right RMIS tools can give your company a distinct competitive advantage. Outdated tools can put your future in jeopardy. Do you have the right tools for the job?

ABOUT RISKONNECT

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

More than 2,000 customers across six continents use our unique risk-correlation technology to gain previously unattainable insights that deliver better business outcomes. Riskonnect has more than 800 risk management experts in the Americas, Europe, and Asia.

Visit riskonnect.com to learn more – or schedule a meeting with our experts here.

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Risk Management Information System

Claims Administration

Third-Party Risk Management

Enterprise Risk Management

Environmental, Social, Governance

Internal Audit

Compliance

Policy Management

Project Risk

Business Continuity & Resilience

Health & Safety

Healthcare