



By
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In today's turbulent economy, it is more important than ever for businesses to enhance their results through improved risk management practices. While the task of customizing and managing risk management information can be daunting, the adoption of enterprise risk management strategies is vital.

By utilizing available risk management information tools, a company can build its ERM capabilities, identify potential exposures and develop strategies within its risk management frame-

work. Mid- to large-size companies can use the system as a means of promoting best practices throughout the organization. As companies transition to ERM, they may also look for systems that can help monitor compliance issues or emerging trends company.

Risk management tools have grown in sophistication. Today's systems are more intuitive and empower clients to quickly and easily view data from multiple perspectives. The user-friendly nature of these systems is very helpful to companies who may not have a dedicated risk manager and rely on others within the organization to access risk management systems on a part-time basis.

Among the things companies look for in a state-of-the-art risk management information system are:

- Dashboard views that can instantly identify key information and schedule reports.
- Technology that helps establish a regular e-mail schedule for reports and notification of claim activity.
- Split security that can restrict access to loss information by user, so that regional managers can see the loss data for their region.
- Scores of selection criteria that allow users to create customized reports.
- The ability to convert historical loss information from prior carriers, self-insured programs or third-party administrator systems into the risk management information system.

In any economy, companies that are not properly managing their loss data or tracking trends within the data may be missing the chance to prevent future losses and take advantage of profitable opportunities. From an insurer's point of view, an insured that is looking to improve loss-tracking systems and monitoring of potential exposures is a better risk. Insurance companies that encourage customers to take advantage of today's risk management systems serve their customers well and improve their bottom line. **BR**

Monitor, Measure And Manage ERM

Improved IT systems can bolster enterprise risk management initiatives.

work. These tools—which are just as important for smaller companies as they are for large, multinational corporations—are essential for all firms that want to survive the highs and lows of our rapidly changing economy.

Risk management information systems allow risk managers to cross-reference and compare losses using different variables and drill down to different levels of detail. For a manufacturer, that might mean tracking the different types of back injuries sustained by employees at a warehouse or the various causes of carpal tunnel and eyestrain injuries at a home office.

A risk management information system allows the user to compare losses in one region against other regions by the types of injury, and when, where and how they occurred. Such systems also can increase accountability by allowing losses to be tracked back to a specific location, operation, manager or employee. For a restaurant chain, this enables a risk manager to more accurately pinpoint a liquor liability prob-

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