

Risk Management Strategies – A Brief Summary

⇒ Are you sure these areas of your business are up-to-date and under control?

	Operations / Site	Products/ Services	HR	IT	Contracts	Insurance
Key Issues	Safety, training & tailgates, IIPP, OSHA regulations	Quality & reputation: What do your customers expect?	Forms and files – what’s kept and what’s not	Hardware, software, inventories & security	Leases; sales, service & vendor agreements	Misunderstandings/ errors in deductibles, limits, insureds
Examples of What Can Go Wrong	Supply sources; vendor liability; lease/ zoning responsibilities; embezzlement	Delivery channels; sales & vendor agreements; goods in transit	Workers’ Comp; job descriptions; benefits management	Backups & off-site location; testing; readable copies of critical data/ contacts	Insurance-related responsibilities: are you in breach?	Misunderstandings of coverages vs. exclusions; Overlooked key exposures
Pay Attention to these Specifics and Tools	Site hazards: <ul style="list-style-type: none"> • Flammables • Extinguishers & sprinkler tests • First Aid, clinics • Equipment guarding, limits & values, replacement times • Dangers to third parties 	Consider: <ul style="list-style-type: none"> • Intellectual property & trade secrets • Work by independent contractors • Promises by marketing/ website • Cross-training & process documentation 	Awareness of key liabilities: <ul style="list-style-type: none"> • Employment Practices: harassment & discrimination • Performance management • Leaves, notices • Injuries 	Problem areas: <ul style="list-style-type: none"> • Private data – employees/ customers • Liability for viruses, data loss, identity theft • Testing contingency plans 	Problem clauses include: <ul style="list-style-type: none"> • Indemnification • “Best efforts” • Legal venue • ADR • Time is of the Essence • Copyright, Non-Disclosure 	Exposures that can be completely missed: <ul style="list-style-type: none"> • Foreign product liability or travel • Cyber liability • Full replacement cost • Contractual liability • Non-owned auto
To Do ~	Hazard & loss-control assessments/ inspections	Annual review & updates – expertise & objectivity	Annual review of all areas including insurance	Annual updates, testing, security audits	Legal & insurance review every time	Timely, planned renewal meetings and full coverage reviews

- Notes:**
- Prevention, Contingency Plans and Crisis Management can be crucial to survival because insurance won’t pay for everything.
 - Businesses are particularly vulnerable in times of change: merger or acquisition; new product, new service or territory; influx of new staff; turnover, death or disability of key people; lawsuit or other “distraction.”
 - Conducting a periodic Risk Assessment can uncover what you don’t know, and might also change your thinking about what you thought was true and no longer is.