President’s Message
by Diana Rich

It’s June, and I turn to the musings of Alice Cooper … “School’s out for summer. School’s out forever.” Little did I imagine on that fine June day all those years ago that it was the commencement in my life-long passion for learning what I wanted to learn. While many question exactly what it is I have learned, it turns out risk management has been the ideal setting for my quest for knowledge. It’s hard to imagine another field where being a jack of all trades is so useful. Medicine, contracts, law, psychology, finance, mechanics, actuarial science, regulations, accounting, drugs … all subjects I draw upon daily as I toil tirelessly to protect the assets of my organization.

Well, OK. Let’s face it. If it wasn’t for Google, these days wrangling my knowledge into something practical would be a lot harder. But questioning is the foundation of knowledge [note to self: Google that to make sure I’m right], so I’m sticking to my lofty theme.

My quest for knowledge also brings me to RIMS and the confederation of risk professionals. The breadth and depth of my peers’ knowledge is astounding, and their willingness to share experiences benefits all of us. The June risk managers-only meeting was a perfect setting to expand our understanding of topics ranging from setting property values, to completed operations coverage, to ergonomics, to partnering with HR, and on through to workers’ compensation. The monthly OCRIMS meetings remain one of the best ways to stay sharp and current as we grow as professionals.

Check out the newsletter for our upcoming events. I’m especially excited about the workshop on the morning of the Annual Golf Classic, which features topics that will appeal to all levels of experience. Mark your calendars to join us.

Live long and prosper, Diana Rich
**OCRIMS Monthly Lunch Meeting**

**Tuesday, July 9, 2019**

**CYBER LIABILITY**

<table>
<thead>
<tr>
<th>Speaker:</th>
<th>Heather Wilkinson, Vice President and Head of the Southwestern Region for Cyber and E&amp;O for Willis Towers Watson</th>
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<tbody>
<tr>
<td>Time:</td>
<td>11:30 a.m. – Social Gathering/Reception  Noon – Lunch  12:40 p.m. – Program  1:30 p.m. – Adjourn</td>
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<td>Where:</td>
<td>Center Club, 650 Town Center Drive, Costa Mesa</td>
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<td>Cost:</td>
<td>$25 for members, $50 for nonmembers with reservation by 4:00 p.m. on Wed., July 3rd  $50 for late reservations/walk-ins. (Walk-ins are not guaranteed a meal.)</td>
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**Online registration is now available for Chapter events!**

Click the following link to go to the registration page, where you can enter your contact information and select the payment method.

Want to go to the head of the line? Pay online, and bring your receipt.

[http://events.constantcontact.com/register/event?llr=kbpblmeab&oecd=a07egekpm078ade7940](http://events.constantcontact.com/register/event?llr=kbpblmeab&oecd=a07egekpm078ade7940)

**Note:** OCRIMS will send a follow-up email regarding registration to addresses pulled from the RIMS Message Center database, and your contact preferences must be set to “Yes” in the database to receive the announcement via email. If you’ve received this newsletter by direct email, you probably have your contact preferences set to “Yes” in the database, but if you want to make sure, follow the simple steps outlined under “OCRIMS Database Management System,” as indicated on the next to last page of the newsletter. Contact Zareen Morrison at (714)376-3756 with any questions regarding the registration process.

**OCRIMS is excited about the July meeting!**

The presentation will be a combination of the state of the market and types of breaches that are occurring as well as cost factors of a data breach. Also to be discussed will be the **CCPA (California Consumer Privacy Act)** and the **GDPR (General Data Protection Regulation)** and the coming storm of cyber and privacy regulation in 2020.

You won’t want to miss it, so see you there!

Heather Wilkinson is a Vice President in the FINEX Cyber & E&O practice with more than 10 years of experience in the insurance industry. She currently heads the Southwestern region for Cyber and E&O for Willis Towers Watson. Heather is a founding member of the Willis Towers Watson E&O and Cyber Broker Team; she joined the organization in 2006 and has been instrumental in placing some of the largest towers of E&O and cyber insurance placements in the world. She is uniquely qualified to handle cyber and professional liability issues and placements. Heather recently received a Business Insurance Break Out Award for Innovation. She was the only cyber professional to receive this award. Heather attended Cal State Sacramento.
On June 11th, OCRIMS held its annual Risk Management Professionals Roundtable. The meeting was for individuals who hold a risk management position in their organization. This is always an intimate event, and 30 risk management professionals participated this year. Various industries were represented by those in attendance, including real estate management, pharma, healthcare, software development and construction, to name a few.

This year’s roundtable format was based on a questionnaire sent out to registrants prior to the luncheon event. The questionnaire was used to collect ideas for topics of discussion. Topics ranged from various lines of insurance to issues commonly faced by risk management professionals on a daily basis. Questions were asked of peers, and subject-matter experts were encouraged to chime in. Creating an interactive dialogue was the focus of the meeting.

The Chapter’s President, Diana Rich, did a brilliant job as the meeting moderator, listing topics and questions on easel boards. The room was arranged in roundtables, with teams of 5 or 6, which allowed small-group discussions at each table as well as full participation involving all attendees. This format certainly allowed everyone to maximize their involvement in the discussions and create an environment of encouragement and support.

From feedback received from some of the attendees, the meeting was viewed as a success as well as thought-provoking. We even had a handful of first-time meeting attendees. It is OCRIMS’ goal as a chapter to encourage networking with peers and a safe place to share ideas and opinions, as well as a place to encourage connections and discussions.

Thank you to everyone who attended and made this meeting a tremendous success!
Attendees of the OCRIMS June meeting pose with some images you all should know, getting in the spirit of the upcoming Golf Classic—*Space: The Final Fairway*. The event will take place July 25 at Coyote Hills Golf Course in Fullerton.

The day’s activities will begin with the *Star Fleet Academy Workshop* leading up to the golf tournament. This is one galactic experience that you will surely want to be a part of in some capacity. There is still time to register or become a sponsor, but act now!
The OCRIMS Annual Golf Classic is just around the corner! It’s always a day full of fun and helps raise money to fund student scholarships at the Cal State Fullerton Center for Insurance Studies. Spots are filling up to participate in the tournament and morning workshop, but if you are interested in being a participant or sponsor, there is still time and availability.

**STAR FLEET ACADEMY WORKSHOP**  
8:00-10:30 a.m.

You are invited to Star Fleet Academy, where we train the next generation of risk professionals to lead us into the 24th century and beyond. You have been selected as the best and brightest in the galaxy.

Our curriculum is engineered to give you the skills you need to protect the mission and assets of the International Federation of Planets. We will be using principles first developed on Earth in the 20th century as we have found them to be logical.

Graduates of Star Fleet Academy will proudly take their place with the elite risk managers of the universe.

Our Otherworldly Faculty ...

**Dan Guth, Vice President,** Alliant Insurance Services, Inc.

In this Star Fleet Academy episode, the Risk Management Professional will enter into the black hole of the most unpredictable and diverse risk exposures known to man....Public Safety!

**Norm Hainlen, Director,** Alternative Risk Financing, Wood Gutmann & Bogart

**Golf Classic Title Sponsor**

Calling all Space Cadets: Ready for Risk Financing? The risk manager of the 24th century must be able to apply positive cost/benefit advanced risk financing techniques to pay for casualties and losses.

**Diana Henderson, Founder & President,** The Henderson Group

Set out on an adventure into the wonderful world of workers' compensation and discover the affirmative defenses that are available to deny an alleged industrial injury.


See the following page for more details and registration information or click the links below!

Golf Classic link: [http://events.constantcontact.com/register/event?llr=kbpblmcab&oeidk=a07eg3std57d93772da](http://events.constantcontact.com/register/event?llr=kbpblmcab&oeidk=a07eg3std57d93772da)

Star Fleet Academy link: [https://events.r20.constantcontact.com/register/eventReg?oeidk=a07ezcbzt602b228c7&oeidk=a07ezcbzt602b228c7&oeidk=a07ezcbzt602b228c7](https://events.r20.constantcontact.com/register/eventReg?oeidk=a07ezcbzt602b228c7&oeidk=a07ezcbzt602b228c7&oeidk=a07ezcbzt602b228c7)

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THANKS TO OUR TITLE SPONSOR—
WOOD GUTMANN & BOGART INSURANCE BROKERS
**Space: The Final Fairway...**

OCRIMS 23rd Annual Golf Classic

**Stardate:** Thursday, July 25, 2019  
**Quadrant:** Coyote Hills Golf Course  
1440 E. Bastanchury Road, Fullerton

Join us for the adventures of the golf cart *Enterprise*. Its 18-hole mission: To explore strange new bunkers, to seek out new water holes and new hazards, to boldly go where no risk manager has gone before.

**Golf Classic Registration & Driving Range** open at 10:00am  
**Putting and Skills Contest** (open to all) 10:30am to 11:30am  
Launch with Shotgun Start at 11:30am | Cocktails and Dinner at 4:30pm  
[Transporter to Details and Registration](#)

**Sponsorships Still Available...**

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Many other opportunities available: Email [ocrims@outlook.com](mailto:ocrims@outlook.com) for info!

**Thanks to our Sponsors!**

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**Get your name here!**

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- The Oaks Law Group

**Special thanks to OCRIMS Executive Sponsors...**

- **Willis (Gold)**
- **Aon (Silver)**
- **Marsh (Silver)**
- **Sedgwick (Silver)**
The Southern California Joint Technical Symposium (JTS) was formed in the 1980s when two sections (Orange County and Southern California) of the American Industrial Hygiene Association (AIHA) held a joint meeting. Over the years, the JTS has featured a powerhouse of eminent environmental health and hygiene professionals willing to share their expertise with colleagues by providing short technical presentations. In 2005, the Orange County Chapter of the American Society of Safety Professionals (ASSP) joined the AIHA sections, and brought a new class of professional to the JTS: The Safety Pro. The JTS has grown organically and impressively to become the premier EHS Symposium of Southern California.

OCRIMS has been offered a discount for anyone wanting to attend the JTS on October 16.

The draft program showcasing two keynote sessions and four technical breakout tracks with over 18 esteemed speakers is posted to the JTS website (http://www.caljts.com). Sessions will feature presentations covering the topics of industrial hygiene, safety, environmental management, and others. Use the following link to see the full agenda: http://www.caljts.com/wp-content/uploads/2019/05/2019JTSProgramDraft.pdf

Complementing the topical presentations will be an exposition featuring leading companies offering EHS products and services.

SAVE $$ BY REGISTERING EARLY ONLINE.
USE PROMO CODE “OCRIMS” FOR $25 OFF REGISTRATION.
THERE IS ALSO A MULTI-REGISTRANT (3+) DISCOUNT.
(MUST REGISTER ONLINE TOGETHER)

Registration prices increase August 1, September 1, and October 1. Mail-in registration will open August 1.

ADDITIONAL INFORMATION:
For overnight stays, there is a DoubleTree next door to the Carson Event Center. For general questions contact Zak Islam at (925)726-8881, JTSOCASSP@gmail.com. For questions about exhibiting or sponsoring, contact Tom Jordan (714)612-2188.
EMPLOYMENT OPPORTUNITIES

OCRIMS is happy to list employment opportunities that are of interest to professionals involved in the field of risk management. To save space in the newsletter, we provide a summary description and contact information for each available position. If you want a full job description for any of the positions listed below, visit the OCRIMS website—www.ocrims.org—and click on the “Job Opportunities” page. Once you are on the “Job Opportunities” page, click the link for a full job description for the position(s) for which you are interested.

ENVIRONMENTAL HEALTH & SAFETY SPECIALIST—Western National Group, a real estate firm specializing in developing, building and managing multifamily housing, is looking to fill an Environmental Health & Safety Specialist position in Irvine. The position is responsible for the administration and monitoring of company environmental health and safety programs and policies to ensure compliance with federal, state and local regulations. Specific job duties will include assisting with the development and delivery of environmental health and safety training, and conducting inspections and evaluations of operations to identify hazards and provide support in the management of environmental health and safety programs. To apply for this position, please forward your resume to Bridgette Castillo - bcastillo@wng.com.

SENIOR RISK MANAGEMENT ANALYST—The City of Huntington Beach is looking to hire a Senior Risk Management Analyst to perform complex and difficult duties relating to the identification, assessment and management of risk exposures, including oversight of employee safety programs and regulatory compliance. Specific job duties include acting as liaison with the City’s third-party workers’ compensation and liability program administrators; preparing Requests for Council Action regarding the disposition, status, and settlement of workers’ compensation and liability claims; and administering the City’s Department of Motor Vehicle Employer Pull Notice program and Department of Transportation (DOT) random drug testing. To apply for this position, use the following link: https://www.governmentjobs.com/careers/huntingtonbeach/jobs/2461941/risk-management-analyst-senior-risk-management-analyst

RISK MANAGEMENT ANALYST—The City of Huntington Beach is looking to hire a Risk Management Analyst to perform journey-level work relating to the identification, assessment and management of risk exposures and regulatory compliance. Specific job duties include assisting in the development and implementation of strategic goals, objectives, policies and priorities related to risk management, employee safety, and loss prevention; participating in a variety of safety and loss prevention activities with various departments; and developing and maintaining a resource center for safety training aids, films, videos and literature on a citywide basis. To apply for this position, use the following link: https://www.governmentjobs.com/careers/huntingtonbeach/jobs/2461941/risk-management-analyst-senior-risk-management-analyst

RISK MANAGEMENT INSURANCE COORDINATOR—The Long Beach Unified School District is looking to hire a Risk Management Insurance Coordinator to plan, organize and coordinate the services and activities of the District’s property, liability and workers’ compensation insurance and claims administration programs; coordinate and oversee the District’s light duty/return to work program; develop, implement and monitor safety training programs; train and evaluate the performance of professional and support staff; and perform related duties as assigned. To apply for this position, you must submit an application at: http://www.lbschools.net/Departments/Personnel_Commission/
ECONOMIC FACTORS DRIVE TOP RISKS
by Hilary Tuttle

Economic slowdown or slow recovery was ranked as the top risk facing businesses this year, according to Aon’s 2019 Global Risk Management Survey, followed by reputation or brand damage.

“Accelerated rates of change in market factors” was third, up from 38th in 2017, driven by “erratic trade policy and regulatory changes, large-scale geopolitical conflicts, frequent financial market turmoil, and rapid technology advancements.”

Other risks new to the top 15 were distribution or supply chain failure, capital availability/credit risk, and disruptive technologies.

Amid such volatility, respondents reported the lowest level of risk readiness in 12 years. Given the difficulty of transferring many of the top risks through insurance, enterprise risk management practices are more important than ever.

“This, combined with the use of data and predictive analytics that can generate actionable insights, will help businesses protect their bottom lines while adapting to accelerated change and economic fluctuations,” said Rory Moloney, CEO of Aon Global Risk Consulting.

USING DATA ANALYTICS TO SUPPORT STRATEGY
by Morgan O’Rourke

According to the 16th annual Excellence in Risk Management report from Marsh and RIMS, the top priority for risk professionals looking to develop their company’s risk management capabilities is improving the use of data and analytics. In particular, risk managers thought their organization would benefit the most by improving data and analytics use to inform decisions on specific risks (41%), identify emerging issues (36%), and optimize insurance and other risk transfer programs (34%).

The report noted a disconnect between risk management and C-suite priorities, however—only 29% of risk professionals considered it a priority to use data to inform the company’s overall business strategy, compared to 41% of C-suite respondents.

This gap is reflected in how organizations currently use risk management data—twice as many risk professionals use data for administrative tasks like providing information to brokers and insurers or informing risk finance and insurance renewal decisions than for more strategic and analytical tasks like adjusting risk management strategy or general strategic planning.
IDENTIFYING AND EVALUATING EMERGING RISKS

Developing an Emerging Risk Capability is a Clear Opportunity for the Risk Management Function to Add Value

Although they are new and often not well understood, emerging risks can be identified, evaluated and response plans can be implemented to create a competitive advantage for the organization, according to the RIMS new executive report titled, “Identifying and Evaluating Emerging Risks.”

The report explores emerging risk research and discovery processes, evaluation strategies, response planning, and steps to integrate emerging risks into the known risk portfolio, as well as helpful tips to address and overcome expected challenges to enhancing capabilities.

The report is authored by the following members of RIMS Strategic and Enterprise Risk Management Council: Frank Fiorille, vice president of risk management, compliance and data analytics, Paychex; Lorie Graham, chief risk officer and senior manager, insurance services, American Agricultural Insurance Co.; and Christy Kaufman, risk analytics and insights director, and chief compliance officer, AmFam Ventures.

Key takeaways:

- By focusing on trends that are just beginning to surface, organizations can identify potential shifts in strategy ahead of competitors.
- Understanding plausibility of emerging risks will help the organization determine which risks are most deserving of their limited resources.
- Changes to the organization’s strategy can create new blind spots.
- The tone in which a risk professional delivers information about an emerging risk to leadership matters.
- While one person might be responsible for strengthening emerging risk capabilities, that person must form a cross-functional team to develop the response plan.

The report is currently available exclusively to RIMS members. To download the report, visit RIMS Risk Knowledge library at www.RIMS.org/RiskKnowledge.
Recently, the Association for the Management of Risk And Insurance of Enterprise (AMRAE) and EY jointly released the 11th edition of the *RMIS Panorama*, offering an in-depth look at the organizations and professionals who are using risk management information systems (RMIS), how well they have adapted, and guidance for those seeking their first or newest framework.

After surveying 570 risk managers and 36 vendors from more than 30 countries, *Panorama*’s authors note the top reported benefits from RMIS were the ability to spend more time analyzing (and not collecting) data, harmonizing practices and reducing silos. Of those who have adopted these systems, 47% are in the industry and services sector, followed by 31% in banking and insurance and 12% in the public sector.

Some other key takeaways from the report include:

- 54% of risk managers already use an RMIS and report a 71% satisfaction rate.
- Though a majority of risk managers said they wish to keep RMIS costs at less than €300,000, last year marked the first increase for RMIS budgets totaling more than €1 million (approximately $1.12 million). This trend was largely driven by activity in North America, and a 2% increase is projected for 2019.
- Ease-of-use is still the main criteria for selecting an RMIS tool. The market is seeing an increasing demand for “ergonomic and advanced reporting” within the solution.

According to the report, there has been a 60% year-over-year increase in RFP solicitations for RMIS from the international risk management community since 2013. Francois Beaume, AMRAE vice president and VP of risks and insurance at Sonepar, said he expects the trend to continue and noted that the report can serve as impartial guidance to help risk professionals find the right RMIS vendor and system for their organization. The report also offers insight on best practices around the RMIS lifecycle from the original requirement design phase to the change management program following implementation.

“Our approach is based on two critical pillars – objectivity and neutrality,” Beaume explained. “As an increasing number of risk professionals seek their first or new RMIS models, they may need help selecting or even adapting them to their own methodologies.”

(article continues on next page)
Panorama also explores the most requested RMIS modules, which range from risk mapping and incidents management to audit. Internal control and audit garnered high satisfaction rates among professionals, both exceeded 80% in cumulatively “meeting” or “exceeding” expectations.

Additionally, the report includes testimonials from six global risk managers on their experiences with RMIS. For example, according to Susan Hiteshew, a RIMS board member and senior director of insurance for the Americas at Marriott International, RMIS systems provide a “one-stop shop for data aggregation, reporting and analysis” that “builds a single source of truth when making decisions.”

To fellow risk managers starting the process, Hiteshew advised, “Rather than reproducing work within the system, companies undergoing an implementation must begin with the end in mind and work backward to build and validate processes to realize the full RMIS value. This helps minimize the execution risk that can materialize and offset the system’s advertised value proposition.”

SPONSORED WHITE PAPER
BEST PRACTICES FOR IMPLEMENTING A TRAVEL RISK MANAGEMENT PROGRAM

Threats such as personal health, safety, and security, as well as disruptive events like protests, civil unrest, and weather can pose significant risk to travelers any time they leave their home or office. These events can cost your organization in lost productivity, pose legal liability, and negatively impact the financial bottom line. Proactive measures that reduce the frequency and severity of incidents help avoid response expenses and reduce potential liability.

In this best practices guide, you’ll learn the essentials of a travel risk management (TRM) program and how to evaluate your current program’s maturity level. The in-depth self-assessment toolkit includes a comprehensive assessment criteria checklist, scoring methodology, ratings matrix, and insights on how to build upon your current TRM program.

Download the Travel Risk Management Best Practices Guide and Assessment Toolkit now.
WHO CLASSIFIES BURNOUT AS OCCUPATIONAL PHENOMENON

by Adam Jacobson

The World Health Organization (WHO) has officially recognized workplace burnout as an occupational phenomenon in the latest version of its “International Classification of Diseases” (ICD). This designation indicates how serious workplace burnout and stress are as an impediment to a healthy, productive work environment, and how important it is for employers to take concrete steps to address it.

Since 1948, the WHO has published the ICD, which “defines the universe of diseases, disorders, injuries and other related health conditions, listed in a comprehensive, hierarchical fashion.” The last published version of the ICD defines “burnout” as a “state of vital exhaustion,” but the forthcoming edition has updated that definition, clarifying that it is a condition that occurs specifically in the workplace.

The new definition includes: “Burnout is a syndrome conceptualized as resulting from chronic workplace stress that has not been successfully managed. … Burnout refers specifically to phenomena in the occupational context and should not be applied to describe experiences in other areas of life.” The three factors the WHO identifies for classifying burnout are: feelings of energy depletion or exhaustion; increased mental distance from one’s job, or feelings of negativism or cynicism to one’s job; reduced professional efficacy.

According to a 2017 Gallup poll, 23% of U.S. employees “reported feeling burned out at work very often or always, while an additional 44% reported feeling burned out sometimes.” When workers suffer from burnout, it can have serious effects on business performance. A 2017 survey conducted by Kronos Incorporated and Future Workplace also noted that “95% of human resource leaders admit employee burnout is sabotaging workforce retention,” and “nearly half of HR leaders (46%) say employee burnout is responsible for up to half (20% to 50%, specifically) of their annual workforce turnover.” This means higher recruiting costs, additional time for other employees and managers involved in the recruitment and training processes, as well as potential business interruptions and lost institutional knowledge.

Gallup also noted that employees experiencing burnout “are 63% more likely to take a sick day,” and alarmingly, “are 23% more likely to visit the emergency room.” Indeed, in 2015, the Harvard Business Review says that workplace stress caused additional physical and psychological healthcare spending between $125 and $190 billion annually in the U.S. Given the rising costs of healthcare and increasing recognition and treatment related to burnout, it is likely that these numbers have only increased.

Gallup reports that the top five factors most highly correlated with burnout are: unfair treatment at work; unmanageable workload; lack of role clarity; lack of communication and support from manager; unreasonable time pressure.

The American Psychological Association’s Center for Organizational Excellence has outlined the importance of communication to maintaining a psychologically healthy work environment, both bottom-up and top-down. The APA’s recommendations include “providing regular, on-going opportunities to provide feedback to management,” and “leading by example, by encouraging key organizational leaders to regularly participate in psychologically healthy workplace activities in ways that are visible to employees.” The organization also emphasizes work-life balance, noting that instituting policies like flexible work arrangements and assistance with childcare can provide “benefits in terms of increased productivity and reduction in absenteeism, presenteeism and employee turnover.”

When companies take workplace stress seriously, and implement processes to address burnout and create healthy work environments, they see happier workers, higher retention and greater productivity, as well as lower costs. The WHO officially acknowledging burnout as a serious workplace concern should be a wake-up call for employers.
Luke Figora, senior associate vice president and chief risk and compliance officer at Northwestern University, was named the RIMS 2019 Risk Manager of the Year.

With annual revenues of approximately $2.5 billion (reported in 2018) and nearly $700 million in sponsored research annually, Northwestern is among the country’s leading research universities. Figora has risen quickly through the ranks at Northwestern, where his enterprise risk management (ERM) framework has elevated its risk culture across three campuses—two in Illinois and one in Qatar.

Figora spoke about his experience as one of the youngest stakeholders among Northwestern’s leadership, his process of customizing an ERM matrix and his reaction to the recent college admissions scandal.

Q: You and your department created an ERM matrix in the past year that united Northwestern’s compliance owners and that may even set a precedent in higher education. What went into its creation?

A: We spent a lot of time defining risk appetite statements and tried to make our program a little more outcome-based and actually show how we’re moving the needle on uncertain key risks for Northwestern. And we avoided spending too much time aligning perfectly to one of the ERM frameworks like COSO or ISO. So I think if someone looked at our program from the outside, it might not check all the boxes from a typical model perspective, but it’s driving action here at Northwestern and it seems to be the right level for engagement with our stakeholders.

I think one of the biggest challenges for ERM at Northwestern—and maybe this is true across the industry—is that we don’t necessarily have one strategy right now. We have some pillars and values that Northwestern follows, but we’re ultimately a very decentralized institution that has a number of schools, and a number of units in each one of those have slightly different objectives and goals.

Follow up: It seems that there is a degree of transparency, but not full transparency.

Reply: Right. For example, athletics and the School of Medicine have very different risk profiles and neither one of them should know the other’s risks or operations. And it would be hard for someone in athletics to speak about the risks of animal research within the School of Medicine. I think that’s where our risk office plays a role in right-sizing the expectations and taking the feedback from all the units, but trying to do some triage through that.

(article continues on next page)
Q: Many of your colleagues are several years your senior—how has that impacted your work?

A: I am probably the youngest person on the leadership team across the institution, but it has probably been beneficial. I have tried to bring different ideas and update the ways in which we think about risk. I’m not jaded by the insurance industry, and I think people are receptive because of that.

Q: Since arriving at Northwestern nearly five years ago, you moved up the ranks relatively quickly, although you’ve maintained that was not your goal. How would you advise young risk professionals as they get their feet wet?

A: I think all of us at early stages in our careers can’t wait to be a manager and want that vertical growth and the chance to lead a team, but the bigger driving factor for me has been horizontal growth and expanding the portfolio. After that, I believe the other opportunities will come. That is a belief I try to hammer home in my work and when I make industry presentations.

Q: The college admissions system is a hot topic due to the major scandal that broke in March. How might that have affected where the admissions process is on Northwestern’s risk register?

A: Last year at this time, fraud in the admissions cycle wouldn’t have been one of our top 10 enterprise risks. But when things like this break, there is a tendency to go into reaction mode and examine whether we have similar issues. I always try to keep people level-headed and remind them that just because this hit doesn’t mean it moves to number one on our crisis management list for the year. It is worth doing a deep dive into the question or topic that’s in the news, but whenever scandals hit, I think we’ve tried to approach them with a rational view.

Q: It sounds like the knee-jerk reaction is to go into crisis communication mode, even though it’s not your crisis.

A: We know we’re going to get questions from our trustees, so there’s an initial all-hands-on-deck mentality. You have to make sure you have talking points that outline how we’ve thought about it because we know we’re going to get questions from the media. We do focus on crisis communications, but it becomes more about knowing if we have the right controls that could protect the institution from something like this happening to us.
At the suggestion of Jim Gunther, OCRIMS is running the “101 Rules of Risk Management.” We listed the first 34 rules in the May newsletter, and are running 35 through 65 in this issue. The remainder will appear in the July newsletter. Not all of the rules are applicable to every risk practitioner, but there is plenty to digest, especially for young professionals or those who are somewhat new to the profession.

Note well that these are 101 Rules of Risk Management, not THE 101 Rules. They were pulled together by the late Tom Hallet (one-time Risk Manager of the Year at General Motors) when he was with the late Frank B. Hall and Company. Our thanks to Tom and the group of pioneer Risk Managers who collaborated in this effort.

**Claims Management**

35. The risk manager should be notified immediately (within 24 hrs.) of a major loss or potential loss.
36. Major liability claims should be reviewed for adequacy of investigation and accuracy of the reserve.
37. Be careful of local plant involvement in property and liability claims. Local personnel may be too defensive to properly review a major claim.
38. Request early advance payments on large Property and Business Interruption losses.
39. Secure several estimates or an appraisal of self-insured vehicle physical damage losses.
40. Aggressive claims subrogation (insured and self-insured) reduces costs.
41. A claim and disability management program directed toward getting the employee back to work as soon as possible can save money even though the employee cannot do all phases of the job.
42. Periodically audit claims reserves of insurers and TPAs.
43. The best claim is a closed claim.

**Employee Benefits**

44. The provisions and costs of Employee Benefit programs should be clearly and frequently communicated to employees.
45. When installing a new benefit plan, it is harder to reduce benefits than to improve them later on.
46. A poor employee benefit program can generate more employee relations problems than no plan at all.
47. Employee contributions, even small ones, can help you assess the real popularity of a benefit plan.
48. Know the benefit plans of the companies with whom you compete for labor.
49. Benefit consultants and brokers are not efficient replacements for in-house staff functions.
50. Collective bargaining of employee benefits should involve corporate benefit professionals.
51. Legislation and regulation are intensifying in the employee benefit field. Make your company’s opinions known to the government BEFORE legislation is enacted.


**Pensions**

52. The ultimate cost of any pension plan is equal to the benefits paid, plus the cost of administration, less any investment earnings of the fund.

53. For the most part, different actuarial methods and/or assumptions may alter the incidence of cost, but seldom alter the ultimate level of cost.

54. Clearly identify your corporate objectives with respect to your Retirement program. Recognize that Retirement plans are long-term obligations that will span many political, economic, and social environments.

55. Recognize that retirement plans are long-term obligations that will span many political, economic and social environments.

56. Identify the nature and extent of pension liability prior to any acquisition or divestiture.

57. Establish formal investment objectives with respect to your pension funds that define risk, diversification, and absolute performance parameters.

58. Monitor the performance of your pension fund in the context of your investment objectives.

59. Identify and monitor your corporate exposure as a result of participation in any industry-wide Multi-Employer Pension Plans.

**International**

60. Multinational organizations should step up to their international risk management responsibilities.

61. Establish a worldwide risk and insurance management program; don’t rely totally on a Difference in Conditions approach.

62. A combination of admitted and non-admitted insurance usually provides the best overall international program.

63. Avoid the use of long-term insurance policies overseas.

64. Be sensitive to and don’t underestimate nationalism when implementing a worldwide risk management program.

65. Don’t ignore local objections to worldwide programs.

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**Risk Analysis Forecasting Tools**
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**Designing an Enterprise Risk Management Framework**
This interactive course will enable you to design a successful framework. You’ll discover how to determine what type of risk attitude your organization exhibits, what specific design elements need to be in place, how to overcome common ERM obstacles and what you need to do to gain credibility and commitment for the program.

**Workers’ Compensation**
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**RIMS-CRMP Overview Course**
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Applies to new online course registrations only. Limit one purchase per person.
The 53rd Sawdust Art & Crafts Festival in Laguna Beach begins June 28th and runs through September 1st (https://sawdustartfestival.org/). On the subject of art, The Metropolitan Museum of Art, commonly referred to as “The Met” and located in New York City, is the largest art museum in the Western Hemisphere and among the most visited art museums in the world. Here are some facts about The Met:

- The Met presents over 5,000 years of art from around the world. The Museum lives in three iconic sites in New York City—The Met Fifth Avenue, The Met Breuer, and The Met Cloisters.
- The collections within The Met are owned by about 950 people that make up a private corporation of fellows and benefactors.
- The Met is governed by a board that includes NYC officials, museum trustees, and elected members.
- The Met’s roots date back to 1866 in Paris, France, when a group of Americans agreed to create a “national institution and gallery of art” to bring art and art education to the American people.
- The Met was founded on April 13, 1870. The founders included businessmen and financiers, as well as leading artists and thinkers of the day.
- There are more than 6 million visitors to The Met each year.
- The Met hosts concerts, classes, and other events.
- Some of the famous artists whose work is on display in The Met include Vermeer, Raphael, Botticelli, Veneziano, Goya, Leonardo da Vinci, Degas, Michelangelo, Claude Monet, Vincent Van Gogh, Paul Cézanne, Paul Gauguin, Pablo Picasso, Henri Matisse, and Amedeo Modigliani.
- The permanent collection consists of works of art from classical antiquity and ancient Egypt, paintings and sculptures from nearly all the European masters, and an extensive collection of American and modern art. The Met maintains extensive holdings of African, Asian, Oceanian, Byzantine, and Islamic art. The museum is also home to encyclopedic collections of musical instruments, costumes and accessories, and antique weapons and armor from around the world.
- The Costume Institute contains more than 35,000 costumes and contains pieces from the 1400s to today.
- The Met’s Department of Arms and Armor is one of the museum’s most popular collections. The collection comprises approximately 14,000 objects, of which more than 5,000 are European, 2,000 are from the Near East, and 4,000 from the Far East.
- There are more than 25,000 photographs in The Met’s collection.
- The Met’s collection of musical instruments includes the oldest piano in existence.
- The Met’s collection of European paintings numbers around 1,700 pieces.
- The original Met building was not well-received and its design was redone and today measures 20 times the size of its original design.

Read more: http://www.factbuddies.com/2018/04/amazing-facts-metropolitan-museum-of-art.html#ixzz5qEJ3mPDX
Contact Person for Employment Opportunities

Arpi Rubenyan is the contact person for employment opportunities. If you have information or questions regarding employment opportunities, contact Arpi at (714)438-3277. With sufficient notice, OCRIMS will print relevant job openings in the monthly newsletters.

Articles for the Newsletter

Share your creative solutions, ideas, etc. with the risk management community by contributing an article to the OCRIMS newsletter. Articles need to be submitted to Vaughn Shelton by the 10th of each month to be considered for publication. To submit an article, please email Vaughn at vaughnzx6r@gmail.com. Don’t be shy; we’d love to hear from you!

Get Involved with OCRIMS in 2019!

OcRIMS Database Management System

OCRIMS maintains its contact database through the RIMS Message Center. To stay abreast of the happenings in the OC, make sure that you are registered through the RIMS Message Center, that your RIMS profile is up to date, and that you have selected your desired preferences. You do not even need to be a member of RIMS to take advantage of this great tool.

Here’s the link: http://www1.rims.org/eweb/DynamicPage.aspx?webcode=verify. The Chapter affiliation is at the very bottom, so be sure to choose OCRIMS.

How to Change Your RIMS Profile—Log onto www.rims.org and scroll down at the Membership tab. In the category that says “My RIMS,” click on “My Contact Information.” On the information page, click “Edit.” At this point if you have not already logged into your RIMS account, it will ask you to login. Then update your information and click “Save.” It’s that easy!

Remember that OCRIMS provides ideal opportunities for you to stay at the forefront of risk management, and networking is a key component, as is remaining informed on what’s happening in our industry—the Message Center allows you to do that. If you have any difficulty with the RIMS Message Center, please contact dianarich@earthlink.net.

Upcoming Meetings & Events

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<tr>
<th>OCRIMS Calendar</th>
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<tr>
<td><strong>July 9, 2019</strong></td>
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<tr>
<td><strong>OCRIMS MONTHLY LUNCH MEETING</strong></td>
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<td>Cyber Liability</td>
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<td>Speaker: Heather Wilkinson, VP and Head of the Southwestern Region for Cyber and E&amp;O for Willis Towers Watson</td>
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<tr>
<td>Location: The Center Club in Costa Mesa</td>
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<td>See details in this newsletter</td>
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<td><strong>July 25, 2019</strong></td>
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<tr>
<td><strong>OCRIMS GOLF CLASSIC</strong></td>
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<td>Space: The Final Fairway/ Star Fleet Academy Workshop</td>
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<tr>
<td>Coyote Hills Golf Course</td>
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<tr>
<td>See full details in this newsletter</td>
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<td><strong>September 16-18, 2019</strong></td>
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<td><strong>RIMS WESTERN REGIONAL CONF.</strong></td>
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<tr>
<td>Location: Las Vegas, Nevada</td>
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<td><strong>October 16, 2019</strong></td>
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<td><strong>SoCal JOINT TECHNICAL SYMPOSIUM</strong></td>
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<tr>
<td>Health &amp; Safety</td>
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<tr>
<td>Location: Carson Event Center</td>
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<td>See details in this newsletter</td>
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DON’T FORGET!

JULY 9TH – OCRIMS MONTHLY LUNCH MEETING
JULY 25TH – GOLF CLASSIC & MORNING WORKSHOP

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http://www.ocrims.org