UNLOCKING INSIGHTS:
Effective Data Collection Methods for Risk Management

PART 3

Effective data management relies on integrity and a reliable data collection tool. Whether you're using an off-the-shelf risk management information system (RMIS) or a custom-built solution, it's essential to fully understand how your system functions and manages data flow.

The claims reporting process involves sending data to a third-party administrator (TPA) or carrier and, in many cases, receiving crucial claims information in return. This includes confirmation of receipt, claim numbers, financial details, and standardized coding for causes, injuries, body parts, and OSHA flags. As claim codes are updated regularly, ensure your system has a process for timely updates to maintain accuracy and compliance.

To evaluate your current process, map out each step from the initial incident to the final claim closure. Understand all the various steps in the process to be in a better position to be able to suggest changes and efficiencies.

Some of the most common methods of capturing incidents include:

1 THIRD-PARTY SOFTWARE

Several reputable software companies offer off-the-shelf RMIS solutions. These programs are typically robust, customizable, and equipped with additional features—some of which you may not require. Plan responsibly for future needs, but make sure to fully utilize the features you're paying for. Choose a provider that aligns with your current requirements and capabilities.

Pros	Cons
+ Very stable platform	+ Generally longer rollout time
+ Built-in dashboards	+ May require service hours contract
+ Mobile app ability	+ Requires some technical abilities to maintain unless you have a very generous service contract
+ Secure	
+ API* expertise	+ Annual API* fee
+ System outage support	

*API stands for application programming interface, which is a set of rules that allow software applications to communicate with each other. APIs are a way for developers to integrate data, services, and capabilities from other applications. An example would be establishing an API feed between your RMIS system and your HR system to pull down employee demographic when an incident occurs.

2 HOME GROWN SYSTEM

In-house systems, often developed by your programmers or tech-savvy team members, can be an excellent option—especially if that expertise remains within your organization. These custom-built solutions are typically tailored to integrate seamlessly with other tools and systems already in use.

Pros	Cons
+ In-house expertise + Syncs well with other in-house systems	+ Can be a challenge if the employee(s) that develop it leave your organization + System outages require local resource

3 CARRIER/TPA SYSTEM

Maybe you can't justify the expense of a third-party software program and maybe you don't have the in-house resources to be able to build your own. Leveraging your carrier or TPA's resources for claims data management can be an excellent solution when you are operating on an extremely limited budget. However, it is vital to ensure this claims intake process captures all necessary information.

Pros	Cons
+ No in-house resources needed + Cost-effective + Ease of access	+ Plan for how to handle moving your data if you change carrier/TPA. You will want your history + There could be potential limits on the amount of data you can collect + Adding/removing fields as well as hierarchy updates may be a bit more difficult + This requires you to work with your carrier/TPA partner to receive a monthly extract of your losses to ensure all critical fields are utilized + This would require the entry of first party claims into the carrier/TPA system

Each method of data collection has various pros and cons, making the right fit for each organization different.

Regardless of the method you choose, here are a few things to keep in mind:

+ **Data Extraction** – Verify that you can get your data out of the system without opening a ticket with the software vendor. To reference part 2 of this thought leadership series, you need to be able to extract your data in a format that is more conducive to an audit.

+ **Hierarchy** – Ensure that the system has the ability for you to create and maintain a hierarchy in the system. Make sure this hierarchy is easily updateable so that you can realign the hierarchy as your organization grows or changes.

  – Organizational hierarchy is the fundamental aspect of organizational management and design. For example, you may break your organization up into easier to manage groups such as regions or divisions. This allows for performance metric tracking by these areas and helps you generate your monthly reports in a hierarchical manner.

+ **Customizable** – Make sure you can add and remove fields as your needs change, not just during implementation. Systems that use a "low code" approach are generally more accommodating to these changes.

  – Low code refers to a software development approach that allows users to build applications with minimal coding required, primarily using visual drag-and-drop interfaces and pre-built components.

+ **Digital Method** – Consider any digital methods available to help collection. This could be in the form of a mobile app or online digital forms that could be completed via tablets or phones. Mobile devices could then be used to take pictures or videos, record statements, and/or capture exact GPS information.

+ **Relevance** – Ensure each field on the report form is useful for data analysis. Avoid collecting unnecessary information.

  – Keep in mind that some states, like California, require specific questions to be included in your documentation.

+ **Structure** – Use radio buttons and drop-down menus to minimize free-form data entry, except for descriptive fields.

  – Sync the RMIS system to your HR systems to automatically pull in employee-specific fields.

  – Include timely and appropriate post-event investigations.

+ **Data Transfer** – APIs are your friend. When you can build and utilize them, you should.

+ **Training** – Ensure that your end users are trained before you go live and after any updates have been made to the system. Coordinate with your HR teams to know who needs training.

+ **Maintain Data Integrity** – Regularly review and clean data to prevent corruption. When you identify generalization or corruption, determine how it occurred and take action to prevent reoccurrence.

By focusing on these areas, you can build a strong foundation for your data collection program that helps you create a stronger safety culture.
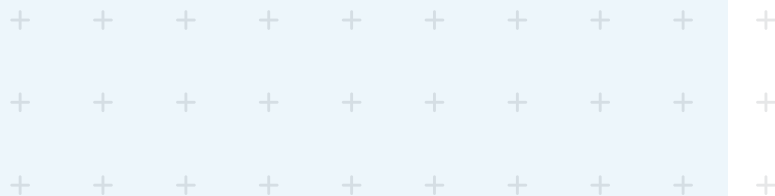
It is impossible to list every factor to consider, and there is a lot to think about in the information above. The key takeaway is to extract your data monthly, examine it closely, and ensure it's clean. Pulling it out of the system in Excel allows you to easily sort by key fields to understand how it's being populated. As you find errors, you can actively fix them in your system and put tools into place to prevent them from reoccurring.

Set the standard by leading through example, allowing other companies to measure themselves against you rather than comparing yourselves to them.

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