



ORIGAMI RISK

Taking the First Steps to Implement TCOR Strategies

Origami Risk Client Forum

Thursday, March 30, 2023

Housekeeping

- **This webinar is being recorded.**
 - A link to the recording, slides, and related resources will be emailed to all registrants
- We will have **Q & A** at the end of the webinar, as time allows
 - If we don't get to your question, we will reach out to after directly
- Take Our Post-Webinar Survey!

Agenda

1. TCOR Refresh
2. Client Story: Jabil
3. Getting Started with TCOR
4. Q & A

Panelists



Mary Upshaw

Principal Solution Architect at Origami Risk

- Origami Risk professional for 11+ years

Panelists



Michelle Donato

Risk Management Specialist at Jabil Inc.

- Origami user for 7+ years
- Risk team currently sits in the Operations Department



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Poll Question:

Are you currently using TCOR strategies in your organization?

1. Yes, we have a current process.
2. Somewhat - we are just getting started with TCOR.
3. We currently do not have a TCOR process in place.



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TCOR Refresh

Mary Upshaw, Principal Solution Architect

What is Total Cost of Risk (TCOR)

Transfer Costs:

- Insurance Premiums
- Fees, Commissions
- Expenses (Broker fees, taxes)
- Funds

Loss Costs:

- Cost/Expenses within Retention
- Self-Insured/
Self-Funded Losses

Expenses:

- Internal Expenses
- External Expenses

Why is TCOR Important?

1. Applies a **disciplined approach** to risk-based decisions
2. Contributes to **organizational strategic planning**
3. Communicates progress to **C-Suite or Executive Leadership**
4. Helps you answer the questions:
 - a. Are we **improving**?
 - b. Are we **effective**?
5. Gain **internal support and buy-in** for your initiatives
6. Assists with more **informed decision-making**

Why is it so Hard?

1. It can be difficult to initially define what or how include each cost
2. Locating and exporting data from multiple silos
3. Additional time is required to assess, update, scrub, and format each component, allowing disparate chunks of data to be stitched together
4. All of this must occur before any actual analysis even begins





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Client Story:

Jabil

About Jabil

- **Industry:** Manufacturing
- **Headquartered In:** St. Petersburg, Florida
- **Employees:** 250,000
- **Origami Client since** 2013
- **Main Origami Use Cases:**
 - Values Collections
 - Policy Management
 - Claims

The JABIL logo is displayed in white, bold, uppercase letters on a dark blue rectangular background. A light blue horizontal line is positioned behind the letter 'A', extending from the left edge of the 'A' to the right edge of the 'B'.

JABIL

Challenge

Property Allocations

- Jabil now has over 400 locations in Origami Risk that are sent a link to perform Values Collection
- The Allocations process needs to be performed once a year, every year for every line of Insurance
- Allocations were manually downloaded into an Excel document from the Origami Risk system



Solutions

Property Allocations

- When Michelle joined the Jabil team in 2016, their Values were already loaded into Origami by using the Values Collection solution in Origami
 - *They also have their claims, losses, and exposures in Origami*
- She decided that it made the most sense to continue the Allocations process in Origami, and ultimately TCOR, to save time and avoid manual processes
- Policies and Payroll data are being imported into Origami, enabling them to generate a report that shows the Total Cost of Risk
 - From here, they can allocate the cost of risk and insurance premiums back to the locations from the report created in Origami

Results

Powerful Insights for their Organization

- The Risk Management department shouldn't have to absorb all losses or be a cost center for enterprise insurance.
- With this data, Jabil can be more forward-looking in their decision-making by understanding which locations need what resources
 - For example, they have visibility into which locations have the highest claims costs. Therefore, they can allocate a higher value of insurance premium back to those locations and ensure they pay for it.
 - Even further, they can better allocate losses to the appropriate departments or applicable functions and better spread out the cost
- Man power throughout their organization can be allocated more effectively based on this location data, allowing them to use their employees' time more efficiently

Results

Insights & Reporting Efficiencies

- Working with the Origami team helped Jabil understand additional inefficiencies as they were breaking information out manually
- The Origami team was able to help Jabil create custom reports that would break out the necessary information for them, eliminating manual processes and saving them time

Visibility for Upper Management

- The ability to show what their risk is costing them is crucial to be able to present to their upper management to show effectiveness

Administrative Benefits

- By working in Origami, the structure is consistent and makes it easier to understand and work with when looking at where everything is getting billed
 - Consistency means everything looks the same year over year

Custom Breakout Report

Forecast Payroll by WC Class Code for Policy Year 22/23						Grand Total Payroll	Retro Premium (W)	Deductible Premiums AOS (non-W)	% of Total Premium By State	Surcharges Total	Payroll %	CCMSI Annual Administration Fee	Intercompany Allocation Totals	1st Installment	2nd Installment	3rd Installment	4th Installment
Location Name	State	Company Controller Code	Company Code	General Ledger Code	Corp Tax - Company Code to Bill Recs												
Chicago	WI	0162	0103	613429	0162					0.00%							
Corporate	WI	0103	0103	14110	0103					0.12%							
Healthcare Baja 2	WI	0182	0103	615843	0182					0.03%							
Jabil Technology Services	WI	0113D	0113D	14110	0113D					0.02%							
Corporate	AL	0103	0103	14110	0103					0.05%							
Corporate	AR	0103	0103	14110	0103					0.02%							
Corporate	AZ	0103	0103	14110	0103					0.28%							
Healthcare Baja 2	AZ	0182	0103	615843	0182					0.03%							
Jabil Blue Sky	AZ	5001	5001	14110	5001					0.02%							
Jabil Fremont	AZ	5002	5002	14110	5002					0.01%							
Anaheim (Chad)	CA	0188	0188	14110	0188					0.61%							
AOC Dublin CA	CA	0186	0103	617493	0186					0.02%							
Colorado Springs E and I Design and Test	CA	0113E	0113E	14110	0113E					0.09%							
Corporate	CA	0103	0103	14110	0103					4.15%							
Healthcare Baja 2	CA	0182	0103	615843	0182												
Jabil Blue Sky	CA	5001	5001	14110	5001												
Jabil ESG Technology	CA	5008	5008	14110	5008												
Jabil Fremont	CA	5002	5002	14110	5002												
Jabil Molecule Labs	CA	5019	0103	626637	5019												
Jabil Technology Services	CA	0113D	0113D	14110	0113D												
JAWS Kentucky	CA	5005	5005	14110	5005												
Kasalis (Jabil Burlington)	CA	0187	0187	14110	0187												
Memphis	CA	0117	0117	14110	0117												
PKG Manteca	CA	5020	5020	14110	5020												
PKG Mebane	CA	0159	0103	613426	0159					0.04%							
PKG San Diego	CA	0160	0103	613427	0160					0.53%							
Radius Clinton	CA	0163	0103	613430	0163					0.17%							
Radius San Jose	CA	0183	0103	14110	0183					0.00%							
San Jose	CA	0115	0115	14110	0115					4.29%							
Albuquerque	CO	5013	0103	624865	5013					0.00%							
Colorado Springs E and I Design and Test	CO	0113E	0113E	14110	0113E					0.01%							
Corporate	CO	0103	0103	14110	0103					0.24%							
Grand Junction	CO	0199	0103	620753	0199					0.59%							
Jabil Blue Sky	CO	5001	5001	14110	5001					0.10%							
Memphis	CO	0117	0117	14110	0117					0.02%							
Monument	CO	5014	0103	625310	5014					4.33%							
Nyro Maple Grove	CO	5009	0103	623662	5009					0.00%							
PKG Georgia	CO	0165	0165	14110	0165					0.00%							
Radius Clinton	CO	0163	0103	613430	0163					0.02%							

Forecast Payroll by WC Class Code for Policy Year 22/23																
Location Name	State	Company Controller Code	Company Code	General Ledger Code	Corp Tax - Company Code to Bill Recs	Grand Total Payroll	Retro Premium (W)	Deductible Premiums AOS (non-W)	% of Total Premium By State	Surcharge Total						
										\$ -						

Looking Ahead

TCOR

- The Jabil team is in the process of implementing TCOR in Origami to continue offering more transparency and visibility for Upper Management
- **How TCOR Calculations in Origami will Help Their Team:**
 - Right now, they enter premiums manually
 - With most of their policies in Origami, this will be a time saver

The final outcome will be having everything in Origami, they can click a button, and it will output TCOR



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Getting Started

How Can I Get Started?

- 1. Define the Strategy: What are you trying to do?**
 - a. Are you looking to reward the divisions that are performing well?
 - b. Will this drive accountability or penalization?
 - c. How granular do you want to be?
- 2. Determine the elements of TCOR for your organization**
 - a. Element 1
 - b. Element 2
 - c. Element 3
- 3. Data Collection: Address quality and integrity issues**

How Can I Get Started?

4. Determine the Time Period:

- a. How many years of data will you want to include?
- b. Find a balance of responsiveness and stability

5. Select Your Benchmarks that:

- a. Deliver the best value
- b. Capture true risk characteristics
- c. Relate to your organization's strategic goals/objectives
- d. Provide timely, relevant, and concise information
- e. Are easily calculated & understood; measures progress

Q & A



Mary Upshaw
Principal Solution Architect
Origami Risk



Michelle Donato
RMIS Practice Lead
Jabil



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Poll Question:

Are you performing benchmarking against your TCOR Calculations?

1. Yes
2. No
3. Not Sure

If so, what resources are you using?

Let us know in the chat box!

Client Question:

When starting the process of evaluating total cost of risk, did you see any immediate benefit?

Client Question:

**Do you have any visuals
that clients use to manage
and analyze their TCOR?**

Client Question:

**Can all the elements
required to support a TCOR
report be tracked “out of
the box” in Origami?**

Client Question:

What type of modeling did you do on your data to determine the best allocation program?



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Audience Question:

What are you currently doing with your TCOR analysis and results?

Let us know in the chat box!

Closing Reminders

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Post-Webinar Survey:
What do you want to hear about next time?



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Thank You!
