Wherefore Art Thou, Risk?
Identifying Risks in Your County

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Romeo and Juliet

- "For never was a story of more woe
Than this of Juliet and her Romeo."

- Romeo and Juliet, 5.3
Coverage

- Property
- Crime
- General Liability
- Automobile
- Workers Compensation

"What's in a name? That which we call a rose by any other name would smell as sweet"

- Romeo and Juliet, 2.2
Defining Risk

- Exposure—an item, property or operation that introduces the possibility of loss
- Hazard—a condition or set of circumstances that makes a peril more likely
- Peril—a cause of loss
- Loss—a reduction in value

Example

- Home—Exposure
- A child with matches—Hazard
- Fire—Peril
- Diminished Value of the Damaged Home—Loss
Exposure

- Financial value exposed to loss
- Cause of loss (Peril)
- Potential financial consequences that flow from the loss

Hazards

A lot of things might look like a good idea at first, but they carry with them a heavy cost
Hazards

• Frequently are operations or activities that invite perils
• May be dangerous conditions

Hazards

• "O Romeo, Romeo! wherefore art thou Romeo?
Deny thy father and refuse thy name.
Or if thou wilt not, be but swom my love
And I'll no longer be a Capulet."
- Romeo and Juliet, 2.2
Perils
- Natural
- Physical actions of persons
- Legal operation

Exposures
- Property
- Liability
- Human Resources
- Net Income
- (Political/Reputational)
Exposures

- "These violent delights have violent ends
  And in their triumph die, like fire and powder,
  Which as they kiss consume."
- Romeo and Juliet, 2.3

Property

- Real
- Personal—Tangible
- Personal—Intangible
Property

• A plague o' both your houses!"
  - Romeo and Juliet, 3.1

Structures

• COPE
• Construction—What is it made of?
• Occupancy—How is the structure used? Are the contents susceptible to fire?
• Protections—What risk control techniques are used to prevent or reduce damage
• External exposures—What hazards exist outside the structure?
Valuation

- **Replacement cost**: the amount required to replace with comparable property.
- **Reproduction cost**: the cost of duplicating exactly by using materials and artistry comparable to those used in the original.

Legal Interest in Property

- Property can only be insured when there is a legal interest in the subject property.
  - own,
  - lease,
  - rent,
  - borrow or
  - exercise care, custody and control over a particular piece of property.
Legal Liability Exposures

- Tort Laws
- Contracts
- Statutes
- Regulations

Tort

- Negligence
  - Duty—Hazard
  - Breach—Peril
  - Causation
  - Harm
- Intentional
- Strict Liability
Contracts

• Contract is:
  o Agreement (Hazard)
  o Exchange of Value

• Liability
  o Breach (Peril) or
  o Hold Harmless/Indemnification

Statutes/Regulations

• Civil Rights
• Workers’ Compensation
Sources of Liability Loss

- Premises and Operations
  - Slip and fall
  - Mobile Equipment
- Products liability
- Completed operations
- Automobiles
- Watercraft
- Environmental Pollution
- Professional Activities
  - Law, medicine, education, accountants, architects
- Directors’ and Officers’ liability
- Employment practices
- Employee Benefit Plans

Human Resource Loss

- Death,
- Injury,
- Disability,
- Retirement, or
- Resignation
- Deprives the county of that person’s special skills or knowledge.
Net Income Loss

• Reduction in income or an increase in expenses or a combination of the two.

Political Exposures

• Impact Candidacy
• Impact Reputation
Responding to the Challenge

• "This day's black fate on more days doth depend:
  This but begins the woe others must end."
  - Romeo and Juliet, 3.1

Sources of Information

• Personal inspections
• Insurance Pool
• Internal expertise—The Risk Awareness Program—RAP
• Safety committee
• Accident Review Board
Sources of Information

- Risk Assessment Questionnaires
- Loss Histories
- Financial statements
  - Assets
  - Revenue
  - Cash from investments
- Official records
- Flowcharts/ Organizational Charts

Approaches

- Asset Analysis
  - People
  - Property
    - Real
    - Personal
    - Intangible
- System or Operational Analysis
- Project Analysis
### List of Exposures/Hazards/Perils

- Natural Hazards
- Contracts/legal relationships
- Financial operations
- Public officials/employee misconduct
- 3rd Party Acts
- State and Federal Laws and Regulations
- Economic conditions
- Governmental Activities
- Outside Resource dependence
- Property
- Technology/Computers
- Workforce

### Avoid the Woe

*Discovering Risk in Romeo & Juliet*
Executive Summary

- Historically, there is bad blood between the Capulets and Montagues—frequently there are fights in the streets.
- The ruler of Verona decrees death for future such disturbances of the peace.
- Romeo, a Montague is in despair because the lovely Rosaline does not return his affections.
- Juliet—though merely 13—has attracted the attention of Paris a friend of the Prince.
- The Capulets, sponsor a big Party with the idea that Paris will woo Juliet.
- Romeo sneaks into the feast with his cousin in order to see Rosaline.
- He sees Juliet and loses all interest in Rosaline.
- Romeo is discovered but his cousin intervenes and Romeo remains and has a chance to talk to Juliet.
- They are attracted to each other and Kiss.
- Both become worried about the family conflict.
- Romeo climbs the wall at the Capulets and sees Juliet in the window.
- They exchange vows of love.
- Romeo goes to Friar Lawrence to arrange to marry Juliet.
- The Friar sees a chance to heal the rift between the families and agrees to perform the marriage.
- They are married the next day—in secret.
- Juliet’s nurse assists in arranging the wedding night.
Executive Summary

• In the meantime, Tybalt wants to fight Romeo because Romeo came to the party uninvited
• Romeo sues for peace and Mercutio, disgusted fights in his stead.
• Tybalt Kills Mercutio
• Romeo Kills Tybalt and flees and is banished forever
• Romeo sneaks into Juliet’s room and they consummate the marriage
• Juliet’s father agrees with Paris to have her married to him in 3 days
• The Nurse advises Juliet to marry Paris but Juliet goes to the Friar for advice and they make a plan

Executive Summary

• Lady Montague dies of Grief over Romeo’s exile
• Juliet drinks a potion to appear dead so that she can meet up with Romeo later in Mantua
• She is put in the tomb—but the Friar’s message to Romeo explaining the plan never reaches him
• Romeo hears of her death and decides on suicide
• He goes to her tomb—meets Paris and kills him
• He sees Juliet, drinks the poison, and dies
• Juliet wakes up and discovers Romeo
• She kills herself
Analysis

• Identify the Exposures/Hazards/Perils in Romeo and Juliet
• What remedial steps are taken to resolve those risks?
• What are the results?
• Why are they not successful?
• What lessons are there for us?

"Wisely and slow; they stumble that run fast"
- Romeo and Juliet, 2.3

• Take the time to identify possible sources of loss in your county
  o Be thorough
  o Seek input from various resources and People
• Prioritize the exposures you want to address
• Consider the risks associated with remedial measures
• Communicate
• Implement and Monitor
"Good Night, Good night! Parting is such sweet sorrow, that I shall say good night till it be morrow."

Romeo and Juliet, 2.2