

Montana Child Care Business Connect

What is Risk Management?



Dena Johnson, MBA

Thursday March 23, 2023
Part 7 of 7 in the Tiny Training Series



What is: The 'Tiny Training Series'

Statement of Purpose

- Series of seven, 30-minute webinars
- 2nd and 4th Thursdays every month at 1:30pm
- Attendance of four webinars equals 2 hours of ECP credit
- Define basic business concepts
- Feature Business Connect Partners
- Prepare participants for 'How-to' Series in Spring/Summer 2023

2023 Schedule

- **January 5:** What is MT Child Care Business Connect?
- **January 12:** What is a Business Plan?
- **January 26:** What are the 4 Ways to Make a Profit?
- **February 9:** What is a Cooperative?
- **February 23:** What is Cost-Informed Rate Setting?
- **March 9:** What are Different Types of Marketing?
- **March 23:** What is Risk Management?

What is: **CONNECT**

Launched in:

2022

Focusing on:

Supporting communities and entrepreneurs with business elements of starting, owning and operating childcare programs. We are Montana statewide hub for childcare business development and innovation

Critical Areas:

Training, Technical Assistance, Mentorship, Community Capacity Building, Web-Resource Hub

Staffed by:

Rhonda Schwenke, Jason Nitschke, Heide Borgonovo, Shelby Whelan, Alex DuBois, Jennifer Owen, Program Assistant



Risk Management for Child Care Providers & Leadership

How do you manage risk?



“Be careful out there...”



Risk - defined

/risk/

noun

the chance of loss or gain.



Business

Strategic

Hazard



Hazard

Any cause that creates harm or damage to humans, property, or the environment.



Fire burns buildings in downtown Gardiner

By Chronicle Staff Jul 14, 2020



A fire destroyed multiple buildings in the center of Gardiner, Montana, on Tuesday.
From the Park County Sheriff's Office Facebook page

Sponsored Content



Chinese Medicine Sa
Treatment for Depre
Thoughts

By Good Medicine

More from this section

An intimate art: Bozema
steady increase in client:

Posted: March 29, 2021

Skiers donate food durir
drive at Bridger Bowl

Posted: March 28, 2021

Spreading its wings: Hov
Montana's busiest airpoi

Posted: March 28, 2021

Kenny Chesney's Bozem

Business Risk



Business risk is associated with the internal or day to day **operation** of the organization.

What unexpected things come up?

Workforce: Your PEOPLE



Risk when hiring employees



Supply Chains & Inflation



Supply chain – have your costs gone up?

STRATEGIC & BUSINESS



STRATEGIC RISK

What do your financials say?



STRATEGIC RISK



Identify, prioritize & quantify (analyze)



How has risk changed?



BUSINESS & STRATEGIC RISKS

Cash Flow	Absenteeism	Aging Workforce	Attracting/Retaining Talent	Brand Management	Client Growth	Client Safety (on-site)	Cohesive Management Team	Contract Management/Negotiation	Contractual Risk Transfer
Copyright Infringement	CSA Compliance	Customer Relationship Management	Data Security Training	Disease/Disability Management	Donor Relationship Management (non-profit)	Electronic Data Security/Cyber Liability	Employee Dishonesty & Crime	Employee Engagement	Employee Financial Wellness
Employee Policies & Procedures	Employee Turnover	Employees Working from Home	Employment Practices Liability	ERISA, HIPPA, COBRA, Fair Labor, Etc.	Fleet Management Transport Risk	Fraud	Health & Wellness of Employees	Health Care Reform Consequence	HR Record Management
International Employee Management	Interruption in Cash Flow	Loss of Customer/Cancelled Contract	Low Employee Morale	Management HR Training	OSHA/CCOHS	Outsourcing	Key man	Professional Liabilities	Quality Control
Records Retention	Regulatory Compliance	Retention of Key Employees	Rising Cost of Employee Benefits	Sales Management	Self-Insured Gaps	Sexual Misconduct & Abuse	Social Media Risk – External & Internal	Staff Productivity	Supply Chain Disruption
Unknown Claim History	Volunteer Risk	Workplace Safety	Workplace Violence	Blood borne Pathogens	Design of Disability Plans	Earthquake	Employee Injury at Home	Employee Sickness	Environmental Impairment
Flood	Hand Tool Safety	Hazardous Waste Containment	Hired & Non-Owned Auto	Insurance to Value	Mechanical Breakdown	Mold	Ordinance & Law	Preventative Maintenance	Product Liability
Stop-Loss Analysis	Distracted Driving (Texting, cell phone use)	Workplace Violence	Business Perpetuation	Business Exit Strategies	Disaster Recovery	Diversity of Revenue Streams	External Economic Impact	First in Command Low Productivity	Futures & Hedge Training
Intellectual Capital Protection	Long Term Funding Disruption	Bond Accessibility	Mergers & Acquisitions	Partnerships with other Companies	Predictive Modeling	Product Line Management	Reputation Risk	Rogue Behavior	Technology Advance.
Economic Slowdown	Regulatory or Legislative Changes	Increasing Competition	Failure to Innovate & Meet Customer Needs	Business Interruption	Key Contract or Business Loss	Political Risk & Uncertainties	Property Valuation	Pension Scheme Funding	Climate Change

Risk Engineering – what is your plan?



Manage

Leadership – Risk Management Plan



Mitigate

Loss Control & Safety



Assume

Business Risk



Transfer

Contracts



Avoid – prevent



Finance

Insurance

Risk Management

Risk management is the **identification, evaluation, and prioritization of risks** (defined in ISO 31000 as *the effect of uncertainty on objectives*) followed by coordinated and economical **application of resources** to minimize, monitor, and control the probability or impact of unfortunate events^[1] **or to maximize the realization of opportunities.**



RISK MANAGEMENT PLAN

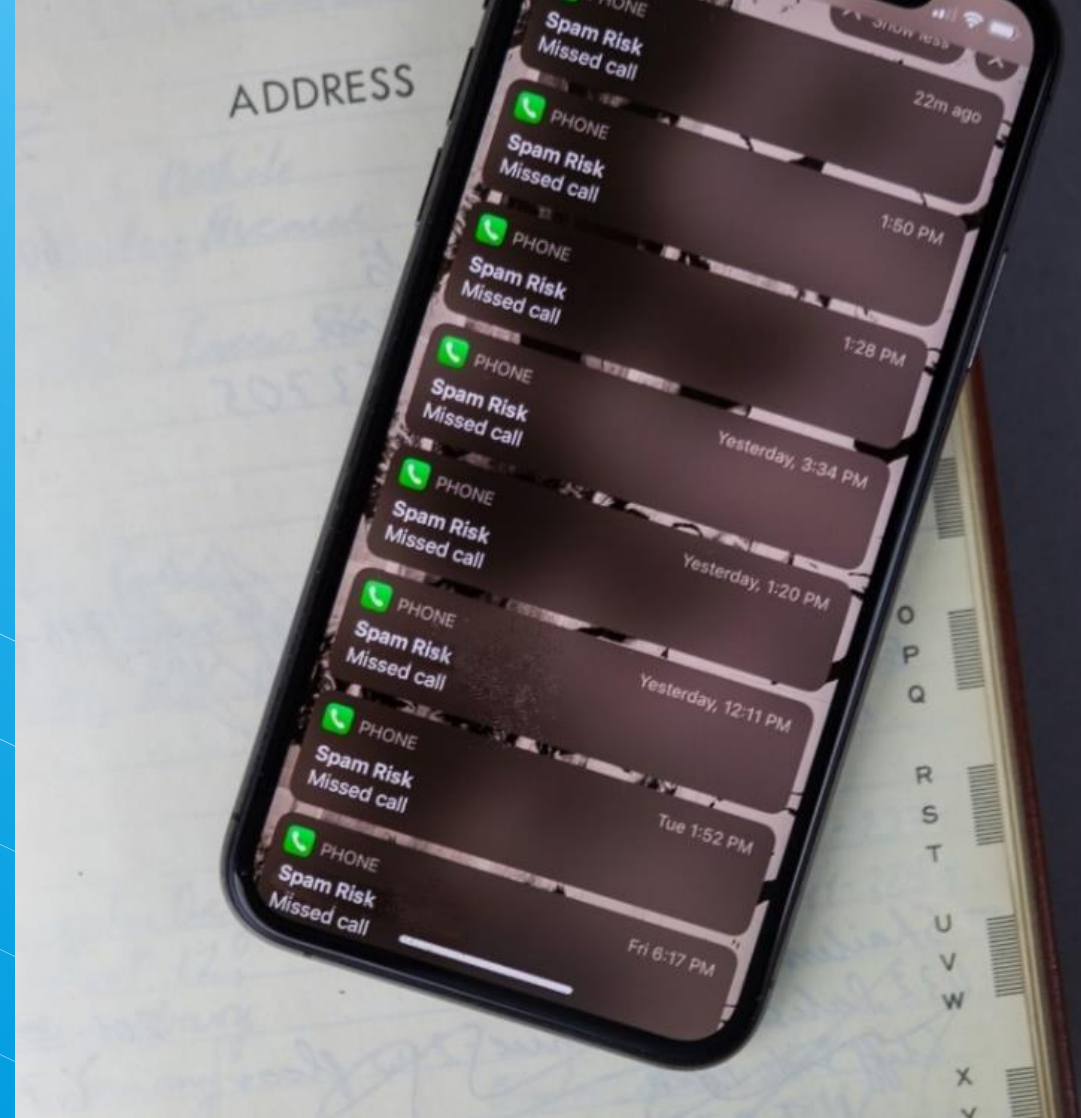


Measure & Control



Avoid (prevent)

Can you avoid?



Your future is limitless.SM

Mitigate



Assume



Transfer



Finance

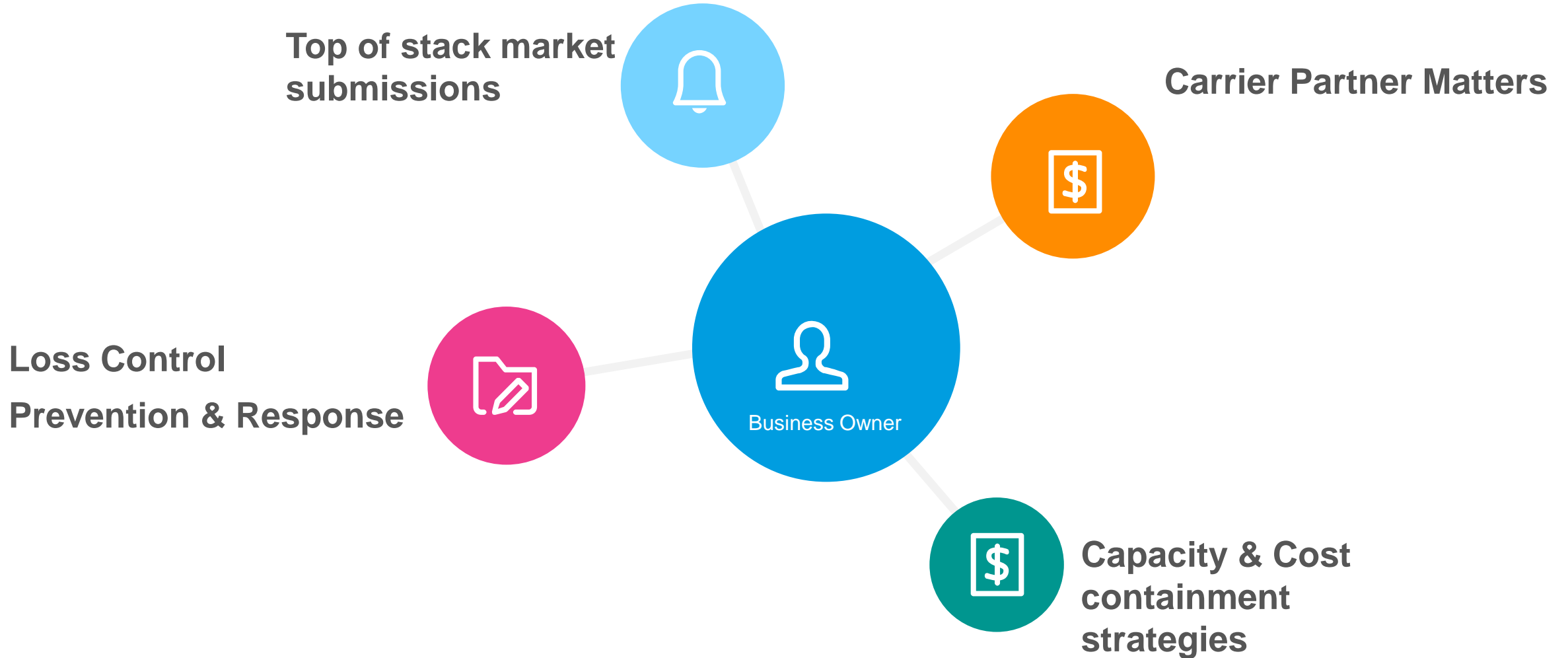


INSURANCE CAPACITY



Opportunities

Working alongside your agent – Thinking Partner



Sample program placement

Phases to place your program



- Review current policy
 - Gap Analysis
 - Cost analysis
 - Claim review
- Coverage needs



- Policy Placement Strategy – 3 programs available for Childcare facility
- Cost containment options
- Program Engineering
 - Set limits



- Go-to 3 premier Markets
- Review best options
- Client requested changes

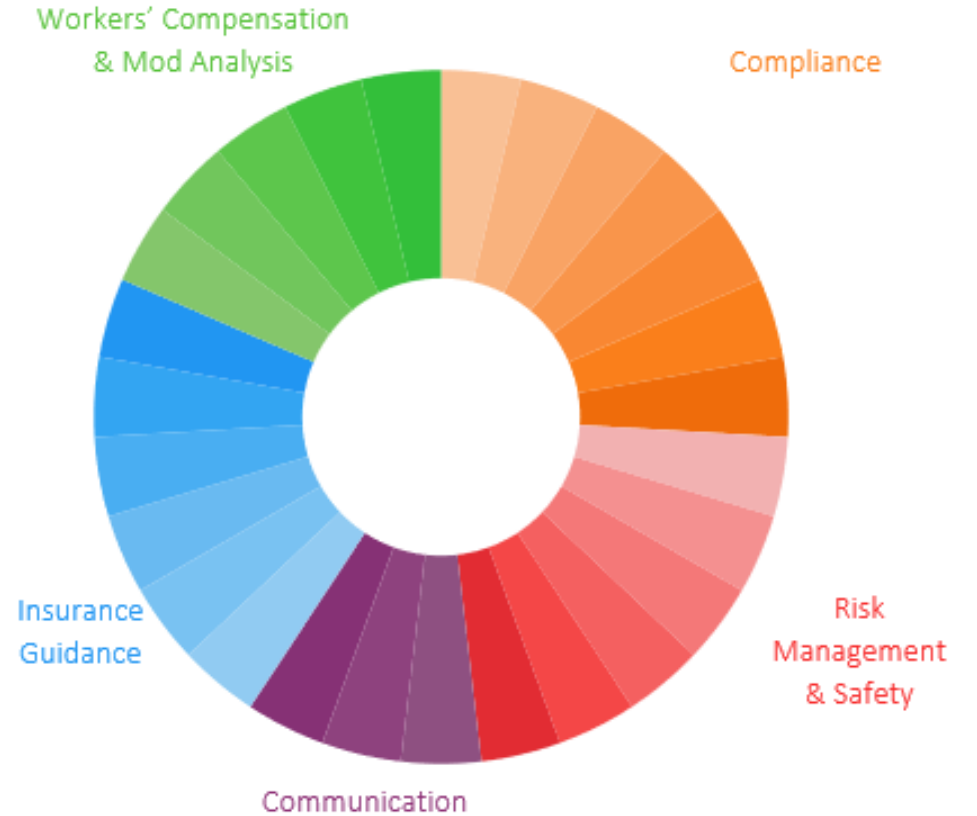


- Program Selection
- Program Placement
- Stewardship

Property & Casualty

How we work for you

- OSHA Penalties
- Federal/State Compliance
- OSHA Compliance & Support
- FMCSA Compliance
- DOT Compliance
- GHS Compliance
- HR Hotline
- Employee Safety Manual
- Industry-specific Safety Training
- OSHA Benchmarking
- Return to Work Programs
- Fraud Reduction Program
- Business Continuity Planning
- Toolbox Talks
- Workplace Posters
- Employee Newsletters & Videos
- Quote Policies
- Claims & Billing Assistance
- Negotiate Renewal
- Risk Summaries
- Coverage & Policy Expertise
- Application Submission
- Loss Analysis
- Frequency vs. Severity
- Mod Reduction & Management
- Workers' Compensation Analysis
- Mod Reporting



Insurance

Sample limits only

Coverage Outline	Example Limits
Worker's Compensation - EL	\$1,000,000/\$1,000,000/\$1,000,000
General Liability (occurrence form)	\$1,000,000/\$2,000,000
Products – Completed Operations	\$1,000,000
Professional - \$5,000 retention (if needed)	\$1,000,000
<i>Abuse</i>	\$1,000,000
EPL	\$1,000,000
Cyber / Crime	Custom
Professional Liability / Educator's Legal	Custom
Any Auto – combined single limit (each accident)	Custom
Property – special form blanket, replacement cost	SOV specific / agreed value
Earth movement / Flood	Custom
Umbrella	\$1,000,000

Thank you! “
And be careful
out there!”



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Summary

Please take a few minutes to complete our survey, your feedback is invaluable!

[Tiny Training Webinar: What is Risk Management](#)



Upcoming Tiny Training Series

Statement of Purpose

- Series of seven, 30-minute webinars
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2023 April-June Schedule

- **April 6:** How do mentorships work?
- **April 20:** How to utilize a business advisor
- **May 4:** How to write a budget
- **May 18:** How to price your services
- **June 1:** How to manage your money
- **June 15:** How to sustain without one-time funding
(such as grants)
- **June 29:** How to organize your community around childcare solutions

Connect with Business Connect!

Thank you for attending this training with
First Children's Finance

FOR ANY BUSINESS PLANNING NEEDS OR FOLLOW-UP QUESTIONS CONTACT:

Jason Nitschke, Senior Child Care Business Advisor jasonn@zerotofive.org

FOR QUESTIONS REGARDING MT CHILD CARE BUSINESS CONNECT CONTACT:

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Sign up for our newsletter!

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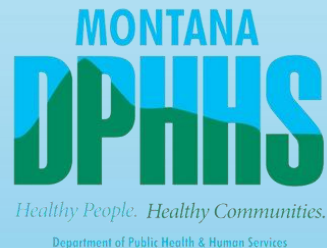
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The statements herein do not necessarily reflect the opinion of the Department.