

SHOPPING FOR INSURANCE?

There's a list for that!

Finding the best insurance broker to oversee your risk management is like dating - you weed through several options to find the one who checks off all the boxes.

Managing a successful business means staying ahead of the pitfalls of risk inherent to all business operations. A holistic risk management approach is comprised of many moving parts, and selecting the right insurance is crucial to any risk mitigation strategy. Insurance is an investment that protects organizations' long-term financial health, and some types of insurance are even required by law.

With so many types of insurance, regulations, and carriers to navigate, the prospect of picking the right insurance might be an overwhelming process. Considering how carriers are currently limiting capacity, decreasing their appetite for risk, and increasing underwriting scrutiny while offering less favorable terms for coverage at a higher premium cost as a response to unpredictable loss patterns sustained over years, the placement and purchase of insurance is more challenging now than it has ever been.

Though you might not be able to foresee every issue that may impact your business or the fluctuations of the insurance market, there are some factors you should consider when weighing your coverage options.

What types of insurance policies do I need?

Your industry, location, exposure to risk, and many more factors determine the types of insurance you'll need to protect your business.

Which insurance is legally required for you to have?

State, industry, clients, landlords, and lenders may require you to purchase certain types of coverage.

Are there risks specific to your industry?

Different industries deal with different risks, and if you understand these risks, you can purchase the right insurance safeguard against them.

How do you determine the right premium limits and deductible?

Though it might be tempting to spend as little as possible on insurance, this isn't necessarily the wisest approach because lawsuits and settlements could be financially devastating to your business. When it comes to choosing a deductible, be sure you'll be able to pay the amount if a claim arises.

When is the last time you assessed the coverage you have?

Regularly taking stock of your insurance portfolio is the best way to make sure you're getting the most favorable terms for coverage and that your coverage evolves with your business as it changes.

Which factors impact your insurance cost?

Beyond baseline risks associated with operating any business that are out of your control, knowing which risk factors are within your control can help keep your premiums down.

SO, HOW DOES A BROKER FIT INTO THIS PROCESS?

Operating an organization and becoming an expert in your industry is enough work as is, without factoring insurance in the picture. Buying insurance for a business isn't like going to the store to get a new change of clothes. Finding and purchasing the right insurance for your company's unique risk fingerprint requires expertise, and without the right experience, it's easy to make mistakes.

Like with most major life purchases, when you're in the market for insurance, you should partner with someone who has proven experience navigating the ins and outs of both insurance and your industry. Working with the right broker can be the difference between you being sufficiently covered after a loss, or being stuck with an exorbitant bill for damages. Brokers have a fiduciary responsibility to provide the best recommendations to protect your assets in the short and long term. The right broker will advocate on your behalf and act in your best interest without you having to ask.

Here are some questions you should ask prospective brokers to make sure that your company selects the best broker for its needs.



COST EFFECTIVENESS

You'll want to ask questions that will let you know what the broker will do to make your insurance program cost effective without compromising the coverage your business needs to protect itself from risks.

- ☐ Do you review and analyze existing coverage?
- ☐ How do you determine what type of insurance I need?
- ☐ What does your risk assessment process entail?
- ☐ How will you structure my company's program?
- ☐ Do you have incentive-based options for your fees?
- ☐ What do you do to market and present the company and its risk to carriers?
- ☐ How proactive are you with marketing your clients to carriers?





RELATIONSHIPS

From relationships with carriers or global broker networks, you'll want to see if your broker has the connections and relationships to best manage your risk whether it's on a local level or an international scale.

- ☐ How many carriers do you have access to?
- ☐ What do those relationships look like?
- ☐ Do you have a global footprint?
- ☐ How do you handle international exposures when locally admitted policies are required?



CLIENT SERVICE

If you work with a broker, you want to make sure they're responsive and provide the level of support you need if you have questions or a claim arises.

- ☐ Which team will service my account?
- ☐ Will I work with the same, top-tier team for the duration of our relationship?
- ☐ Will a team be dedicated to servicing my account?
- ☐ What is your team's experience?
- ☐ What does your submission process entail?
- ☐ How will you support us during the renewal process?
- ☐ What do you do to support clients in the event of a loss?
- ☐ Do you offer claim reviews once a claim has closed?
- ☐ How accessible is your team via phone and email?
- ☐ How do you handle transitions between carriers?
- ☐ Can you provide references?
- ☐ What additional services do you provide?





INDUSTRY EXPERTISE

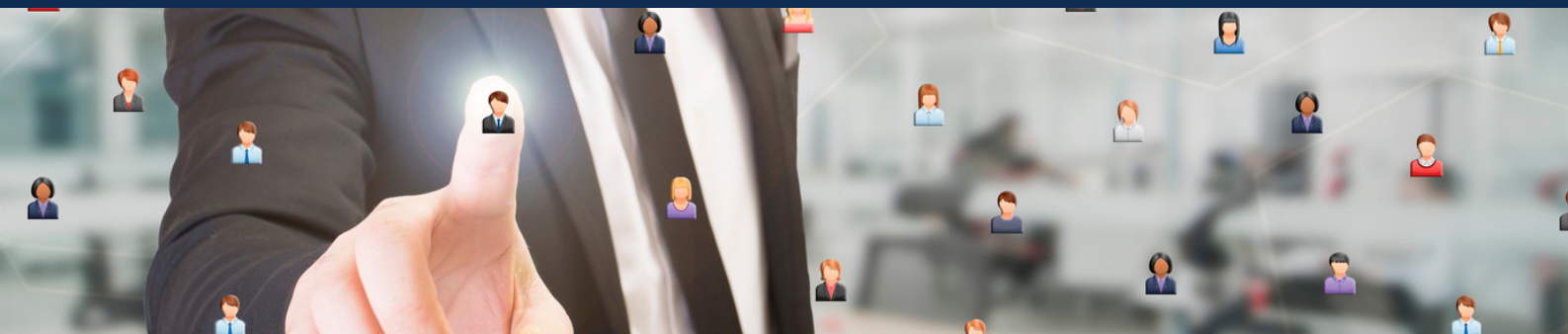
The appropriate placement of policies varies from industry to industry. After all, the risks of schools, manufacturers, and restaurants vary quite a bit. You'll want to work with a team that not only knows insurance, but also understands the intricacies of your industry.

- ☐ Do you have a team specialized in my industry?
- ☐ How long have you worked with clients in this industry?
- ☐ Can you identify key exposures this organization faces?
- ☐ Can you provide specific examples of how you've advocated for clients in this industry?
- ☐ How well do you know this industry, and how would you apply that knowledge to mitigate my risk?
- ☐ Do you have specialists who can help my company develop training programs to minimize risk?
- ☐ Can you speak to other specialized experience you have related to this industry?

If your company is in the market for insurance, make sure you partner with a reputable broker that doesn't just price shop, but rather looks at your risk in its totality and finds ways to curtail it, beyond solely purchasing insurance.

Our Commercial Risk specialists take the time to understand every client's unique needs and provide practical steps that help them build and maintain holistic risk management programs. Additionally, we have experts across many industries with decades of experience under their belts who understand the nuances of risk for specialized industries and come to you with credibility and connections.

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