

How to ensure your growing business is properly insured

In order for your growing business to thrive, it's critical to have the proper insurance coverage in place. Asking your insurance broker or advisor the right questions will help you in this process.

Here's a list of the top five questions you should ask when arranging your insurance.

How familiar should I be with the risks and exposures associated with my business?

Your broker will help you understand the risks and exposures associated with your business. To help prepare for discussions, review your broker and your insurer's websites for information on your industry sector. Industry associations and your local chamber of commerce can also be good resources for information.

Can I customize my commercial policy?

A standard policy may be enough for your personal insurance needs, however the one-size-fits-all approach doesn't work for the commercial insurance needs of your growing business. Choose a policy that can be customized as your needs change and that includes a wide variety of coverage options, limits and deductibles. Make sure you're not paying for coverages you don't need and that there are no coverage gaps.

How can I ensure I have enough coverage?

Your insurance broker or advisor will review your business operations with you to ensure your business is properly covered. Ask for information on the exposures associated with your operations and how they can be addressed by your commercial insurance policy. Find out the cost of typical losses your business might suffer. Your broker will go over things like:

- the value of your physical assets to be insured
- how much income replacement coverage will be needed in case a loss interrupts your business operations for a period of time
- what liability exposures need to be addressed to protect you in the unfortunate event that a lawsuit is brought against you
- your loss history

Where can I get help with risk management?

Developing a risk management program will help reduce your business's exposure to losses. Ask your broker or advisor if you have access to risk management services and how you can take advantage of this. As your business grows, the program should be reviewed regularly to ensure it is up-to-date and that any new or changing exposures are addressed. Some insurance providers offer this valuable service at no additional cost.

How often should I review my coverage with my broker?

You should have an annual meeting with your broker to review your policy at least 60 days prior to the expiry date. You'll need to meet with your broker more frequently if there are changes to your business during the policy term, such as entering new markets, offering new products, buying or selling properties, or if any other material changes occur, to ensure you have the right coverage and limits.