

## Trade shows and insurance premiums

*I usually get out to trade shows, and I encourage employees to go on their own time. Should I be sending techs on company time? If so, how do I account for their time spent there, and what about the lost productivity?* Richard B., Smith Falls, ON

With the shortage of skilled labour, we have to do our best to constantly develop our employees. Training is an important cost of doing business

because it gives us a competitive edge, introduces new skills and ideas, and gives people a sense of pride in themselves, the company they work for and our industry. Sending them to trade shows and conferences is one great

way to do that. I find the CMX/CIPHEX show is an excellent

opportunity for anyone to stay on top of emerging issues in our industry. Fortunately, it occurs at one of the slower times during the year. We do not pay employees to attend, however we purchase tickets for any members of our staff wanting to attend (field or office), and challenge everyone to bring back one idea. We then have paid follow-up idea meetings to review the ideas and decide on which ones we would like to implement.

We also regularly send employees on courses or to conferences, especially if their peers will attend. Occasionally, we run a contest to determine who will go to help generate enthusiasm. We pay employees to attend as well as their expenses, with the understanding that they have to report what they learned and help with the implementation of some of the ideas.

*Roger Grochmal is the president of Atlas Air in Oakville, Ontario.*

*To submit a question to Roger, send an email to [adam.freill@mechanicalbusiness.com](mailto:adam.freill@mechanicalbusiness.com).*

In my experience, your staff will bring a different perspective than you will to what they see, hear and learn at training courses and trade shows. Their suggestions tend to be interesting, creative and realistic. That's great for business - after all, the more ideas, the better.

*My insurance premiums keep rising and I feel like I'm throwing my money away. What can I do to reduce my risk and costs?* Jamie K., Saskatoon, SK

Insurance is one of those things that adds no value to your business – until you need it! In my opinion, you have to have it if for no other reason than to be able to sleep at night. Insurance prices move in cycles and reflect underwriting experiences as well as gains and losses in the investment market.

Mostly though, costs are influenced by your claims record. Most contractors carry insurance for both liability and vehicles, and every effort should be made to minimize claims to keep premiums as low as possible. Your best bargaining position is when you have a low ratio of claim losses to premiums paid.

One of the best ways to reduce risk on vehicles is to train your drivers well – ideally in the fall before winter hits. Something as simple as backing into a “stationary” parking space and driving

out into traffic might save you one accident per year. Remind drivers the extra weight we carry in our trucks increases stopping distances in wet or icy weather. Finally, do a regular inspection of your trucks and look for things like bald tires, worn out windshield wipers; etc., to prevent needless accidents. We have a checklist, which I am pleased to send to anyone who wants it.

### In my experience:

- It pays to put your insurance needs to the market every three years, or when your costs go up and you have few claims.
- The language of insurance policies is technical and complex, so review it carefully. Be careful to make sure you compare apples to apples, and always ask what is not covered.
- It is important to have a good relationship with an insurance broker who is diligent in finding the best plan for you.

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Liability is another issue.

Analyze your claims and see if there is a pattern, then brainstorm solutions. We had a problem with claims for flooded ceilings from attic air handlers. We mandated that all customers install a secondary drain pan with a safety shutoff switch. It was a risky move. We lost less than two per cent of our customers but gained \$100,000 in revenue and reduced our insurance premiums by 10 per cent.