Your Business

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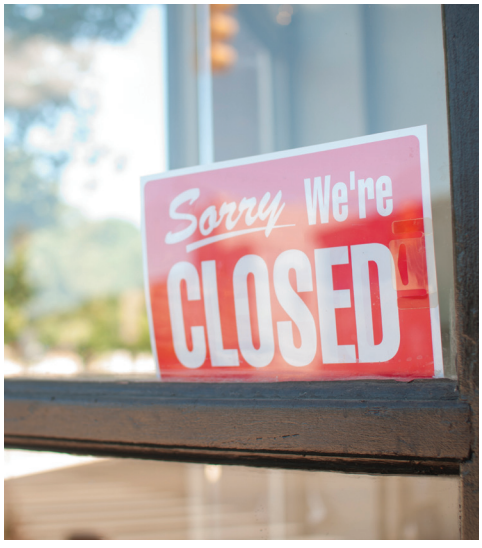

Business interruption in just 360 words

Business-interruption coverage is common, but policyholders often don't understand it because the coverage is triggered infrequently. However, the early stages of the COVID-19 pandemic changed that when the coverage was thrust into the national spotlight—and in the insurance industry in particular.

What it is

Typically, business-interruption coverage is not a stand-alone insurance policy. It's one of several coverages found in a commercial property policy. When a business's property is destroyed or access to the property is denied, business operations either cannot resume—in-whole or in-part—until the property is restored, or some or all operations can continue only at another location. Business-interruption coverage is designed to help with these.

What it covers

In New York, business-interruption coverage can provide protection for a business's more intangible losses. When a business's building is damaged by covered perils like fire, wind, vandalism or an explosion (and thus, renders the business temporarily inoperable), the coverage could serve to replace the business's income and the value of its continuing expenses (e.g., insurance, heating and electricity costs).

For example, if a restaurant is damaged by fire and the damage forces the restaurant to close for a period of two months, business-interruption coverage could cover the restaurant's lost revenues during that time, including its payroll and loans. Furthermore, if the restaurant manages to operate out of a temporary location in the meantime, business-interruption coverage could cover those extra expenses (e.g., rent).

When it doesn't apply

If a business's structure is not physically damaged by a covered peril, then business-interruption coverage would not apply, even if the business is forced to close. For example, flooding is not covered by a typical property policy. So, if the restaurant in the above example sustained damage from a flood instead of a fire, business-interruption coverage—or physical-damage coverage—wouldn't cover it.

Additionally, pandemics like COVID-19 usually are excluded from covered perils. That means that the business-interruption coverage contained within a property policy wouldn't be triggered, and coverage wouldn't apply.

For questions about business-interruption coverage and how you can update your insurance policy to best protect your business, give our office a call today.

The **millennial generation's** real name is **Generation Y.**

Gen Z's nickname is **the Zoomer generation, or Zoomers.**

Pew Research indicates that **millennials** were born from **1981-1996; Zoomers, 1997-2012**

Gen Z's successor is **Generation Alpha,** made up of the **youngest people** alive today.

Five tips for working with young millennials and Gen Z

There's no stopping the reality that the last of the millennial generation and the first of Generation Z are moving—rapidly—into the workforce. Many individuals from these generations have copious education, open minds and extreme work ethic. However, they differ from the resident Generation X and baby boomers, and understanding these differences can strengthen businesses' internal cohesiveness so they continue toward success.

Consider these five tips:

1. **Focus on employee experience.** Millennials and Gen Z value more than just their income—they value their benefits (e.g., paid time off, insurance, 401(k)s). And, they want an employer who values their well-being—which includes allowing employees to have flexibility for meaningful work/life balance.
2. **Embody ethics.** Members from these generations value employers who practice Corporate Social Responsibility. While Gen X and the baby boomer generations also value ethics, the younger generations are most concerned with people inside and outside of organizations, and the planet.
3. **Encourage collaboration.** Young millennials and Gen Z want to collaborate with colleagues, and they want to work under leaders who support diversity and inclusivity in the workplace.
4. **Implement technology.** Most young millennials and Gen Z don't remember—or weren't born yet—when certain technology (e.g., the internet, social media) wasn't a primary tool for communication, for business, or for leadership. So, these employees expect to use technology whenever it's possible and most efficient. Implementing technological tools in your workplace will help garner a more collaborative, efficient environment, and will help younger employees perform their best.
5. **Communicate clearly and often.** These generations expect clear and consistent communication when it comes to feedback. To perform better and to maintain confidence, they expect employers to communicate their expectations clearly, and to check in about performance—with clear, straightforward feedback—regularly.

Some of these tips have implications for an employer's employment practices liability and employment benefits liability coverages, since young employees focus on benefits and workplace diversity in more ways than previous generations.

To review your EPLI and employment benefits liability coverages, give our office a call today—we can help make sure you're covered.

What is multi-factor authentication?

Multi-factor authentication is a method of authenticating users on an information system and requires them to go through multiple steps to access that information system. Commonly, this is accomplished through a combination of a username and password, followed by a requirement for the user to prove his or her identity again through a notification sent to his or her mobile device or by inputting an additional code.

Why is MFA important?

Often, MFA is the first and best defense against a cyberattack. In 2019, Microsoft estimated that 99.9% of cyberattacks can be blocked by MFA.

Best practices

Update outdated systems. Often, outdated systems—referred to as legacy systems—do not support MFA. To prevent cyberattacks, businesses should update any outdated systems. Updates should be implemented with direct oversight and with a plan in place that will eliminate security gaps. Avoid self-set-up updates that require each individual user to set up MFA credentials.

Use MFA for all applications. MFAs should be utilized for all applications that permit a user to access a business's information system. For example, a business may utilize a Virtual Private Network service that requires the use of MFA, but requires only single-factor authentication for an email application. Keeping an inventory of Information Technology assets will help a business with this. A business should review its inventory routinely to ensure all relevant applications require MFA.

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Third-party users. It is not only a company's employees who may have access to a business's information system. Third parties—such as payroll or human-resources companies—also may have access to a business's information system. MFAs should be required for all users to have access to a business-information system, including any third party that may have access to that system.

Testing. Once a business has implemented a complete and effective MFA process, it should test that process routinely. MFA testing should be incorporated into IT audits, penetration tests and vulnerability scans of a business's larger information system.

Cyberattacks can cause costly damages—and you don't want to find out after a cyberattack that you're not covered. To review your policies and to make sure your business is protected, give our office a call today. We look forward to hearing from you.

Workplace social-media rules of thumb

Whether it's through an employee's personal social-media channel or a company's social-media channel, exercising caution and staying mindful can protect employees and organizations' professional reputations.

Consider these best practices:

Implement policy. Employers should write clear rules about social-media use in their personnel policies. For example, you may want only certain employees to engage with customers/followers online and a policy can list them clearly.

Limit public information. Do not reveal confidential information on social media, including operational details and private customer information. Some companies may use social media for customer support, but employees responsible for this must be careful. Social-media policies can outline exactly what should and shouldn't be discussed online.

Exercise respect. Employees should be respectful when posting content on their personal channels and the company's, including engagement with competitors. Employees should not engage aggressively against competitors or the employees who work for competitors. Doing this can tarnish a company's reputation quickly—and it could be costly.

Remember the consequences. Employees must realize that content they post online—even on their personal channels—can affect the reputation of their company. Positive content can enhance the company's reputation, but negative content that contradicts its values and policies can cause serious damage. To mitigate this, employees can refrain from associating themselves with their company on social media, but this isn't a fail-safe.

These are just some practices businesses can use to protect themselves, their customers and their employees. But, mistakes happen—and if your business finds itself or an employee liable for something online, your commercial general liability policy may cover you, or an umbrella policy could add extra protection.

Give our office a call today so we can review your CGL policy together.

News from our agency

We have your back

Whether it's to make sure you're covered if your business is interrupted, you're concerned about using social media to grow your business, you need to review your cyber security exposures, or you need to review your EPLI coverage, we have your back.

Some of these are new—and independent agents like us understand that. We can help you protect your business, every step of the way, with insurance that's tailored to your specific needs. We're just a phone call or a visit away, ready to help whenever you need it.