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# P&C PROFILE

## DID YOU KNOW?

*Popular ride-sharing service Uber is under investigation after it attempted to cover up a data breach. After hackers stole the personal information of 57 million Uber customers and drivers in late 2016, an Uber executive ignored his legal obligation to report the breach and instead paid the hackers \$100,000 to delete the data. Although Uber has stated that there's no evidence that the data was further compromised, regulators will continue to investigate.*



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- **Congress Moves Forward With Flood Insurance Renewal and Reforms.** The 21st Century Flood Reform Act includes an extension to the NFIP and reforms to increase the program's financial viability.
- **Study Links Work Performance Goals to Employee Dishonesty.** Employees who believe that their positions are tied to their workplace performance are much more likely to be dishonest or cheat.
- **Creating a Sexual Harassment Policy That's Right for Your Business.** Taking the time to draft a formal policy can help protect your employees and your business.

## Congress Moves Forward With Flood Insurance Renewal and Reforms

The House of Representatives recently passed the 21st Century Flood Reform Act, a collection of seven bills that would reauthorize the National Flood Insurance Program (NFIP) until 2022 and establish a number of reforms. Many of the proposed changes focus on increasing the program's financial viability, as the NFIP exceeded its borrowing limit of \$30 billion during this year's hurricane season.

Here are some of the key additions included in the recently passed bill:

- Improved technology to help the Federal Emergency Management Agency (FEMA) map flood zones and set insurance premiums
- Limits on annual premium increases and surcharges
- Financial tools to help FEMA and the NFIP plan for their long-term needs
- An option for businesses to opt out of flood insurance requirements after one year
- Incentives for private flood insurance providers

According to the Congressional Budget Office, the proposed reforms would lead to \$187 million in savings between 2018 and 2027. However, critics of the bill believe that the changes could increase the price of flood insurance in low-income areas.

Provided by:  
The Insurance Exchange

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## Study Links Work Performance Goals to Employee Dishonesty

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Although some employers believe that pushing their employees to the limit can help increase productivity, a new study has shown that this type of performance pressure can cause employees to be dishonest or cheat.

Researchers from the University of Georgia and Arizona State University recently published a study that examined the behaviors of employees who must meet performance benchmarks. According to the study, employees who believe that their jobs are at risk because of performance pressure are much more likely to lie in order to protect their jobs. In fact, 55 percent of employees surveyed as a part of the study have seen a co-worker manipulate numbers to appear more productive. This type of dishonesty can also have drastic consequences for businesses, especially those in industries that require strict recordkeeping.

The best way to keep your employees productive and honest is to strike a balance between job requirements and incentives. For example, managers can set baseline expectations for a certain position as well as incentivized milestones for exceptional work.

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## Creating a Sexual Harassment Policy That's Right for Your Business

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In order to keep your business productive, you need to establish a work environment that's supportive and actively discourages sexual harassment. Any instance of sexual harassment can cause intense emotional and physical distress that affects your entire business. You also have a legal obligation to protect your employees, and ignoring the topic of sexual harassment could expose you to costly lawsuits and tarnish your reputation.

Even if you don't believe that sexual harassment is a problem in your workplace, taking the time to draft a formal policy can help protect your employees and your business. Here are some important topics to include in a sexual harassment policy:

- Emphasize that your business has a strict no-tolerance policy for any type of sexual harassment. Your policy should also outline that any employee found guilty of harassment will be subject to disciplinary action, including termination.
- Establish what physical and verbal behaviors are regarded as sexual harassment, and stress that employees should feel safe at all times.
- Create a formal procedure for making a sexual harassment claim that protects your employees' privacy.
- Encourage employees to come forward with sexual harassment claims so management can take steps to remedy the situation and prevent future harassment. You should also emphasize that there will be no retaliation of any kind against employees who make a claim.
- Make a procedure for forming a sexual harassment investigation team. The investigation team should never have personal ties to anyone involved with the sexual harassment claim, and should include both male and female employees.

For more help creating a safe, violence-free workplace, contact us at 301-279-5500 today.

