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There comes a time...

Change has considerable psychological impact on the human mind. To the fearful it is threatening, because it means that things may get worse. To the hopeful it is encouraging, because things may get better. To the confident it is inspiring, because the challenge exists to make things better.

King Whitney Jr.

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In the career of every entrepreneur and business builder, there comes a time to let go of the business baby you built.

Stepping down and retiring is one of the toughest tasks to face, even though you may have spent ten, twenty, thirty years or more dealing with difficult issues as the owner and principal manager. You have to acknowledge that you'll no longer be front and center in the firm's affairs. Perhaps what's even more difficult is knowing that others will make the decisions you now make, and they will make those decisions differently.

But, sooner or later, it has to end. And, it's better to wind down while you still enjoy your physical and mental strength. That makes an orderly transition possible, which is better by far than any of the alternatives. With that, here are a few tips to make the transition easier.

Prepare your staff. The transition may be a challenge for them as well as for you. Develop their knowledge and skills to the point where you trust them, so you can pull back without undue worry. Expect that they'll make mistakes, and help them learn from the mistakes.

Processes and procedures. It's not just about you; it's also about the way things get done. You should write down the policies, processes, and procedures you've found to be effective. With them in place, it's also easier for the people succeeding you to know what you would do in difficult circumstances.

Let go. You really do have to accept that others will do the work you do now. Yes, they will do it differently in many cases, but that should be second to the results they get. Let the little things go first, and work up to the big things.

Find interests beyond work. Retiring shouldn't mean suddenly doing nothing. Identify ways in which you'll stay active and engaged, whether through volunteering for good causes, starting a hobby, or improving your golf game. (**This is Your Life**, *MyBusiness* magazine, June/July 2009)



Negotiation - The Hardest Part of Communication

It's true that negotiating is an art. But, it's also a science, meaning that the rest of us can enhance our negotiating skills through learning and practice.

A key component of that is developing your listening skills. In many cases, you'll find listening notable by its absence. How many times have you sat in pre-negotiation meetings with colleagues, and found the focus solely on the talking part, "Here's what we'll say...", "If they ask for, we'll block with....", and so on.

We need to concentrate on what the other person or the other side is saying. And focusing so we not only hear the words, but also grasp what's called the context, the body language, the tone of voice, and so on.

In his *Inc. Magazine* column, Norm Brodsky tells a couple of stories in which listening made a critical difference.

In the first story, he talks about a time when he, as the owner of a courier company, had to meet his single most important client right after a delivery went catastrophically wrong. To make matters worse, this client had already scolded him many times for poor service.

He braced himself for a tongue-lashing and to be fired from the account. But, to his amazement, the client laughed when they got together. It turned out the delivery involved the papers of an unpopular attorney at the firm who'd just been fired. From that, Brodsky learned to never to second guess the other side's position.

Brodsky's second story involved the head of a trucking company, a man who was in trouble with his bank; he was six months behind on loan payments for a warehouse. He came up with some desperate ploys for an upcoming meeting with a bank rep, but Brodsky urged him to hold his fire. First, he told the trucking company boss, we'll listen to what the banker says. And, we'll only respond with your ideas if the banker's proposal is untenable.

As it turned out, the banker didn't want to foreclose. He suggested instead that the bank take back the warehouse, then rent it to the trucker for a reasonable amount. And, when business improved, they would discuss selling it back to the trucker. It was a solution that saved the banker a black eye, and saved the trucker's business. A big win-win for both sides.

Bottom line: by listening, you increase your odds of successfully negotiating important issues. Like the head of the trucking company, you may even hear a perfect win-win deal. (**When Negotiating, Always Listen Before You Speak**, *Inc. Magazine*, June 2009)

Low-Cost Leads

Are you frustrated by conventional advertising? Here's an alternative, one that costs little and should generate qualified leads. Create a free report. Gather a number of tips, compile them, and give them a title, something like "10 Ways to Save on Auto Insurance". Don't skimp on the words or pages; provide a solid booklet packed with useful ideas.

Now, offer that free report to anyone who provides a name and contact information. Offer an electronic version on your website for a first name and email address. Offer it in your directory and newspaper advertising for a name and a postal mailing address. You can even hand it out in place of a business card. Hmm, maybe we should offer a booklet called "10 Ways to Market Your Business with a Free Report". (**Generating Prospects with a Free Report**, *Give to Get Marketing*, July 2009)

A Woman's Work,,,

The role of women in modern workplaces has been developing over several decades now. And what they bring to the workplace has been captured in the book, *Womenomics*, by Claire Shipman and Katty Kay. They've identified several key characteristics of women at work.

First, time matters. Most women willingly trade status and income for time, say the authors. Second, women like to work on their own time and on their own terms; no time clocks or regimented schedules if possible. Third, women use creative ways to say "No". For example, they might say to their boss, "Sure I'd be pleased to take on this project. And, I can meet your deadline if you let me bring in someone else to help." Essentially, look to women to add more flexibility to your workplace. (**How women work – and how to profit from it**, *Fortune*, June 4, 2009)

Why You'll Like a Virtual Phone System

A virtual phone system is much like a conventional phone system. The big difference is that all the equipment and software are owned and hosted by a service supplier, not you. You keep using your existing lines and phones, while getting high-end, state-of-the-art services for less than a hundred dollars a month.

But, perhaps most importantly, you can increase your level of customer service with little time or monetary cost. For example, virtual systems offer a "find me / follow me" feature. These smart forwarding systems ensure that all calls automatically follow you to one designated number, so you're never out of touch. In addition, these systems also integrate your email and voice-mail, so voice-mail messages can be forwarded to your email system. (**Virtual phone systems enhance client communication**, *Agent & Broker*, May 20, 2009)





The following safety information is reprinted from *Living Safety*, Vol. 27, No. 2, Summer 2009, a Canada Safety Council publication, with permission of The Canada Safety Council, of which Sovereign is a supporter.

Cellphones driving motorists to distraction: Questions raised about effectiveness of laws to curb their use *By Chris Guly*

In March, a pedestrian crossing a downtown Toronto street died after the rear wheels of a delivery truck ran over her. What made the tragic story even more shocking was that the 28-year-old woman was talking on her cellphone when she walked into the vehicle as it was turning at the intersection.

Toronto police say that distractions from the use of cellphones, iPods or similar devices contribute to pedestrian collisions in the city every couple of months, according to a CBC report on the fatality this past spring.

If walking and talking – or texting – can be hazardous for pedestrians, what are the risks for drivers engaged in such multitasking?

Last September, the Ontario Medical Association released findings on the impact cellphone use has on driving safety. Based on a review of literature that looked at the risks, the OMA concluded that talking on a cellphone while driving:

- led to a large reduction in the driver's functional field of view;
- changed average driving speed;
- decreased safe distance between vehicles;
- slowed both brake-reaction time and response times to traffic-light changes;
- resulted in a 15 per cent increase in non-response to stoplights;
- slowed both braking by 18 per cent and the time it took to come back up to speed by 17 per cent;
- reduced visual monitoring of mirrors and instruments, with some drivers abandoning them entirely;

- fewer inspection glances at traffic lights; and
- an increased tendency toward hard braking.

“The use of cellphones while driving significantly increases the risk of collision,” says the OMA report.

Furthermore, experimental and behavioural studies have presented “clear evidence that cognitive distraction causes deterioration in driving performance. This confirms what the epidemiological studies also point to: that hands-free cellphone use while driving also poses a real risk to safety.”

In 2007, brain researchers conducted a study using functional magnetic resonance imaging to determine the impact of concurrent auditory language comprehension (designed to mimic listening to someone speaking on a cellphone) on brain activity associated with a simulated driving task. Despite the fact that driving and auditory comprehension rely on different and non-overlapping cortical areas, brain activity associated with driving was reduced “considerably” by the listening task.

While the OMA called on the Ontario government to “curb” the use of cellphones by people behind the wheel, the Canadian Medical Association approved a policy motion back in 2001 recommending legislation “prohibiting the use of phones when driving a motor vehicle.”

And some Canadian provinces have responded.

Cellphone use while driving “deteriorates” performance behind the wheel and increases collision risk, says a March 2008 report for the Quebec government that analyzed scientific literature on the subject.



“This performance deterioration translates into slower braking reaction time, more difficulty in staying centred in a lane, a reduced field of vision, and reduced ability to avoid on-road obstacles, among other things.”

A 2001 Quebec study concluded that a driver who uses a cellphone has a 38 per cent higher risk of becoming involved in an accident compared to drivers who do not use one. The same study found that risk increases with the amount of use. Drivers who use cellphones are at risk for collision twice as high as occasional cellphone users. Furthermore, it stated that studies have shown that hands-free devices affect driving as much as hand-held devices, since “the distraction caused by cellphones is mainly cognitive.”

Quebec’s study was released a month before the provincial government implemented a new law that prohibits drivers from using any type of hand-held device with a telephone function – whether or not it has been activated – including cellphones, BlackBerrys and any devices that display email or enable a user to surf the Internet. (Police, fire, ambulance and emergency vehicles are exempt from the ban.)

Under the law, it’s an offence to even hold such a device while driving – and that includes stopping to comply with road signs and traffic signals, or to avoid obstructions.

In Quebec, as of April 1, 2008, the penalties for violating the new rules under section 439.1 of the Highway Safety Code include a fine ranging from \$115 to \$154, plus three demerit points.

Between July 1, 2008, when police officers began issuing tickets and Dec. 31, 2008, the Société de l’assurance automobile du Québec (SAAQ, the province’s automobile insurance Crown corporation) received 10,254 convictions, and 5,728 between Jan. 1 and March 20 of this year.

Devices installed in or mounted on the vehicle dashboard, and only the microphone or receiver is held in the hand – including high-frequency radio communication equipment, such as CBs and walkie-talkies – are not prohibited.

The new rules also don’t apply to pulling over to the side of the road where the maximum speed limit is less than 70 km/h, or in a parking lot or service area to use a cell while the vehicle’s engine

is running. Nor do they apply to hands-free communication devices, though they are not considered a “risk-free” option.

The SAAQ recommends that if a hands-free cellphone is used, the device should be secured in a holder to avoid any need for handling while driving.

However, viewing of information on a cellphone screen or wireless information device should not be a source of distraction, which could violate provisions of Quebec’s Highway Safety Code regarding display screens or television sets in vehicles. Also authorized are devices equipped with Bluetooth wireless technology, or those that can be attached to the ear or which are based on voice recognition.

In addition, hands-free devices with headsets are permitted (with or without a microphone), as long as the headset has only one earphone so that the driver can continue to hear the sounds of surrounding traffic.

Transport Canada also recommends against using cellphones while driving, citing evidence from a 2002 study for the department that indicated using hand-held or hands-free cellphones significantly changes driver behaviour, which may result because of cognitive distraction associated with their use.

“This impairment significantly increases collision risk,” warns Transport Canada, which estimates that driver distraction is a contributing factor in about one out of five collisions. Drivers who use cellphones are four times more likely to be in a crash, says the department.

A Transport Canada survey of rural and urban road users in 2006 and 2007 found that 5.5 per cent of drivers in Canada were using a cellphone. More than 1 in 10 drivers were using one in some urban communities, and the “rates of phone use would have been even higher if they could have also accounted for hands-free phones.”

According to a 2006 survey by the Ottawa-based Traffic Injury Research Foundation, the percentage of drivers that reported using a cellphone was 37 (or about 8.2 million out of 22.25 million licensed drivers) – a sharp increase from the 20.5 per cent reported in 2001.

Male drivers and young drivers, between the ages of 16 and 34, were more likely to report using their cell phones while driving.

However, between 2001 and 2006, there was also a reported decrease in the number of drivers who use their cellphones for more than 10 minutes.

As well, 66 per cent survey respondents felt that cellphone use while driving was a “very” or “extremely serious” problem. Out of nine possibly unsafe driving behaviours, cellphone use topped the list, which included excessive speeding, failing to signal and tailgating.

When asked about measures to control distractions arising from electronic, telemetric and other such devices inside a vehicle, 38 per cent of respondents called for a complete ban. On cellphones specifically, 80 per cent said that new drivers should be restricted from using them.

Yet there have been other studies that have found no correlation between mobile phone usage while driving and collisions. Recent research by Robert Hahn, a senior fellow at the Washington, DC-based American Enterprise Institute for Public Policy Research and executive director of the AEI’s Center for Regulatory and Market Studies, and James Prieger, an associate professor of public policy at California’s Pepperdine University, twice looked at survey data on thousands of US drivers and concluded that there is no “statistically significant increase” in accidents from using hand-held or hands-free cellphones.

Still, Canadian provinces are moving toward banning drivers from using hand-held mobile devices.

So far, Quebec, Nova Scotia, Newfoundland and Labrador, and most recently, Ontario, have passed such legislation.

Set to come into effect this fall, the Countering Distracted Driving and Promoting Green Transportation Act would make it illegal for motorists to use both hand-held wireless communications devices, such as cellphones, or hand-held entertainment devices. Drivers would not be able to use hand-held devices to talk, text or email. Emergency calls to 911, however, would still be permitted.

The Ontario “eyes on the road, hands on the wheel” law would also prohibit drivers from using portable video games, or MP3 and DVD players – in addition to television. Drivers would be able to use hands-free cellphones, with an

earpiece or headset using voice dialing, or plugged into the vehicle’s sound system; a global positioning system (GPS) device properly secured to the dashboard; and a portable media player lugged into the vehicle’s sound system.

Anyone who breaks the law would face a fine of up to \$500 (but no demerit points), and could also face charges of careless driving under Ontario’s Highway Traffic Act where the penalties include fines of up to \$1,000, six demerit points, a driver’s licence suspension of up to two years and a six-month jail term. When he unveiled the proposed legislation last October, Transportation Minister Jim Bradley left open the possibility that drivers “who put others at risk by allowing themselves to become distracted” could be charged with dangerous driving – a criminal offence that carries a penalty of up to \$2,000 and five years in jail.

As he pointed out, several countries, including the United Kingdom and Australia, have banned drivers from using hand-held cellphones.

In the U.S., California, Connecticut, New Jersey, New York and Washington states, as well as the US capital, Washington, D.C. have banned drivers from using hand-held cellphones.

California’s law and Washington’s law came into effect as of July 1, 2008.

But in California, the ban applies only to hand-held cellphones for drivers over the age of 18, but is a complete ban on any cellphone use for drivers under 18. In Washington, it’s designed as a secondary-offence law that requires police to first find that a driver is committing another offence, such as speeding or dangerous driving, before a ticket regarding cellphone use can be issued.

Other states have laws prohibiting drivers from using cellphones, usually focusing on teenagers or school bus drivers, or requiring hand-free devices, according to the LA Times.



Ten states ban drivers from text messaging.

In Canada, the Manitoba government has introduced an amendment to the province's Highway Traffic Act that forbids drivers from using hand-operated electronic devices, such as cellphones.

Newfoundland and Labrador was the first province to introduce such a law on April 1, 2003.

The legislation, granted royal assent on Dec. 19, 2002, followed the results of an opinion poll commissioned by the provincial government in August 2001 in which 95 per cent of Newfoundlanders and Labradorians said that drivers using cellphones was a "serious" or "very serious" safety problem. Fifty-five per cent felt the practice should be prohibited entirely, while 39 per cent felt hands-free use was acceptable. In the fall of 2001, a Leger Marketing survey of 1,508 Canadians found that four out of five believed that it should be illegal to use a cellphone while driving.

In Newfoundland and Labrador, fines for violations of its cellphone law range from \$400 to \$1,000, plus four demerit points per violation. And since the law was implemented, the rate of convictions has steadily increased over time.

In the fiscal year 2003-04, there were 131 convictions, according to Vanessa Colman-Sadd, communications director for the Department of Government Services, which oversees driver licensing and vehicle registration in the province.

In 2004-05, the number of convictions increased to 191, and continued to climb to 222 in 2005-06, 328 in 2006-07 and 745 in 2007-08 – the latter number partly the result of increased police resources to enforce the law, says Colman-Sadd.

Nova Scotia's law, which took effect on April 1, 2008, prohibits a person from using a hand-held cellphone or sending a text message on any communications device while operating a vehicle on a highway. Using such devices "to report an immediate emergency situation" is permitted.

Penalties are \$164.50 for the first offence, which includes a 15 per cent victim surcharges on \$50 and costs of \$107; \$222 for the second offence (including 15 percent on \$100 and costs); and \$337 for the third offence (including 15 per cent on \$200 and costs).

As of March 19, 2009, 1,922 summary offence tickets have been issued in Nova Scotia for using a hand-held cellphone or texting while driving.

Of those, there were 1,599 convictions, with the remainder either waiting to be heard in court or resulted in no conviction, according to the province's Justice Department.

The Halifax Chronicle Herald recently reported that Halifax Regional Police were handing out an average of two tickets a day when the law first came into effect last year, but are now issuing about five a day. Meanwhile, as of March 31, 2009, RCMP in the Halifax area had issued 351 tickets for violations of the cellphone ban.

In 2007, the Nova Scotia Department of Transportation and Infrastructure Renewal conducted a survey in which Nova Scotians rated hand-held or hands-free cellphone use (92 per cent) as the most serious traffic safety issue in the province. Yet 66 per cent of the same respondents said the "never" make or receive cellphone calls while driving – and almost all said they don't send text messages (98 per cent) or use such technical devices as BlackBerrys, pagers or iPods (97 per cent). Results of the 2008 survey were not available at press time.

Tips on managing driver distractions

- Be familiar with the equipment in your car, such as the stereo system and cellphone. This is especially important if you have a new phone or car, or a rental vehicle. Practice before driving so you can perform basic functions without taking your eyes off the road.
- Keep your hands on the wheel and your eyes on the road. If you have a cellphone, use a hands-free model and keep it in its holder.
- Do not engage in emotionally charged conversations either with the passengers or on your mobile phone. Such discussions can result in aggressive or erratic driving behaviour.
- Drive defensively. Be prepared for the unsafe actions of other motorists or for poor driving conditions.

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