

NBIS President **Bill Tepe** discusses how to navigate risk management in an eventual post-pandemic landscape.

New year, new era

After the Great Pause and the Great Resignation eras are over, NBIS anticipates a time of reopening.

As we wrap up 2021 and look ahead, we've been thinking about how essential it is to carefully consider the state of your organization as it moves into a new era. The last two years have disrupted life as we all knew it. The coronavirus pandemic has created a new business landscape. The time to thoughtfully consider how your business navigates risk is now. After the Great Pause and the Great Resignation eras are over, we anticipate a time of reopening, improving and a rebuilding of infrastructure (roads, bridges and beyond) across America. Despite the tumultuous nature of the economy, construction industries have remained steadfast, with many companies looking ahead to new projects in 2022.

However, while we can expect heavy construction's momentum to remain strong, we can't ignore the extreme difficulty of predicting the way things will unfold around the globe in the next year and beyond. This new world presents

new challenges. As we emerge from the pandemic era, constraints caused by lingering supply limitations and skilled labor shortages across multiple regions persist. Many companies are planning work out five to ten years in advance, taking advantage of the United States' recently passed infrastructure bill and the European Union's recently passed Recovery and Resilience Facility, a direct mitigation measure in response to the social and economic impact of the coronavirus pandemic.

It has been projected in Oxford Economics' report Future of Construction that by 2030, the U.S. will rank second in the Top 10 global construction markets, ahead of India and just behind China. This projection gives many domestic crane, rigging, specialized transportation and concrete pump operations hope for steady work over the next decade or two. We suggest focusing on three risk management areas that will help your company and our industries as a whole stay safe and stay on the job. In a November 2021 report, Allianz Global Corporate & Specialty termed this the "new age of construction risks."

1 AUTOMATE YOUR RISK MANAGEMENT PLAN. We know you're inundated with paperwork. From daily work/rental tickets and fleet maintenance records to individual employee training, there's an endless stream of documentation to

manage. Many of us faced the immediacy of digitizing communication throughout the height of the pandemic. Digital interactions are now a social norm. There is no shortage of apps and services that can digitize your operation. Our NBIS risk managers recommend these risk automation efforts:

■ **Online employee training through a Learning Management System (LMS)**

The key benefit of online learning is that it can be accomplished anywhere, any time. Be sure that your LMS also offers tracking of completions, as it is crucial for that training to be quickly summarized in preparation for a routine inspection or in the event of claims litigation. That'll also keep you in line with OSHA training standards. Many online learning providers offer catalogs that can supplement your annual training needs. Consider what might already be available through your insurance broker/agent or carrier. Also, review a course catalog before committing to a training resource — that way you can be sure industry-related course work is offered for your employees.

■ **Electronic fleet management software partnership**

There are many services to choose from that can help you maintain and keep track of all the equipment in your fleet. These services enable busy fleet managers to stay on top of things like maintenance and service requirements, tracking them before



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specialized transport industries.

and after they are met. As with employee training records, electronic documentation and reminders for future service will assist your operation in a multitude of ways, not least of which could include responding to a routine inspection, cause-based inspection, or claims litigation.

■ **Signature capture and work ticket/rental ticket software.**

The pandemic-necessitated reduction in points of contact has pushed progress toward digitization much further. Multiple software solutions help make getting the required signature on your various contracts and work/rental tickets easier. These software solutions enable your operators to use a mobile platform for obtaining pre- and post-work signatures on the jobsite. Many of these platforms allow companies to configure and reconfigure the contract language as need arises, by state, municipality and even in post-nuclear verdict scenarios to protect your company. This is especially critical because these contracts contain a number of provisions and clauses designed to transfer risk and qualify operator expectations. Digitization immediacy is the name of the game for training, fleet

management and contract provisions.

2 STAY ABREAST OF LABOR SHORTAGES AND TRENDS IN YOUR REGION.

Labor shortages continue to be a significant issue. Make it a priority to partner with local and regional government agencies to stay ahead of trends. Every area has trade-based labor challenges and they seem to multiply with each additional level of certification required for a given position. Trade-focused associations like the SC&RA advocate on many fronts for our industries and regularly report on labor solutions and changing trends. Staying in touch with your member associations, nationally and locally, will give you early warning on impending threats to labor. Despite this, a variety of factors challenge the loyalty of workers. It's up to you to do all you can to mitigate these threats to labor retention.

3 LEVERAGE YOUR COMMERCIAL INSURANCE BROKER/AGENT. As a flood of new and large equipment arrives in the US and large, complex projects are being contemplated, insurance markets will be impacted and have the potential to harden quickly. Maintaining a routine check-in with your insurance broker/agent

SOURCES

¹ Oxford Economics/Haver Analytics, Future of Construction, Marsh & Guy Carpenter

² Managing the new age of construction risk, 10 trends to watch as the sector builds back better, Allianz Global Corporate & Specialty

could prove more valuable than ever. Large insurance markets retain analysts to monitor equipment purchasing trends and forecast losses; leverage your broker's view of the economic landscape as it relates to your coverage and endorsement working by state and wording restrictions for Owner Controlled Insurance Placements and placements involving public/private partnerships. Large infrastructure projects also introduce contractual complexities such as Master Services Agreements that could place limitations on your ability to transfer risk on the jobsite. Your insurance broker/agent should be your trusted partner who can help you navigate an ever-changing economic landscape.

NBIS' risk management team and our broker/agent partners are ready to help you navigate these challenging times. Visit our website at www.NBIS.com or call 1-877-860-RMSS. ■

PULL QUOTE

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