

Risks on your radar

Bill Smith discusses three thoughts on risk management for Q3.

In my role at NBIS, I spend a fair amount of time working with industry stakeholders on issues related to risk management. I'm constantly looking at claims scenarios and analyzing what could have been done differently so I can take what I've learned and help companies better manage their own risks. So as we move into the third quarter of 2019, here are three topics I've been thinking about lately that should be on your radar as well.

1. Lottery as lawsuit

You may have heard me say this before, but I can't stress it enough: today's lottery is the lawsuit. What I mean is that you no longer have to win the lottery to get mountains of money; when it comes to incidents with cranes, you can simply claim that you suffered just about any injury and essentially have the same financial windfall as when you win the lottery.

When an incident occurs and people are injured, once the fault is proven to be yours, you should absolutely pay your fair share. I'm not questioning that. But I want to point out that the challenge many companies face today isn't paying their fair share; it's paying their unfair share. There are often myriad unseen, uncontested so-called "injuries," like general aches and pains and soft tissue issues, that surface after the incident has occurred. These injuries often come with additional expenses from lawyers, physicians and therapists that may appear to be working together to maximize the insurance payout.

To underscore my point, consider this: At a conference recently, one of our vice presidents in the claims department asked a panel of doctors how many patients under care during an ongoing lawsuit



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follow up with care after the suit is settled. The answer? Not many.

2. Paperwork matters more than ever

What are you using to conduct your business and get paid for your services? If you have paperwork between you and your customers, like an invoice, rental ticket, job ticket or lease agreement, and if you are getting it signed like you should be, then you need to ensure you have the right terms and conditions, or you run the risk of not being fully protected.

I can't emphasize enough how the right wording matters. It may not only get you out of the claimed liability in an accident, but it may also result in reimbursement for your expenses. I've repeatedly seen where companies are getting signatures on paper with obsolete or missing terms and conditions. If that's the case, then the old saying is true: It's not worth the paper it's written on.

3. Train, train, train

Training is a key element in reducing accidents and exposure to risk, and affecting a more favorable claim history. OSHA requires that training be conducted, documented and continuous. Many times, companies are so busy working that training is done much too briefly – in a tool box talk most of the

time – and seldom done in a more formal setting. Sometimes, companies skip it altogether. Other companies don't invest in training because they feel like it's not worth the financial risk since employees may ultimately choose to leave.

Companies would be wise to look at different training technology solutions where employees can learn on the go. Drivers and crane operators have down time during the workday while they're waiting on customers, and it's during these times that they can train from a mobile device. This not only helps to refresh the employees' skills, but it also complies with OSHA's requirements and adds to the defense of your company.

NBIS provides support to policyholders in all three of these areas with claims, contract management and electronic safety and health training. We also offer many more driver services aimed at making you a better risk: telematics, driver training, internet-based D.O.T. support and vehicle cameras for event recording and OSHA citation representation. (Some of these are available at an additional fee.)

To learn more about what's been on my mind, or to ask questions about these or any other topics, reach out to me or any other member of the NBIS Risk Management Team today. Visit www.NBIS.com or call 877.860.RMSS.



THE AUTHOR

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OSHA Crane & Derricks Standard.