

Loss Control Tips

Electrical Contractors

Electrical contractors construct, install, repair and maintain electrical wiring in industrial, commercial and residential properties. Their duties may include installing and maintaining electrical equipment, completing administrative duties and delivering high-quality customer service. This complex profession requires a great deal of training, skill and experience. Due to their wide variety of operations, these professionals are often exposed to various safety, liability and property risks. That's why it's vital to have effective loss control measures in place. This resource outlines common risks electrical contractors must address and offers helpful strategies to avoid potential claims.



Premise and Operations Liability

The nature of electrical operations poses various liability concerns. For example, issues arising from faulty wiring, malfunctioning electrical equipment and possible smoking hazards could cause third-party damage and injuries to bystanders and lead to costly liability claims. Therefore, it's important for electrical contractors to take the following measures to limit their premises and operations liability:

- Create a housekeeping program to make sure materials, tools and other objects are stored properly to prevent struck-by injuries and to prevent slips, trips and falls. Any spills should be cleaned up promptly, and all areas should be kept free of debris.
- Ensure there is a fire protection plan in place and that it is communicated to each employee. If smoking is allowed on the job site, create a designated smoking section.
- Ensure site security measures—such as fences or security personnel—prevent the general public from trespassing on job sites.
- Develop and implement policies and procedures for entering residents' homes to prevent property damage.
- Ensure there is a hot work program in place. Keep fire extinguishers near any area in which hot work is being performed, and make sure all employees are trained on how to use them.



Employee Safety

As an employer, electrical contractors must protect their employees from illnesses and injuries on the job. Occupational risks of electrical contracting include significant exposure to back and struck-by injuries, and slips, trips and falls. To prevent these and related illnesses or injuries, electrical contractors should implement these employee safety precautions:

- Establish a fall program and train employees on how to properly use fall protection.
- Implement a ladder safety program and ensure employees have been appropriately trained in ladder safety.
- Create a slip, trip and fall program. Perform slip, trip and fall assessments to determine the likelihood of occurrence on the job site.
- Develop an effective workplace safety training program that requires all employees to participate in routine training. Doing so will allow new employees to prepare for their roles while refreshing experienced employees on important safety protocols. This process may include requiring employees to have the necessary licenses to complete work and maintain that license by continuing education to stay current.
- Ensure employees receive sufficient training before using tools or equipment necessary for their work.
- Create and implement an equipment maintenance plan to make sure equipment is kept in working order and safety mechanisms—such as wires, handles and blades—are also functional.
- Create an incident investigation program that allows for swift and thorough incident investigations.
- Establish a personal protective equipment (PPE) program and perform a PPE survey to determine which types of PPE are needed for each task. Provide all necessary PPE to employees and educate them on the proper use of this equipment.



Inland Marine—Tools and Equipment

Electrical contractors face many inland marine exposures, especially since they often use their own equipment at job sites, such as laptops and special electrical tools. Inadequate maintenance procedures and a lack of prevention protocols can result in equipment damage, which could lead to significant interruptions and costly repair or replacement expenses. Electrical contractors should consider these steps to limit risks:

- Keep a detailed list of machinery and tools. Each item should include an identifying number, age, type and condition. Never leave tools on-site or out in the open. They should be in the vehicle or stored in a secure place.
- Add nonremovable labels to equipment to allow for easy and permanent identification.
- Implement security measures to prevent the unauthorized use of equipment left at job sites. These measures can include installing security cameras, locking equipment doors and hiring on-site security.
- Create a program requiring inspections on equipment prior to use. Corded tools should be inspected to make sure there are no cuts or frayed wires.



Automobile Liability

Because electrical contractors often have their own fleet of vehicles and employees frequently travel between different job sites, commercial auto exposures are substantial. In particular, accidents on the road could result in serious ramifications, including employee injuries, costly property damage and potential liability issues between any pedestrians or other motorists involved. To minimize commercial auto exposures, electrical contractors should follow these protocols:

- Make sure all drivers possess acceptable driving records. Specifically, it's important to secure motor vehicle records (MVRs) for all drivers. MVRs should be updated annually.
- Provide employees will proper training on safe driving measures. Be sure to prioritize loading procedures so employees load vehicles appropriately.
- Prohibit employees from using their cellphones while driving.
- Consider utilizing telematics technology within commercial vehicles to identify employees' risky driving behaviors (e.g., speeding and hard braking).
- Implement an effective vehicle inspection and maintenance program. Such a program can help ensure all commercial vehicles remain in good condition and are safe to operate on the road.
- Review all commercial vehicle and trailer characteristics (e.g., size and weight) to determine applicable Federal Motor Carrier Safety Administration (FMCSA) regulations. Routinely monitor compliance with FMCSA standards and make operational adjustments as needed.



Learn More

It's essential for electrical contractors to implement proper risk management precautions to limit costly insurance claims and lawsuits. Such measures can offer various benefits, such as greater customer satisfaction, bolstered employee safety, fewer liability concerns and a lowered potential for property damage.

Although this resource provides a range of loss control strategies, electrical contractors don't have to establish their risk management programs alone. Working with a qualified and experienced insurance professional can make all the difference. Contact us today to discuss insurance solutions and additional loss control techniques for electrical contractors.

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