Safe Business Checklist

Updated March 22, 2019

This tool was developed by NARI's Bylaws/Ethics Committee with input from Chapter Ethics Committee chairpersons from around the country. It was created to help NARI member companies become more prepared for the most common business challenges in our industry, and further development of specific subsections is planned. This tool will be updated as additional information is obtained, and we invite input from all members. Please submit your *best practice* ideas to the Bylaws/Ethics Committee c/o Cindy Foley at cfoley@nari.org.

✓ Business Basics

- **Planning ahead for 'what if'**
  - ☐ Do you have an attorney if you need one?
    - The best time to find an attorney is when you don't need one.
  - ☐ Are all documents backed up on a regular basis? Stored remotely?
  - ☐ What plans do you have in place in the event of a natural disaster?
  - ☐ In the event of a serious health issue, injury, or death
    - Who will take over for a key person?
    - Do you cross train?
  - ☐ What are family member's roles, if not already involved?
  - ☐ Do you have reserves in the event of economic changes?

- **Financial**
  - ☐ Owners should sign checks
  - ☐ Owners should regularly review bank statements
  - ☐ Report and pay all taxes on time
  - ☐ Keep logs current (auto)
  - ☐ Pay your bills on time
  - ☐ Process customer invoicing and job costing in a timely manner
  - ☐ Have you established a line of credit?
    - Have a line of credit in place *before* you need it.

- **Insurance Issues**
  - ☐ Understanding what your coverage is and what your need for coverage is
  - ☐ Worker's Compensation coverage, even if not legally required
  - ☐ Adequate liability coverage
  - ☐ Builder's Risk Insurance
  - ☐ High level deductibles
  - ☐ Business interruption insurance
  - ☐ Key person Insurance
  - ☐ Auto insurance

- **Security**
  - ☐ Keep employee files confidential
    - Employee health files are required to be kept separate from personnel files
  - ☐ Keep customer files confidential
    - Customer's sensitive information should be kept separate from the job file
    - Credit card information should be destroyed as soon as transmission is successful
  - ☐ Secure tools
  - ☐ Secure trucks and keep them maintained
  - ☐ Are jobsites secured?

- **Systems - Establish Standard Operating Procedures for**
  - ☐ Injury reporting
  - ☐ Client problems
  - ☐ Quality control

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- ☐ Clear chain of command for staff defining authorities and responsibilities
- ☐ Take daily photos of job site and make immediately available (cloud share) to all staff to ensure everyone involved is up to date on the project
- ☐ Keep phone call log to keep accurate record of communications for each job

✓ Processes and Procedures
- ☐ Do you have a procedure for each office function?
- ☐ Do you have a written procedure for each field function?

✓ Before accepting a project
- ▪ Choose your clients
  - ☐ Do you want to work for them?
  - ☐ Reading the client and evaluating them. What's their attitude?
  - ☐ Were they referred by someone you know?
  - ☐ Do you want to subject your employees to them?
  - ☐ Will the relationship be mutually beneficial and profitable?

✓ Communication – Document Everything
- ▪ Control client expectations
  - ☐ Contract should include schedule, time frame of job, pricing, products to be used, payment terms, and right to rescind (in Illinois "Know Your Rights").
    - Contract should identify what's *not* included
    - Document schedule changes and reasons
    - Document client communications about everything (delays, specifications, changes)
  - ☐ Send staff biographies with photos to client in advance
    - helps clients establish comfort level with employees entering their homes
  - ☐ Respond to concerns or problems quickly
    - Consider the cost of the delay; how much is your reputation worth?
      - o Internet venting/review site (Angie's list, Yelp)
      - o Control negative reviews
  - ☐ Email communications - Pros and cons of email communications with client
    - Con – the written word can't always convey position; voice inflection, body language, expression is absent
    - Pro – emails can follow-up phone conversations, phone conversations can follow-up emails; both for confirmation of discussion and can avoid future misunderstandings.
  - ☐ Social Media can be a double-edged sword
    - Use it to highlight your expertise and showcase your projects
    - Link to your own website in your posts
    - Be sure at least two staff members (one being an owner) have login and password for all social media sites
    - Double check your posts for grammar, punctuation and spelling
    - Respond promptly to negative feedback
    - Always remember you are wearing your company hat (avoid politics, religion, any conflict-ridden issue)
- ▪ Suppliers, Subs, Associates
  - ☐ Execute agreement with subs to establish and manage expectations
- ▪ Employees - Do you:
  - ☐ Monitor employee relation issues?
  - ☐ Have safety discussions and training?
  - ☐ Provide personal protection equipment?

☐ Log reasons for employee absences?

☐ Document employee discipline; have witnesses present?

☐ Verify sub-contractors truly meet the criteria as an independent contractor and are not viewed by the IRS, Federal or state government as employees (1099 vs W2)?

☐ Keep all I9s together rather than in employee files for easy access ?

✓ Safety

- ■ OSHA
  - ☐ Know what safety equipment employer is required to provide employees
    - Company owners are required to provide *personal* protection equipment for employees
  - ☐ Create safety bins that contain personal protection equipment for the job site and regularly audit the bins.

- ■ Lead
  - ☐ Company needs to be certified
  - ☐ EPA Certified Renovator on staff
  - ☐ Use EPA Renovate Right pamphlet
  - ☐ Use proper lead safe work practices
  - ☐ Use required checklists
  - ☐ Keep separate Lead related files for each project

✓ Training ideas

- ■ Chapter hosted legal seminars
- ■ Chapter hosted insurance seminars
- ■ NARI Stars Program-borrowed from the Milwaukee chapter
- ■ OSHA tailgate training
- ■ EPA training

✓ Forms Samples – NARI resource library coming soon

- ■ Contract template
- ■ Preconstruction sheet
- ■ Change order
- ■ Order of Process, checklist (Client Qualifier)
- ■ Injury report
- ■ Subcontractor Agreement