

## Crisis Management in Construction

Written by: Tobias Cushing, Head of Construction, The Hartford

It's no secret that all businesses should have a plan in case of emergency. For construction companies, it's extremely important because the business can be shut down due to disasters or unexpected events.

From natural catastrophes to global pandemics, a crisis can come at any moment and have a huge impact on jobsites and projects, affecting all subcontractors and trades involved. This includes carpenters, laborers, plumbers, and electricians. No matter what happens or who's on the job, every emergency requires prompt action to help minimize or control the potential effects on the business and development. So, knowing what to do and how to create a crisis management plan can help.

### A CRISIS CAN COME OUT OF NOWHERE

Construction contractors may encounter an unplanned event that requires immediate and decisive management action. This event may involve such things as: a natural disaster, major medical emergency, fire, crane, or scaffolding collapse; a hazardous material event, threats of violence, serious injury/fatality, or any physical situation that endangers people on-site or the project itself.

And a crisis can occur on active or inactive jobsites. Idle construction projects are not immune from a crisis and can



present challenging conditions as well, so a risk assessment plan as part of a comprehensive crisis management plan can also help reduce the sudden impact and likelihood of losses. The key to success is the implementation of tactics that are specific for the type of construction and project location, as well as clearly communicating the plan's strategy and initiatives to all contractors involved with the site.

It's important for the plan to have specific steps to follow in creating and navigating a successful course of action that mitigates fallout from the crisis and protects workers, neighbors, and the community.

---

## ECONOMIC CRISES

---

There may also be a crisis situation involving economic impacts, such as labor disputes, loss of key personnel, technology breakdowns delaying communications, or problems with material delivery schedules. These, too, can evolve into crisis situations that may present threats to the firm's reputation, ability to conduct business, and ultimately its overall financial success.

---

## DEVELOP A WRITTEN PLAN

---

Regardless of the type of event or situation, a crisis requires prompt action to help minimize or control the potential impact. To help prepare for such possible scenarios, companies should develop a written plan for their specific construction sites. The crisis management plan should outline step-by-step procedures and responsibilities for all personnel on-site as well as key personnel off-site. The following steps may be used as a guide for construction companies, contractors, and subcontractors to navigate the situation:

### STEP 1: IDENTIFY POTENTIAL CRISIS

The planning process should begin with an attempt to identify any potential crisis before construction begins. Tailor the plan to the nature of the project. For example, construction companies should examine risk factors and unique hazards for each jobsite and evaluate weather patterns and external conditions that could lead to a crisis on the jobsite.

Then, the construction team should evaluate and consider the equipment and materials to be used and establish site security measures to help mitigate any fallout from a mishap.

The plan should also ensure that adequate resources are available to effectively deal with the crisis. Construction company leaders and jobsite forepersons should assess emergency escape routes, particularly if there are multiple floors or remote work areas involved and take evacuation procedures into consideration. In addition, it is imperative to make note of available off-site resources, including the proximity of hospitals, police/fire departments, and other first aid responders.

### STEP 2: SELECT RESPONDERS AND THEIR ROLES

The plan should identify the best people to respond to and manage a crisis, which is key at the early stages of the process because it establishes a crisis management team that begins with a team leader responsible for coordinating activities. This crisis management team would hold regular meetings to discuss step-by-step plans for specific emergency situations and define each person's role before, during, and after a crisis. From here, responsibilities would be assigned for collecting statements, preserving evidence, and other areas of investigation.

At the regular meetings, team members would also review and discuss progress or updates to the written plans in order to maintain transparency and operational efficiency.

### STEP 3: ESTABLISH COMMUNICATION CHANNELS AND CHAINS OF COMMAND

Next, a communications plan that enables all members of the crisis management team to contact one another should be created, and an off-site staging area or command center needs to be identified in order to designate a place where the crisis plan can be coordinated from when the crisis occurs.

It is also important to develop a network that facilitates immediate contact between first responders and construction engineers, project managers, or others who have detailed knowledge of the infrastructure, while maintaining a list of key personnel for suppliers and subcontractors, as well as utility company contacts. Then, the company should form an efficient and effective way to promptly communicate with employees and their families in the event of an emergency.

### STEP 4: DEVELOP A PUBLIC RELATIONS POLICY AND PLAN


It's imperative to not only have a plan to deal with the realities, but also to handle the perceptions of the crisis.

Construction companies should formulate a public relations strategy and appoint an individual who'll be responsible for media relations in the event of a crisis. This is important because the image and reputation of the company and its leaders is at stake during a crisis. One misstep or misstatement can cause irreparable damage to a company's credibility

and revenue following a crisis. As a result, a business should establish a strict policy that only approved, accurate information is to be released to the media.

#### **STEP 5: CONDUCT PRACTICE DRILLS AND TRAIN NEW WORKERS**

Ideally, in order to test the crisis plan a business should conduct mock drills aimed at increasing preparedness and identifying weaknesses. As part of their jobsite orientation, construction workers should receive detailed instructions on what to do in a crisis. The information should be updated regularly as the construction project moves toward completion or as new personnel rotate in.

Planning is a necessary part of any construction project, and a carefully considered crisis management plan can help contractors quickly take charge and more efficiently manage unplanned events. Keep a checklist handy to help make sure key considerations are not overlooked. This may help ensure construction sites and projects stay as safe and secure as possible. 



---

### About the Author

---

Tobias Cushing serves as the head of construction for middle and large commercial at [The Hartford](#). He holds a B.S. in Biology from Houghton College, a Juris Doctor from Quinnipiac University School of Law, Master of Law (LL.M.) in Insurance Law from the University of Connecticut School of Law. He has worked in The Hartford's claim group, law department and underwriting units since 2010.

Cushing can be reached at [tobias.cushing@thehartford.com](mailto:tobias.cushing@thehartford.com)

---

### About the Article

---

Republished from [Constructor Magazine](#), a publication of Associated General Contractors of America. The [Associated General Contractors of America](#) works to ensure the continued success of the commercial construction industry by advocating for federal, state, and local measures that support the industry; providing opportunities for firms to learn about ways to become more accomplished; and connecting them with the resources and individuals they need to be successful businesses and corporate citizens.

Any views and opinions expressed in this article may or may not reflect the views and opinions of the Construction Management Association of America (CMAA). By publishing this piece, CMAA is not expressing endorsement of the individual, the article, or their association, organization, or company.