PROPERTY

10 property concerns that can leave businesses exposed.

SEVERE WEATHER • Weather-driven losses keep on climbing — 2019 saw $25.5 billion in insured losses due to natural disasters. And these severe thunderstorms, hurricanes, wildfires, hailstorms and more are only growing in severity.

SECURITY MEASURES • As operation hours change to reflect a WFH workforce or a hybrid in-office/at-home schedule, physical buildings still need the same controls and safety measures in place in order to mitigate risk of vandalism or damage.

CONTINGENCY PLANNING • With changes to the way businesses and their suppliers operate, now is the time to review preparedness plans, build a response team, map out processes/supplies and execute key tasks to keep business operations running.

PPE STORAGE • Personal protective equipment is now a necessity for employees, which means an added eye on proper storage is in order. Hand sanitizer, a highly-flammable liquid, must be stored at a cool temperature in a dry location in order to prevent fire hazard.

DIFFERENT USE OF SITES • Some workspaces had to pivot operations to meet the growing needs of the pandemic. Many manufacturers, for example, shifted their business to making PPE, opening them to a different set of risks that must be reviewed.

EQUIPMENT MAINTENANCE • As the pandemic forced business shutdowns, necessary upkeep and routine maintenance of boilers, servers and other electrical systems may have been put on pause, resulting in machinery breakdowns or improper starts.

IDLE LOCATIONS • The percentage of time a desk or workspace is in use has dropped to between 50 and 70% as more employees are working from home. If this trend continues, businesses may begin to downsize or have idle locations susceptible to vandalism, fire risk or other external factors.

WATER DAMAGE • Breaks in private water systems (plumbing, HVAC and fire protection) can lead to large losses and costly clean-ups. Inspect systems for signs of wear and protect exposed equipment from damage.

NEW AND OFF-SITE LOCATIONS • In order to remain compliant with social distance requirements, some businesses have added outdoor spaces or storage assets. These new locations must be added to existing property policies or they could face unforeseen risk.

WFH EQUIPMENT • Homeowners insurance isn’t business insurance. Office equipment like monitors, chairs and modems being used in home offices will need to be protected under the company’s property policy to avoid costly replacements or repairs.

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