



# Learning How to Adjust and Adapt in a Post-COVID-19 Construction World

By Mark Bergman and Rick Zellen

---

## *Paving a path forward for suspended and resumed projects.*

---

Construction has always been more unpredictable and perilous than many industries, making agility a basic necessity for contractors and their teams. The COVID-19 pandemic has tested that agility like never before.

Decisions on whether construction work could or should continue during the pandemic have varied by city and state. The interpretation of mandates can depend on the day and person you ask. Relatively early during the coronavirus shutdown, Boston ordered most construction work to stop. New York initially deemed construction essential and then ordered a halt to most work, [instituting fines](#) up to \$10,000 for those found working on nonessential or nonemergency construction.<sup>1</sup> The city of Austin required all nonessential construction to pause in March, but then in early April, the Texas

governor issued an executive order [allowing construction](#) across the state to continue.<sup>2</sup> Even where construction was allowed, contractors faced labor shortages as workers had to choose between a paycheck and risks to their personal health.

Contractors are trying to interpret evolving rules and navigate unprecedented challenges while contending with a start-stop-restart scenario—a cycle that heightens an assortment of risks on job sites where work began before the pandemic, then paused. Suspending a construction project isn't as simple as shutting off the lights and locking the doors of an intact building. Restarting will present its own challenges, partly because of what can happen during a hiatus, but also because work practices must be altered to manage ongoing COVID-19 risk.

<sup>1</sup> Cubarrubia, Eydie. "NYC Announces Fines of up to \$10K if Work Continues on Non-Essential Projects." ENR. 30 March 2020. <https://www.enr.com/articles/49050-nyc-announces-fines-of-up-to-10k-if-work-continues-on-non-essential-projects>

<sup>2</sup> Goodman, Jenn. "Study finds construction safety practices are essential to protecting workers, community during pandemic." Construction Dive. 16 April 2020. <https://www.constructiondive.com/news/study-confirms-construction-during-pandemic-puts-workers-community-at-risk/576161/>

## While Crews Are Away...

There's exposure to many elements on a construction job site when a project is halted for any reason at any stage. Mitigating the risks or handling the fallout can add unanticipated expenses. To touch on just a few:

- Rain can degrade supports, structures, equipment and materials. It can also cause erosion or flooding on partially excavated sites.
- Wind can blow safety netting, fencing and materials that aren't completely tied down, posing risks to the public.
- Idle sites can be targets for vandalism, theft and arson. The contractor may need a skeleton crew just to keep the site secure. That includes monitoring scaffolding, fencing and netting to ensure it stays in place.
- The contractor must determine how to store or relocate materials or return them to the supplier. Volatile gases and liquids need to be removed.
- Critical systems such as fire suppression, water pumps and HVAC need to be maintained; utilities may need to be secured or disconnected.
- Thorny payment issues also may need to be addressed and resolved with subcontractors, crews, suppliers and others.

## When Crews Return...

As new COVID-19 cases taper in some cities, there's been ongoing debate about a gradual restart of the whole economy. Many idled engineering and construction firms ask: When can we get back to work? The answer isn't as simple as getting a greenlight from a governor and then pulling open a padlock on a chain-link fence.

Once permission to resume work is granted, any consequences of the idle period require attention and perhaps remediation. Permits and builder's

risk policies may have expired. Financing may be affected. Workers and subcontractors may have dropped out of contact or found work elsewhere. There may be breaks in the supply chain; project timeline and work sequencing may be in disarray. These can all drive up costs, especially if demand for labor and materials rises as a widespread resumption of construction takes place.

A primary concern for many contractors is how to best protect their crews' health and safety going forward, especially with the prospect that infection risks could rise again at a later date.

A study commissioned in Austin found that keeping the city's job sites open during the height of coronavirus transmission could, in a worst-case scenario, [raise construction workers' risk of hospitalization eightfold](#).<sup>3</sup> It also stated that scenario was avoidable through safety practices and provisions that many contractors already adopted if they worked during any part of the shutdown.

Precautions that promote social distancing and site hygiene include, briefly:

- Suspending canteen trucks and similar services.
- Eliminating all-hands safety meetings and using online training and virtual new-hire orientation.
- Staggering crew start times and breaks and adding shifts.
- Increasing use of off-site and on-site prefabrication.
- Screening employee health at the job site entrance and mandating use of face coverings.
- Enhancing cleaning and disinfecting of the job site, including tools and other high touchpoint areas.

---

<sup>3</sup> Ibid.



Some of these practices could become part of the new normal for construction, and some aren't that much of a leap from pre-coronavirus best practices.

## Near-Term Planning and Longer-Term Impacts

Before coronavirus, contractors sequenced trade workers for efficiency and safety (e.g., to avoid one trade worker dropping materials or tools on someone working below). This type of sequencing can also help enable six-foot social distance between workers. It's similar with composite crews, where workers from different trades are typically appointed to tidy up for safety reasons at regular intervals.

Now in addition to making sure materials are arranged properly to help prevent slips, trips, falls and other hazards, composite crews may also ensure handwashing facilities are stocked and all areas of the job site are sanitized.

And that's just one piece of the post-COVID-19 puzzle.

The long-term impacts on contractors and how they and their crews perform work are only beginning to unfold. That doesn't mean anyone should sit back with a wait-and-see mentality. It's time for contractors to develop comprehensive COVID-19 exposure control plans, which may include appointing a COVID-19 officer at every job site and developing a training program for workers. Standard operating procedures also should be considered carefully for measures such as [temperature taking at job site gates](#) and mask

wearing. The primary goal is worker safety; a secondary consideration is to reduce the contractor's exposure to unnecessary liability.

Key points to consider include:

- How will temperatures be taken to avoid breaching the six feet of social distance?
- Will workers be trained to take the temperatures properly in the least intrusive way possible, including by using no-contact thermometers?
- Or will a third-party medical service be brought in to administer the on-site temperature checks?

There also should be a clear understanding of the threshold for an elevated temperature that would warrant sending a worker home, consistent with CDC guidelines. Furthermore, if the employee's temperature is elevated, workers need to be aware that this information should be treated as confidential employee medical information that is not to be freely shared. Will portable testing centers be required on job sites to prescreen workers, and to what extent will testing be available and reliable? The contractor will need to determine how much documentation is kept of workers' test results. A great degree of detailed decision-making is necessary.

Clear protocols for face coverings will need to be established as well, because a time will come in the life of a construction project when maintaining six feet of social distance will be next to impossible. Will cloth face coverings be deemed sufficient, or will respirators or other protective



clothing, approved by the National Institute for Occupational Safety and Health (NIOSH), be required in certain circumstances?

COVID-19 considerations need to be woven into pre-task plans, and protocols should be reviewed daily. Every task on a construction job site should be independently evaluated for the number of people required, how close they need to work together, and what precautions will be taken. If a task requires workers to be within six feet of each other, a specific permitting process could be established and followed. Plexiglas or other acrylic barriers, like the ones many grocery stores have introduced, could be used, if necessary, to separate workers in close proximity.

Contractors may also want to use project management software (e.g., Procore™) and online platforms to inspect sites more often for COVID-19 compliance.

## An Evolving Situation

Because the situation with COVID-19 is evolving, government and industry guidelines are too. Contractors will need to build a habit of checking federal, state and local mandates and industry recommendations related to coronavirus to see whether their practices align with the latest guidance. They must be ready to adjust accordingly and communicate clearly and frequently with their crews.

The prospect of operating in an environment where COVID-19 risk lingers can be daunting. But through heightened vigilance and increased training—whether on-site or virtual—steps to manage COVID-19 risk on job sites can become as second nature as donning a hard hat.

The pandemic has shown already that many office staff and supervisors (i.e., project managers and engineers) can work remotely in an effective way. Off-site prefabrication is gaining attention as a potential means to help manage coronavirus exposure. Other adaptations will emerge as the industry thinks creatively about how to move forward after work resumes more widely—and all against the backdrop of further coronavirus risk.

It's worth noting that the construction industry has dealt with unexpected challenges and temporary project shutdowns in the past. Severe weather, natural or manmade disasters, political disruption, terrorism and even labor strikes can bring projects to a halt. Contractors have always shown their ingenuity and agility in overcoming these situations. In the new age of coronavirus, contractors and crews will show their agility yet again.



**Mark Bergman**, is a construction risk engineering manager for Zurich North America, leads a team of construction and engineering professionals who provide consulting services to customers, underwriters and claims professionals in all construction lines of business. Based in New York and New Jersey, Mark joined Zurich in 2005 and has been instrumental in the formulation and deployment of multiple key professional liability risk engineering services, as well as the development of standard work products such as customer and project risk assessments, claims case study reports and project site assessments. Mark also oversees the development of a growing library of industry best practices and claims-related presentations used to educate customers. Mark joined Zurich with 22 years of construction contracting project management experience. He has a Bachelor of Science in civil and environmental engineering from Rutgers University and holds professional affiliations including with the American Society of Civil Engineers (ASCE).



**Rick Zellen, CSP, ARM, CRIS** Rick is a construction senior risk engineering consultant for Zurich North America, supports customers by performing hazard assessments, strategic safety management consulting and program development. He is also a subject matter expert on construction loss control strategies. Based in Denver, Rick joined Zurich in 2013 and has served on the Colorado Cost Containment board and as chairman and president of the American Society of Safety Engineers, Colorado Chapter. In 2013 Rick earned the Safety Professional of the Year award for the American Society of Safety Engineers' Construction Practice Specialty. In 2017 he earned the Colorado American Society of Safety Professionals' Chapter and Region II Safety Professional of the Year award. He holds a Bachelor of Arts in criminal justice/communications from Stonehill College and a certificate in occupational safety and health from Northeastern University.

The information in this publication was compiled from sources believed to be reliable for informational purposes only. All sample policies and procedures herein should serve as a guideline, which you can use to create your own policies and procedures. We trust that you will customize these samples to reflect your own operations and believe that these samples may serve as a helpful platform for this endeavor. Any and all information contained herein is not intended to constitute advice (particularly not legal advice). Accordingly, persons requiring advice should consult independent advisors when developing programs and policies. We do not guarantee the accuracy of this information or any results and further assume no liability in connection with this publication and sample policies and procedures, including any information, methods or safety suggestions contained herein. We undertake no obligation to publicly update or revise any of this information, whether to reflect new information, future developments, events or circumstances or otherwise. Moreover, Zurich reminds you that this cannot be assumed to contain every acceptable safety and compliance procedure or that additional procedures might not be appropriate under the circumstances. The subject matter of this publication is not tied to any specific insurance product nor will adopting these policies and procedures ensure coverage under any insurance policy.

# Exclusively Focused on the Built Environment

## Who We Are

FMI is a leading consulting and investment banking firm dedicated exclusively to the Built Environment.

We serve the industry as a trusted advisor. More than six decades of context, connections and insights lead to transformational outcomes for our clients and the industry.

### **FMI** CONSULTING

FMI Consulting has a deeper understanding of the built environment and the leading firms across its value chain than any other consulting firm. We know what drives value. We leverage decades of industry-focused expertise to advise on strategy, leadership & organizational development, operational performance and technology & innovation.

### **FMI** CAPITAL ADVISORS

FMI Capital Advisors, a subsidiary of FMI Corporation, is a leading investment banking firm exclusively serving the Built Environment. With more than 750 completed M&A transactions, our industry focus enables us to maximize value for our clients through our deep market knowledge, strong technical expertise and unparalleled network of industry relationships.

#### PRACTICE AREAS

##### Strategy

- Market Research
- Market Strategy
- Business Development
- Strategic Planning

##### Leadership & Organizational Development

- Leadership & Talent Development
- Succession Management
- High-performing Teams
- Corporate Governance
- Executive Coaching

##### Performance

- Operational Excellence
- Risk Management
- Compensation
- Peer Groups

##### Technology & Innovation

- Market Accelerator
- Partner Program
- Tech Readiness Assessment
- Sourcing & Adoption

#### SECTOR EXPERTISE

- Architecture, Engineering & Environmental
- Building Products
- Chemicals
- Construction Materials
- Contractors
- Energy Service & Equipment
- Energy Solutions & Cleantech
- Utility Transmission & Distribution

#### SERVICES

- M&A Advisory
- ESOP Advisory
- Valuations
- Ownership Transfer

#### EXECUTIVE EDUCATION

- Acquisitions in the Construction Industry
- Ownership Transfer & Management Succession

## TRAINING PROGRAMS

Over 10,000 industry leaders have completed FMI training programs, which span the entire management spectrum, from new managers to senior executives.

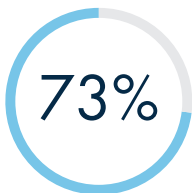
- Emerging Managers Institute
- Field Leader Institute
- Project Manager Academy
- Construction Executive Program
- Leadership Institute
- Leading Operational Excellence
- Construction Selling Skills
- Market & Selling Strategies
- Ownership Transfer & Management Succession
- Acquisitions in the Construction Industry

## FMI PEER GROUPS

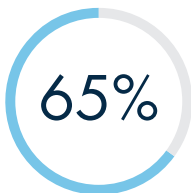
FMI manages nearly 50 individual peer groups across the industry. Connecting businesses through networking, expanding visions and providing feedback.

- Organizational Structure and Development
- Human Resources
- Business Development
- Information Technology
- Operations Management
- Financial Management

## FMI CLIENT HIGHLIGHTS



ENR Top 400  
**LARGEST  
CONTRACTORS**



ENR Top 200  
**SPECIALTY  
CONTRACTORS**



ENR Top 100  
**DESIGN  
FIRMS**



ENR Top 200  
**ENVIRONMENTAL  
FIRMS**



ENR Top 100  
**CM FOR  
FEE FIRMS**



for the Built Environment

---

**Denver**

210 University Boulevard  
Suite 800  
Denver, CO 80206  
303.377.4740

**Houston**

1301 McKinney Street  
Suite 2000  
Houston, TX 77010  
713.936.5400

**Phoenix**

7639 East Pinnacle Peak Road  
Suite 100  
Scottsdale, AZ 85255  
602.381.8108

**Raleigh** (headquarters)

223 S. West Street  
Suite 1200  
Raleigh, NC 27603  
919.787.8400

**Tampa**

4300 W. Cypress Street  
Suite 950  
Tampa, FL 33607  
813.636.1364

[WWW.FMINET.COM](http://WWW.FMINET.COM)