

# Is Planning for Nothing to Go Wrong a Good Business Strategy?

**BUILTIN**

INSURANCE  
BROKERS

Hoping for nothing to go wrong is a common strategy used by many unsuccessful businesses. A more effective strategy used by successful business owners is planning for nothing to go wrong. It starts with a mindset of assuming that if something can go wrong it will, so taking steps to prevent those things happening is simply a no brainer. Having eliminated or minimised threats all that is left is the opportunities and a path to success.

We've developed a checklist to help construction professionals plan for nothing to go wrong in their business.

## PROTECTING ASSETS

Yes No

### TOOLS & EQUIPMENT

- Are these engraved with your phone, LBP or drivers license number? This helps Police contact you if they are recovered after a theft.	<input type="checkbox"/>	<input type="checkbox"/>
- Are they stored securely (eg. an Armorgard Ox Box or similar secure storage box while in vehicles or on site)?	<input type="checkbox"/>	<input type="checkbox"/>
- Can they be located if stolen (eg. via GPS tracking technology)?	<input type="checkbox"/>	<input type="checkbox"/>
- Do you have an asset register with details of the items, cost, serial number etc? you Can use a simple spreadsheet or an app like Hoist or Tool Protect.	<input type="checkbox"/>	<input type="checkbox"/>
- Are phones, tablets and computers password protected and backed up and is your virus protection up to date?	<input type="checkbox"/>	<input type="checkbox"/>
- Is your stuff insured? Get an instant quote at <a href="http://www.builtin.co.nz/tools">www.builtin.co.nz/tools</a>	<input type="checkbox"/>	<input type="checkbox"/>

### VEHICLES

- Do they have alarms/immobilisers installed?	<input type="checkbox"/>	<input type="checkbox"/>
- Do they have fire extinguishers on board?	<input type="checkbox"/>	<input type="checkbox"/>
- Are they parked securely overnight (eg. off street)?	<input type="checkbox"/>	<input type="checkbox"/>
- Are they visible during the day and locked while you're on site?	<input type="checkbox"/>	<input type="checkbox"/>
- Are trailers secured with a towball lock or wheel clamp?	<input type="checkbox"/>	<input type="checkbox"/>
- Have you checked that all drivers have a valid license?	<input type="checkbox"/>	<input type="checkbox"/>
- Do you conduct driver safety training for your staff and promote a safe driving culture?	<input type="checkbox"/>	<input type="checkbox"/>
- Are your vehicles insured for the right amount?	<input type="checkbox"/>	<input type="checkbox"/>

### CONSTRUCTION SITES

- Are these securely fenced?	<input type="checkbox"/>	<input type="checkbox"/>
- Are tools removed from site each day?	<input type="checkbox"/>	<input type="checkbox"/>
- Are materials and appliances installed as soon as they're delivered (not delivered on a Friday or left sitting around on site for days)?	<input type="checkbox"/>	<input type="checkbox"/>
- Have you ensured existing structures are protected from damage in the event of an unexpected storm/rain event?	<input type="checkbox"/>	<input type="checkbox"/>
- Are proper briefings given to all contractors working at the site, not just on health and safety but also on awareness of good practice to minimise damage to the works (eg. storage and handling of materials)?	<input type="checkbox"/>	<input type="checkbox"/>
- Are cameras or alarms needed to prevent theft/vandalism?	<input type="checkbox"/>	<input type="checkbox"/>
- Are staff trained on how to handle/clean glass?	<input type="checkbox"/>	<input type="checkbox"/>
- What weather events are a risk to the site and can additional measures be taken to reduce the risk of damage from an unexpected downpour etc?	<input type="checkbox"/>	<input type="checkbox"/>
- Are the works insured for the correct amount through until practical completion, including any existing structures on site?	<input type="checkbox"/>	<input type="checkbox"/>

### BUILDINGS

- Do you have fire extinguishers (and have they been serviced)?	<input type="checkbox"/>	<input type="checkbox"/>
- Are battery units stored/charging safely in fire proof containers?	<input type="checkbox"/>	<input type="checkbox"/>
- Is rubbish removed from site and not stored in public view against the building?	<input type="checkbox"/>	<input type="checkbox"/>
- Is wood dust vented and regular cleaning undertaken to avoid the build up of flammable particles?	<input type="checkbox"/>	<input type="checkbox"/>
- Do you have fire alarms and/or sprinklers (and have they been serviced)?	<input type="checkbox"/>	<input type="checkbox"/>
- Are burglar alarms installed and monitored?	<input type="checkbox"/>	<input type="checkbox"/>
- Do all doors and windows have security locks?	<input type="checkbox"/>	<input type="checkbox"/>
- Are valuables stored in a safe?	<input type="checkbox"/>	<input type="checkbox"/>
- Have you had a recent electrical safety check?	<input type="checkbox"/>	<input type="checkbox"/>
- Have fences and gates around yards been inspected and reinforced where necessary?	<input type="checkbox"/>	<input type="checkbox"/>

## OTHER

- |   |                          |                          |
|---|--------------------------|--------------------------|
| - Are there other assets you own that need to be reviewed?  | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are there other risks specific to your assets that you need to take into account?   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are you insured for any increased costs of working or lost profit if something happened to affect your ability to continue trading?               | <input type="checkbox"/> | <input type="checkbox"/> |
| - Do you have a business continuity/disaster recovery/back up plan in place, so that if a major event hits you can get back up and running quickly? | <input type="checkbox"/> | <input type="checkbox"/> |

## PREVENTING LIABILITY

Yes No

### HEALTH & SAFETY

- |   |                          |                          |
|---|--------------------------|--------------------------|
| - Are your policies up to date and regularly communicated?  | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are you complying with your obligations as a PCBU?  | <input type="checkbox"/> | <input type="checkbox"/> |
| - Have you conducted an audit of your procedures & processes?   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are staff adequately trained?   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Have you instilled a good culture of health & safety within your staff and with subbies that attend site? | <input type="checkbox"/> | <input type="checkbox"/> |

### THIRD PARTY PROPERTY

- |   |                          |                          |
|---|--------------------------|--------------------------|
| - Do you undertake a pre-start audit when working on or around property owned by other people to identify risk areas? do you take the proper precautions to prevent damage or loss to it? | <input type="checkbox"/> | <input type="checkbox"/> |
| - If you perform hotwork (eg. welding, torching on membranes, grinding/cutting etc) are the right precautions being taken in compliance with best practice/standards?                     | <input type="checkbox"/> | <input type="checkbox"/> |
| - If you're digging, do you always check plans, contact the Council and comply with best practice/standards if there are underground services nearby?                                     | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are the subbies you work with competent, experienced and properly briefed before attending your jobs?   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Do you have appropriate insurance that properly reflects the work you perform (including work you have done in the past)?   | <input type="checkbox"/> | <input type="checkbox"/> |

### LEGAL & CONTRACT COMPLIANCE

- |  |                          |                          |
|--|--------------------------|--------------------------|
| - Are you supplying your residential building clients with the required checklist and disclosure statements if the total job is worth more than \$30k (incl GST) or on request?  | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are you using a comprehensive, professional written contract in all cases (legally required if the job is worth more than \$30k)?  | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are you complying with your obligations under law, such as:  | <input type="checkbox"/> | <input type="checkbox"/> |
| - Companies Act  | <input type="checkbox"/> | <input type="checkbox"/> |
| - Building Act   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Health & Safety at Work Act  | <input type="checkbox"/> | <input type="checkbox"/> |
| - Fair Trading Act   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Resource Management Act  | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are you reading and fully understanding the terms of any contracts you are entering into, such as those with designers and engineers as well as main contractors or principals (and seeking professional advice if you don't)? | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are all contract variations agreed in writing?   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Do you have a legal adviser you can rely on?   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are all staff complying with their obligations as an LBP?  | <input type="checkbox"/> | <input type="checkbox"/> |

### STAFF/EMPLOYMENT/HR

- |  |                          |                          |
|--|--------------------------|--------------------------|
| - Do you have your HR essentials right? These include:   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Employment agreements that are legally compliant   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Job descriptions/schedule of duties for each employee  | <input type="checkbox"/> | <input type="checkbox"/> |
| - Employment & health & safety policies are well documented and communicated   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Do you have an HR adviser you can rely on?   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are you following the correct practices in the event of a grievance or staffing issue?   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Have you planned for if a key staff member (or business owner-operator) was injured or became ill and couldn't continue working? | <input type="checkbox"/> | <input type="checkbox"/> |

### QUALITY CONTROL & COMMUNICATION

- |   |                          |                          |
|---|--------------------------|--------------------------|
| - Do you have a robust construction/project management system and process in place to minimise errors?  | <input type="checkbox"/> | <input type="checkbox"/> |
| - How do you evaluate potential customers to see if taking on the work outweighs the risks?   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Do you have a clear communication plan and process for dealing with clients?  | <input type="checkbox"/> | <input type="checkbox"/> |
| - Do you have quality control staff (such as an experienced foreman on site) to ensure work is completed to the right standard?                   | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are you working with suppliers and products that you are familiar with, have good specifications, local representation and a credible warranty? | <input type="checkbox"/> | <input type="checkbox"/> |
| - Are you ensuring that workers installing complex or unfamiliar products or systems are properly trained and can refer to guidance if necessary? | <input type="checkbox"/> | <input type="checkbox"/> |
| - Does your business have a good culture of quality control and communication?  | <input type="checkbox"/> | <input type="checkbox"/> |

## FINANCIAL STRENGTH

Yes No

### FINANCIAL POSITION

- Do you have a good understanding of what financial measures are important to a business?
- Do you review your business' financial position, including cashflow, against key indicators at least monthly?
- Do you have an experienced bookkeeper to manage your accounts?
- Do you use specialist software to manage your accounts?
- Do you sit down with your accountant or financial adviser at least every 6 months to review your business performance?

### QUOTING & PRICING

- Do you use an experienced QA or pricing software when tendering/quoting for work?
- Do you back cost all your jobs?

### CREDIT CONTROL & CASH FLOW

- Do you have a cash flow forecast for a rolling next 12 months (this allows you to identify issues take corrective action early)?
- Do you have a robust credit control process, so that overdue accounts are followed up immediately?
- Do you invoice regularly (eg. immediately upon completion of a job or at frequent milestones)?
- Do you use Construction Contracts Act compliant payment claims when invoicing clients (enabling fast track adjudication in the event of a dispute)?
- Do you undertake credit checks on all customers?
- Have you read and understood the terms & conditions supplier/merchant contracts?

## PROTECTING INCOME/FAMILY/HEALTH

Yes No

### INCOME PROTECTION

- What steps are you taking to ensure your income stream is protected if something unforeseen happens (such as an accident or illness)?
- Do you have insurance in case you're unable to work due to illness?

### HEALTH/TRAUMA

- Do you have have an employee wellbeing programme?
- Do you have health insurance for you and/or your workers in case of major medical events?

### LIFE

- Have you taken steps to protect your family's financial security if you die or become terminally ill?