

The Restoration Industry: An Important Ally for Safety and Health Professionals

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Introduction

Many safety and health professionals are unaware that over the last 10 years restoration has grown to be a unique and especially valuable subset of the construction industry. As the restoration industry has matured, the industry structure has grown from being strictly reactive to proactive in its approach to hazard identification and risk management. In addition, restoration contractors have associated closely with the insurance industry in order to reduce the trauma to their clients in the case of an emergency or disaster.

However, many safety and health professionals who work for commercial and industrial operations are unaware of the basic role that the restoration industry now plays in disaster recovery. As a result, individuals responsible for disaster response planning—including fires, floods, and building/equipment failures—do not realize how valuable it can be to include professional restoration organizations in their disaster response and recovery planning.

In an attempt to bridge this knowledge gap it is important for safety and health professionals to understand:

- The basic aspects of the restoration industry, including some interesting parallels in the development of both the restoration and safety and health professions.
- The standard of care that restoration professionals follow in their efforts to repair damaged structures and restore damaged contents.
- Areas of intersection where restoration professionals can be a valuable asset to safety and health work.
- The benefits of cooperating with the restoration industry, particularly in the arena of pre-disaster planning.
- Some key players in the restoration field.
- Specific situations where cooperation between safety and health professionals and restoration contractors can reduce injury and accelerate the return to normal business function following a disaster.

A Brief Summary of the Restoration Industry

Although the restoration industry is closely tied to construction work, it is best if safety and health professionals think about it as a specialty sub-trade of construction, much like plumbing or

electrical work. While their activities may look similar, the restoration process is not the same as new construction, remodeling, or home improvement. Even though the recent economic downturn has caused a number of construction firms to turn their efforts toward restoration, many critical differences between the work done by general contractors and restoration contractors often make those efforts less than successful.

As the name implies, restoration contractors have a heavy focus on repairing damage caused by various disasters. Indeed, the catchphrase for the Restoration Industry Association (RIA): "We make it better, we promise," is certainly reflective of the emphasis of the industry. To be sure, major disasters such as earthquakes, hurricanes, tornadoes, and floods are a primary driver of the entire restoration industry. But smaller, local or personal disasters are also situations where the use of specially trained and equipped restoration contractors is valuable. Building fires, broken water pipes, activated sprinkler systems, toilet overflows, vehicle impacts into structures, and a host of other everyday accidents can be best addressed by individuals who specialize in bringing structures back to a "pre-loss condition".

An interesting advancement in the restoration industry over the past 15 years has been increasing involvement in areas of specialized decontamination and cleaning. Much of this effort stems from restoration contractors moving into duct cleaning in order to try to prevent grease fires from restaurant and kitchen exhaust hoods rather than respond to them, and their migration into mold remediation because of their work with water-intrusion situations. These cleaning and decontamination skill sets have led many restoration contractors to offer services that include proper removal and/or cleanup of animal, bird, and bat feces, bedbugs, dust mites, and even blood-borne pathogens following trauma situations such as accidents or suicides.

The history of the restoration industry is relatively short, as it only started to differentiate from standard construction in the 1940s. A combination of events and societal trends during that time helped to push some construction contractors to see themselves as part of a specialized niche. The construction boom which followed the end of World War II helped to fuel the development of the restoration industry because a variety of new building techniques were being incorporated over a short period of time. These new techniques and building products (for example, the advent of drywall rather than plaster wall and ceiling finishes) meant that individuals with specialized skills were needed to repair construction defects or accidental damage. At the same time the use of wall-to-wall carpeting was becoming more common. Because these floor materials were permanently secured, new cleaning techniques had to be developed, since it was impossible for the homeowner to take the rug out and beat it, as had been done for over 1,000 years.

Despite the fact that the restoration industry is still evolving, the twin "roots" of construction and cleaning are still evident in these businesses. In fact, a major organization that services the restoration industry (in addition to the RIA) confirms the combination of cleaning and rebuilding that fueled development of the restoration industry. The Institute of Inspection, Cleaning, and Restoration Certification (IICRC) provides verification of the specialized training that is needed for individuals to properly clean carpeting, repair damaged upholstery, respond to water-loss incidents, or clean and deodorize structures after a fire.

These processes are not as simple as it may first appear. There are now very clear standards of care for the restoration industry. While few of these voluntary standards have been adopted into building codes or OSHA regulations, they still provide a necessary set of controls for the industry. Despite their voluntary nature, case after case has proven that widely accepted standards

of care, particularly if they are developed following recognized consensus practices, are enforceable by the courts.

A more recent trend in the development of the restoration industry has been rapid consolidation within the restoration arena over the last 15 years. Population growth, building patterns, and an upsurge in the frequency of major storms and fires have required an increasingly sophisticated response to disasters. Indeed, the loss due to business interruption often dwarfs the cost of the remediation and repair of damaged facilities. In order to better serve their clients, many in the restoration industry have consolidated into cooperative networks or individual corporations, such that the larger players now have a global reach.

Developmental Comparison

A brief review of the histories of safety/health and restoration industries reveals a number of fascinating parallels. Table 1 provides a capsule look at the two industries with a focus on the four major phases of development that economists use to evaluate industries: emergence, growth, maturation, and stabilization/decline.

Phase / Industry	Safety & Health	Restoration
Emerging Scientific advancement, minimal recognition	1900-1920 Disasters, activism ASSE, NSC	1940-1970 Homeowners insurance RIA
Growing Education, awareness, niches, more practitioners	1920-1970 Behavior based safety Heinrich, AIHA	1970-1990 New technology IICRC
Maturing Professionalism, regulation, consolidation	1970-2010 OSHA, MSHA, EPA	1990-2010 Nationwide services, industry standards
Declining Competition for resources, established standards	2010 + Budget/staff cuts, value-based safety	2010 + Large players, preferred vendors

Table 1. This chart provides a capsule look at the safety/health and restoration industries with a focus on four major phases of development.

One of the most fascinating aspects of the summary table is to see that although the restoration industry began to emerge over four decades after the start of the modern safety and health era, they have both reached a point of stabilization/decline at approximately the same time.

However, stabilization does not mean stagnation. Both the safety and health and restoration industries are continuing to innovate, particularly in response to resource pressures that are direct results of the financial changes caused by continued globalization of businesses and industries. In particular, the restoration industry has become much more proactive rather than strictly reactive. The development of preferred service agreements, which are negotiated prior to a disaster, was initially spurred by professionals in the restoration industry realizing that a quicker response to a host of disasters could significantly limit secondary damages.

The initial effectiveness of these types of agreements between restoration contractors and building managers further sparked closer involvement and cooperation with the insurance companies that were responsible for covering the losses for such catastrophes. Such preplanned and standardized responses had the triple benefit of not only reducing restoration costs but reducing the amount of time before a facility could be reoccupied and smoothing the payment process for the restoration contractor.

Areas of Intersection between the Restoration and Safety and Health Industries

While similarities in history are interesting, they are only useful if they lead to better understanding and cooperation. There are number of areas where restoration industry professionals can be extremely helpful to their counterparts in the safety and health arena. Obviously, as previously touched on, safety and health managers should tap into the restoration industry to assist them with their disaster planning. It is not unusual for today's restoration professionals to be on-site even before emergency services such as police and firefighters are gone. Professionals that specialize in damage assessment and repair are critical to the quick reestablishment of core operations.

Such professionals can also assist with the preservation of valuable company assets. In one recent case, the June 2010 flooding in the Midwest resulted in the basement of a company headquarters filling with over seven feet of water. The results could have been devastating for the organization, as the basement held records of their customers, product registration numbers, service histories, support for their patent applications, and other vital records. Within 48 hours of the water intrusion, in an area that still had no electrical service, the restoration firm was able to construct a berm around the exterior of the building to stop water inflow. Then they were able to pump out enough water to pack out the boxes of records. Tens of thousands of critical documents were then frozen to arrest any further damage and were trucked to a specialized restoration facility where they were saved by subjecting them to a freeze-drying process.

Trained restoration professionals are especially helpful during widespread disasters, as they have the training and supervision to protect their personnel through proper selection and use of personal protective equipment. Their familiarity with OSHA requirements and good work practices in disaster zones is crucial when company safety and health professionals can only offer limited oversight due to site conditions, travel restrictions, etc.

Restoration professionals are also a good investment during such widespread cataclysms such as hurricanes and wildfires because of their familiarity with a wide variety of potentially hazardous substances such as lead-based paint and asbestos. Although there is often a mistaken impression that during large-scale disasters OSHA and EPA regulations regarding contaminants can be ignored, safety and health professionals know better.

The Benefits of Cooperation

Many safety and health professionals are responsible for disaster response planning, including fires, floods, and building/equipment failures. Rather than operate within the limited sphere of company personnel and public responders such as police, fire, and medical personnel, safety and health managers should utilize restoration expertise to assist with their recovery planning. Should a disaster occur, drawing on the experience of qualified restoration professionals will generate savings in the initial response planning as well as the actual remediation.

Many restoration companies do not charge for pre-planning for emergencies by setting up a priority service agreement. However, some may charge a nominal fee for such services as annual site inspections in order to determine if conditions have changed, reducing or exacerbating risks from likely disasters. These priority service agreements provide many benefits beyond a guarantee of restoration services should a disaster happen.

One of the most important aspects of such agreements is the fact that pricing is determined at a time when there is no pressure from an actual emergency. This is an effective shield that protects organizations from rapacious pricing that often follows large weather events or destructive occurrences. It also allows safety and health professionals to review the terms and conditions of the agreement, including the fine print. Perhaps the most important benefit of a priority service agreement is that it allows safety and health professionals to explain specific risks and policies related to their organization before an emergency happens.

For example, if an organization uses mercury as part of its manufacturing process, a priority service agreement could be developed that directs the restoration contractor to have a certain number of respirator filters available so they could respond immediately rather than having to wait for the arrival of such specialty equipment for the respirators. This alone could speed up the response time by several days.

Another important element of pre-disaster agreements is that they allow restoration contractors to conduct appropriate training of their personnel in order to have properly prepared respondents. Does the company have special processes for equipment lockout and tagout before cleaning can begin? These sorts of site-specific procedures can be incorporated into such agreements so that the restoration contractor is fully prepared before its workers arrive on site.

While pre-planning with a restoration contractor can assist a safety and health manager with in-house disaster preparations, it is always important to examine such potential partnerships carefully. While a restoration contractor may be offering a priority service agreement, the safety professional should carefully evaluate the restoration firm to determine if they have the equipment and personnel resources to actually service the facility in case of disaster. Remember, in the case of large weather or other catastrophic events, the number of priority service agreements that the restoration contractor has signed can be a detriment rather than a benefit. The contracting company that locks in all the big clients in a particular city can quickly find itself overwhelmed in the face of a true emergency.

Additional factors that safety and health professionals should evaluate before entering into priority service agreements are the size and type of the restoration company's insurance policies, the types of services that they provide, their ability to access additional resources if necessary, and their history in dealing with previous events.

Key Restoration Players

The restoration industry has changed since its inception. There is still a strong contingent of independent local providers, but that is changing rapidly. Relying on an independent local contractor as a source for emergency response has both positive and negative aspects. On the plus side, they know and are part of the community, so resources stay home. However, a big danger is that local restoration companies are often just as impaired by full-scale emergencies as the businesses they are trying to serve. For example, in the event of a hurricane, a company located in the same area as its clients that cannot get to their buildings or equipment because of a police-enforced evacuation order may not be in a position to honor their priority service agreements.

One way to have the benefit of an independent local restoration contractor as well as access to additional resources in the case of large disasters is to work with a cooperative of independent restoration firms. Disaster Kleenup International (DKI) is one such organization and now constitutes the largest group of restoration contractors in North America. DKI is unique in that it is not a franchise. Its member companies evaluate and vote on the admission of other companies, which keeps the quality level extremely high.

Franchise operations are another option in the restoration world. A number of these independently operated groups are familiar because of the advertising they have done for the past 25 years. Franchise groups such as Steamatic, Serv-Pro, ServiceMaster, PuroClean, and Paul Davis can be found in many communities around the country. In a fashion similar to cooperatives of independent contractors, franchise owners are independent businesses. Safety and health professionals should be aware that it is sometimes more difficult for franchise operations to maintain overall quality levels; therefore, it is important to evaluate the capabilities of both the national organization (franchisor) and the local representative firm (franchisee).

National/international firms are a relatively new phenomenon in the restoration field. Currently, the industry leader in this category of the restoration field is a company called Belfor, although other organizations are working hard to catch up. These firms clearly have the ability to respond to large-scale disasters around the globe by calling on resources from hundreds of operating units.

Putting It All In Perspective

For a variety of reasons the restoration industry has remained a relative secret to safety and health professionals. Even so, their expertise—particularly in regards to pre-disaster planning and response—can allow safety professionals to be better prepared for both small and large emergencies. More important, cooperation with restoration professionals allows safety and health managers to focus their attention on risk assessment and mitigation in the heat of a disaster, knowing that they have the support of the specialty industry to help them "make it better" after the first responders have departed.