

# Managing Project Insurance Risks

The importance of understanding insurance



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# Understanding Insurance Liabilities

Commercial general liability insurance is a broad coverage policy that provides insurance for general business risks. Most businesses these days hire third-party individuals or businesses to offload some of the work that might not necessarily be a part of a business' core functions. In order to mitigate the risk you are incurring as a business hiring a subcontracted worker, you should have an in-depth understanding of how vendor management and insurance policies work. Before we dive in, it's important to note that insurance policies vary state to state.

## The Basics

Broadly speaking, general liability insurance protects businesses from a variety of claims such as bodily injury, property damage, or other personal injury that could happen on your premises during business operations.

If you're not careful or you don't take the time to confirm the coverage limits of your subcontractor company's insurance coverage, a single accident could result in a lawsuit.

Insurance companies and insurance agents all differ in how they write policies and how they present their Certificates of Insurance.

Additionally, property management companies have their own set of insurance requirements.

## What you can do

Most times a general liability insurance program will not cover subcontracted workers. On some policies, you would be financially responsible for damage caused by an independent contractor.

To ensure this doesn't happen, companies must require contractors to carry their own general liability insurance. Coverage amounts need to be verified, your company must be listed as an additional insured and a certificate holder, and require a waiver of subrogation.

In addition to having your subcontractor carry general liability coverage, they should also carry worker's compensation insurance so that your company is not held accountable if an on-the-job injury occurs. Worker's comp policies and requirements vary from state to state and they must also include a waiver of subrogation.

## Conclusion

Structured cabling & LAN installations demand effective project management. The time and expense to verify and manage the insurance policies of contractors to safeguard your company from unnecessary lawsuits and maintain that coverage is active will pull you away from the actual management of the project and may cause you to get bogged down in paperwork if you do not understand insurance needs.

Navigating the complexities of a structured cabling installation require more than just knowledge of Layer 1 connectivity and building codes. Coordinating the efforts of multiple teams, staying within budget, and sticking to a schedule requires careful planning and clear communication. Overlooking these intricacies is a mistake those new to

the world of structured cabling are more prone to make. By implementing the techniques we have reviewed here, project managers can make themselves better prepared to successfully lead a LAN project.

Nationwide SCS, Inc has installed 1000's of LAN cabling projects for our customers. We are continuously learning and adjusting to make our process better based on lessons we learn each day. If your company wants to save valuable time, avoid frustration and get an immediate ROI on LAN cabling installations using our expertise please [contact me](#).

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