RISK MANAGEMENT CORNER

Fires Don't Always Start with a Lit Match

Fires that hit businesses come in all sizes. They can occur anytime, anywhere, and from a variety of causes. They don't discriminate. Spontaneous combustion, heating systems, electrical systems, smoking, poor housekeeping, the storage of flammables, and mechanical equipment failure continue to be the most frequent fire causes across all industries, and are often the result of missed opportunities to recognize and remove the hazard. But sometimes, hazards can be easy to miss:

- A company employee was doing some cleaning with a mop and cleaning chemicals. Those two things in combination spontaneously combusted.

The point is, business owners need to be ready for almost anything. There's no doubt that fires are devastating and have implications far beyond property damage.

Fires create chaos
Businesses are vital to a community's well-being and survival. A fire at a business leaves community members and officials wondering if the company will survive.

Fires create uncertainty
Employees are a business's most valuable asset, and a fire can leave them with a lot of questions: Do I still have a job or do I need to move on? Will I get a paycheck—even for the short-term? What can I do to help? If the company shuts down, then what?

Fires create doubt
Customers rely on businesses to be operational to fulfill their needs. When customers see a business go up in flames, they can't help but wonder how it will affect them. How will their needs be met? Today's just-in-time business transactions may require customers to go elsewhere to get the products and services previously provided them by the damaged supplier. Will that be short- or long-term?

Fire prevention is an important enough topic to take the proper time and effort to put into action. It's not just a "one and done" risk management activity; it needs to be done daily. Investigations reveal that most fires can be prevented if businesses consistently pay attention to a few, very specific hazards. Federated now provides industry- and business-specific fire risk evaluation checklists to use during facility inspections.

Checklists are intended to help employees, supervisors, or managers recognize and fix fire hazards. However, checklists can do only so much. Employee training and outfitting your premises with proper fire prevention safeguards, procedures, and equipment will add to your ability to prevent a fire from taking over control of your company.