

Clerking - The Importance of Early Assignment By Matt Watson

The other day a carrier asked me: “What is a consultant’s biggest clerking challenge?” My answer came out almost before he finished his question. Timing. By far, the biggest challenge consultants run into when performing clerking and site-audits, is the amount of time that has elapsed between the occurrence of the loss and the assignment.

In an ideal world, a clerking consultant would be on-site before or at least concurrently with the emergency service contractor. The benefits of being on a loss at an early stage are numerous and invaluable.

Early assignment allows the consultant to assess the loss and the requirements of the project in real time. It affords the consultant time to review and make recommendations regarding the contractor’s rate sheet, and achieve pricing agreements before work begins. It also provides a real-time evaluation of labor and equipment deployment at the site, and gives the consultant the opportunity to determine whether or not that resource allocation is consistent with the requirements of the project. Additionally, it allows the consultant to recognize the site-specific challenges that are unique to each project, and document how these items bear on the cost to perform the work.

Too often consultants are hired in the middle of the project. In some cases, we’re engaged after all of the work has been completed. In these cases, none of the advantages of early assignment would be realized. As such, consultants are forced into the position of determining the requirements and costs of a project after the fact. While this process can be performed with great precision and accuracy, it may initially leave carriers feeling as if they’ve been taken advantage of by contractors, and contractors feeling as if they’ve been slighted by carriers, with the insured stuck in the middle. Very often the process leads to long periods of supporting documentation review with subsequent requests for additional documentation that then must be compiled, submitted and reviewed. All of this may lead to the accumulation of consulting hours in excess of what would have been required to clerk the project in the first place, and an extended period of cost verification in order to justify payments.

Being on-site immediately after the loss enables the clerking consultant to document and field-verify costs as they are being incurred reducing the amount of invoice review time. By being there from the start, the clerking consultant can make real-time recommendations to the carrier and address production issues with the contractor in a timely manner, which contributes to efficient and cost effective mitigation practices. Recording contractor costs in real-time and reaching agreed pricing as those costs are incurred greatly reduces the amount of time spent to verify the total cost of the project once the invoices are submitted.

In Clerking operations, the advantages of timely response and assignment early-on in the restoration process ultimately benefit all parties involved from the Insured, to the contractor, to the consultant and the carrier. Timely assignment of a clerk is key, because we all know the bottom line has to be IN-Line.

About the author:

Matt Watson is the Managing Member of IN-Line Consulting and Beacon Comprehensive Loss Recovery. IN-Line Consulting is a national consulting firm specializing in large loss building consulting, site clerking, code evaluations, building valuations, appraisal services, and expert services.

To learn more about IN-Line Consulting visit www.in-lineconsulting.net or call (770) 544-0313

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For information address:

Matt Watson

240 Rope Mill Parkway, Suite 2

Woodstock, GA 30188