THE PRE-STORM CONTINUITY PRINCIPLE: A restoration company can make its revenue for the whole year in one quarter depending on the weather. In 2026, 40-year industry veteran Nelson Higgins found far more companies struggling than anticipated because they were built to wait for storms. Meanwhile, Todd Sangid noted operators who brought in more revenue in Q3 than the first half combined. Four industry leaders (Nelson Higgins, Todd Sangid, Chris Tilkov, and R&R) converged on one rule: *the work that saves you in storm season gets built before it.* Preparedness cannot be created during an event.

MOVE 1 • Open Revenue to Other Streams of Work

REVENUE DIVERSITY

THE ONE-LINE TEST: "*If no storm hit your market for two quarters, what would your crews be doing next week?*" If the honest answer is "waiting," that is your single point of failure.

A storm-dependent operator has an uncontrolled single point of failure: the weather. When weather fails to produce claims, a quiet season is an operational disruption functionally identical to losing a facility or primary supplier.

Revenue Stream	Operational Role Between Storms	Carrier Impact
Day-to-Day Claims Work	Primary steady-state foundation. Keeps crews active, trucks rolling, and baseline cash flowing during calm months.	Maintains field SLAs and file compliance.
Renovations & Build-Backs	Structured project work scheduled during quiet periods without tying up emergency response capacity.	Zero disruption to insurance restoration.
Condo Buildings	Commercial multi-family relationships with recurring water, maintenance, and common-area remediation needs.	Independent commercial contracts.
Non-Insurance Flooding	Groundwater, drain backups, or unendorsed water incidents where property owners contract directly.	Direct customer authorization.
Commercial & Residential Self-Pay	Direct property owner agreements outside managed program networks; diversifies margin profile.	Grows commercial & residential base.

INSURANCE REALITY CHECK: Business Interruption coverage does not close this gap. It responds strictly to covered physical loss — it never pays because business is slow or storms did not arrive. A quiet season is a planning problem, not an insurance claim. The fix is built, not bought.

MOVE 2 • Do Great Documentation on Every File, and Follow Your Timelines and SLAs

CARRIER TIER 1/2

THE ONE-LINE TEST: "*Is your file consistently in the carrier's top two rotation so you stay on dispatch, with nothing kicked back and zero homeowner complaints?*"

Most insurance carriers maintain a rotation of **three or four restoration companies** per market. You must be number one or number two on that list, because rotation drops off dramatically for third and fourth. Positions are earned in the file and maintained on every job.

The 5-Point File Standard	Verification Criteria on Every File	Failure Consequence
1. Complete & Well Documented	Full photo stack, moisture logs, floor sketch, scope notes, and initial cause notes uploaded within protocol.	File stalled; desk adjuster rejection.
2. Timelines & SLAs Met	Contact within 1 hour, onsite within agreed window, preliminary report submitted within carrier timeframe.	Scorecard penalty; dropped rotation.
3. Nothing Kicked Back	Standardized line items, proper price list, zero omitted scope explanations, fully reconciled documentation.	Re-review delay; cash cycle drag.
4. No Pricing Argument	Justified line items with supporting field evidence; zero disputed supplements; carrier guidelines strictly followed.	Adversarial audit; loss of trust.
5. Job Done Well & No Complaints	Workmanship meets standards; homeowner communicated with daily; zero escalation calls to adjuster.	Carrier program removal.

Retention Warning (Nelson Higgins): "Once you get there, you have to keep it." Keeping a top spot is harder than earning it. Treat top-two status as a critical operational asset: built in calm periods, defended on every job, and lost faster than it was won.

OPERATOR FIELD CARD (A4)
Current version — Nov 1, 2026. Update history: https://continuityhub.org/what-should-a-restoration-company-build-before-the-next-storm/

MOVE 3 • Before Cutting Any Expense, Write the Steps Down and Name Who Owns Each One

BOTTLENECK MAPPING

THE ONE-LINE TEST: "*If someone on your team walked away today, would the rest of the team have what they need to keep rolling?*" (Todd Sangid Test)

When revenue slows between storms, operators instinctively cut overhead. Cutting an expense leaves the underlying work in place, dumping it onto staff already operating at capacity — creating fatal bottlenecks that choke storm-surge response.

THE CLASSIC AFTER-HOURS STACK AUDIT: THE HIDDEN JFC BOTTLENECK

When an office lacks a dedicated Job File Coordinator (JFC), the Project Manager absorbs the entire documentation workload while managing active jobs:

- Field management: directing active job sites, responding to technician problem calls, scheduling sub-trades.
- Communications: providing homeowner timelines, contacting adjusters for approvals, answering carrier status inquiries.
- **The After-5-P.M. Trap:** Sketching and estimating cannot start in the field. The PM returns to the office after hours, pulls photos, pieces the spatial layout together, drafts the floor plan, and writes the estimate — invisible, exhausting, unscalable.

Diagnostic Action	Execution Rule	Target Outcome
1. Process Inventory	Map every step required from first notice of loss (FNOL) to final carrier invoice reconciliation.	Complete visible workflow map.
2. Single-Name Audit	Write down the specific individual who owns each process step.	Isolate single-point dependencies.
3. Expense Protection	Do not cut administrative support or coordination roles covering process bottlenecks.	Preserve billable field capacity.

MOVE 4 • Dial in Systems and Processes Before AI Takes Hold of the Industry

SYSTEMS FIRST

THE ONE-LINE TEST: "*Are your documentation and scoping processes dialed in enough that AI creates capacity rather than producing faster broken output?*"

Chris Tilkov's work on instant estimating and sketching demonstrates that AI tools generate an initial estimate to land in front of an experienced estimator. What AI does not change: precision requires deep carrier-specific guidelines and accumulated line-item knowledge.

Operational Principle	Mechanics & Industry Reality	Implementation Rule
Systems First, Automation Second	AI applied to a broken process produces faster broken estimates. Applied to a documented system, it creates immense capacity.	Document standard scope protocols before deploying AI tools.
Human Expert Final Review	Estimators transition from manual drafting to rapid verification, policy compliance checking, and carrier adjustment.	Train estimators on carrier-specific rules and audit gates.
Scope & Photo Rigor	Automated sketching and line-item engines depend entirely on consistent field photo angles and moisture logs.	Standardize field photo capture sequence for all field crews.

OPERATOR PRE-STORM BUILD PROTOCOL (Q4 INTO 2027)

1. Open non-storm revenue (day-to-day claims, renovations, condo, self-pay) • 2. Enforce 5-point carrier file standard on every job • 3. Map owners to every process; protect the JFC/estimating bottleneck • 4. Standardize field capture before automating. None of these four moves requires a storm to start. All four are impossible to build during one.