



# Contractor Management Systems Guideline Launch

June 16, 2010

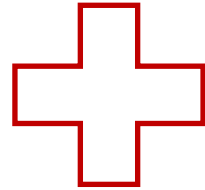
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# Contractor Management Systems Presentation Agenda

- Development process for the guideline
- Overview
- Why implement a contractor management system
- What is the purpose of this guideline
- Who is this guideline written for
- Content of the guideline
- Contractor Management Systems are good for business
- Next Steps

# Development Process for Guide

**CAPP Draft Document**



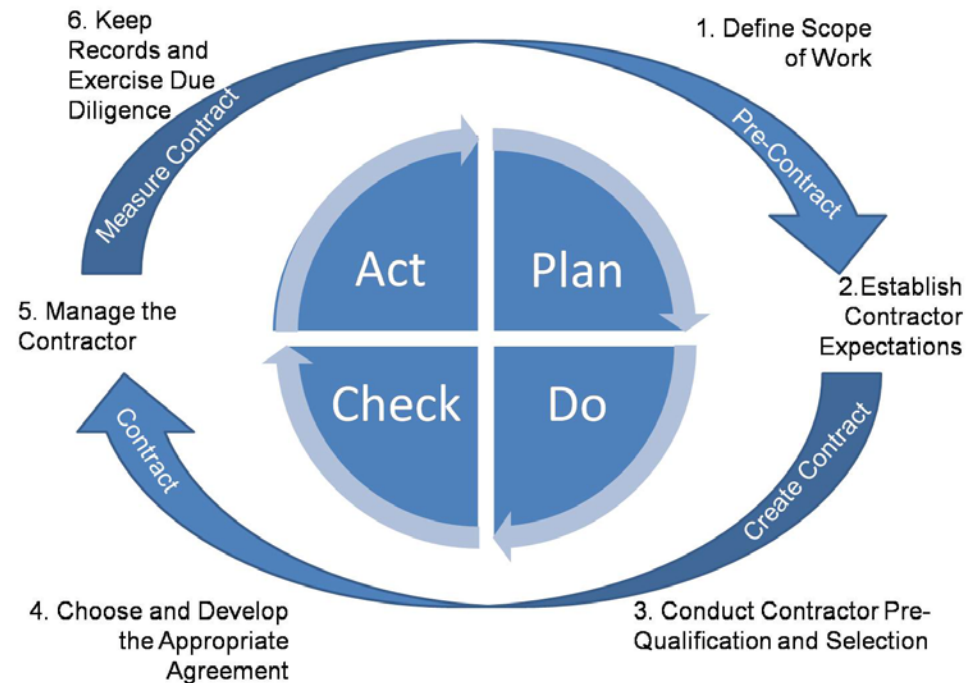
**Cross-Industry Support and Expertise**



**Completed documents that have been created  
BY INDUSTRY FOR INDUSTRY**

# Overview

- The Guide: Is neither prescriptive nor all inclusive
- The guide is to be used as a tool, so that companies can develop a contractor management system in line with their company specific systems



# Overview

- Many companies hire other companies to perform services for them.
- In many cases, one company hires a contractor or service provider to perform a service that the company does not have the expertise or human resources to perform.
- However; simply hiring a contractor to perform a service does not absolve the hiring company of the obligations to ensure a healthy and safe place of work.

# Why Implement A Contractor Management System?

- Inconsistent contractor management practices in industry increase the risk of costly delays, mistakes, and hazards to health, safety, equipment and the environment.
- A systems approach provides a clear process to identify underlying problems and resolve them in an objective manner.
- A risk based system can be applied to all types of relationships undertaken by companies.
- Investing the time and effort required to adopt an industry consistent contractor management system makes good business sense.

# What is the purpose of this Guideline

- To Provide companies with information on how contractor management systems work
- To provide all companies (hiring and contracting) with an example of the types of actions that need to be implemented to develop an internal contractor management system.
- To help companies establish roles that owners, hiring companies and contractors have when working on a multi – company worksite.

## Purpose continued...

- Facilitate improved health and safety performance in the industry through a reduction in incidents causing injury and illness.
- Improve the communications between hiring companies, contractors and the service providers they hire.
- Provide a continuous improvement process that can be used in the hiring of contractors and service providers.
- Provide every contractor and service provider with a process-based contractor management practice aligned with a plan-do-check-act system



# Who is this Guideline written for

- This Guideline is written for company personnel tasked with developing a contractor management program and/or standards and the tools needed in a management system.

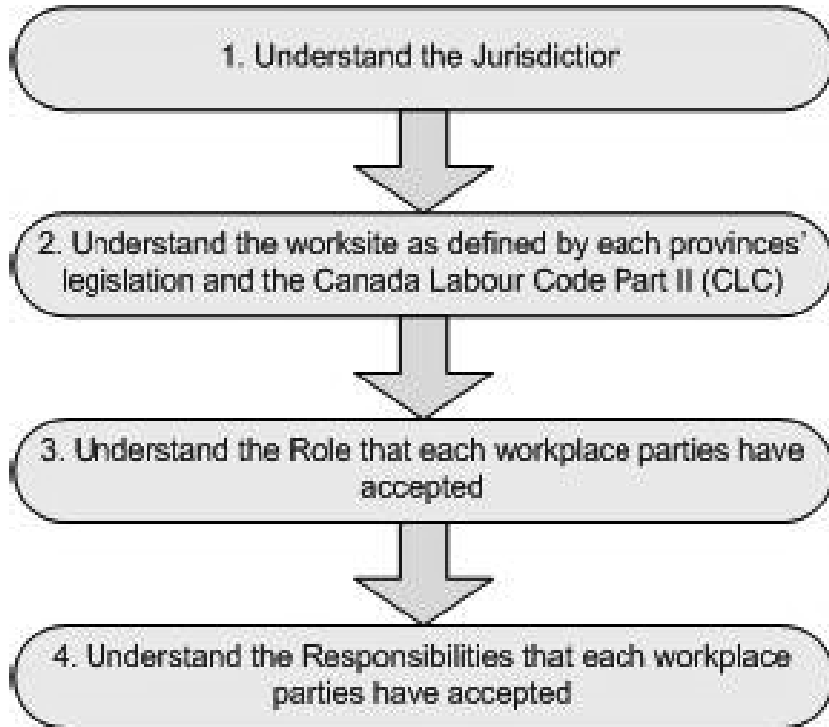
# The Six Steps

- Each step describes the objective and why the objective is important
- Each step provide information on how to complete the objectives
- Each section has a worksheet that company or contractor can use to conduct a gap analysis to determine how close they are to achieving the ideas presented in the guideline

## Steps 1, 2 and 3

1. Define the scope of work that a contractor or service provider will undertake.
2. Establish contractor expectations.
3. Conduct contractor pre-qualification and selection

# Step 2 is important!



- This section provides a frame work that can be used to determine if you are meeting your legal obligations for the jurisdiction in which you are working

## Steps 4, 5, and 6

4. Choose and develop the appropriate agreement
5. Manage the contractor
6. Keeping records and exercise due diligence

## Step 4 is important!

- Step four provides a list of the different types of agreements in use in the industry.
- The table describes the type of agreements and gives the advantages and disadvantages that each type of agreement may provide in choosing the agreement

# The Appendices

- Appendix 1 list additional tools and resources that we have placed on our website for companies and contractors to download and adapt to their particular circumstance
- Appendix 2 is a table outlining the differences between the legal definitions used in BC, AB, SK and the Fed Government
- Appendix 3 is a list of all the documents reviewed in the development of this guideline

# Contractor Management Systems are good for business

- Sends a strong message about the importance of meeting expectations and the desire to deliver
- Builds strong business foundations
  - Maintaining systems is critical to achieving sustained success
- Provides focus to deliver specific actions and value stakeholders

Supports strategic and systematic selection and development of strong relationships between hiring companies and contractors



# Next Steps

- Look for articles in trade publications
- Follow up presentations in Red Deer, Nisku and at industry conferences in October and November in northern Alberta, BC and Saskatchewan

## Most important:

- Review your company's internal systems
- Bench mark with the Industry Guideline
- Commit to improving your contractor management systems and build trusting relationships with your contractors

**Thank You!**

**QUESTIONS!**