

Contractor Management: Where Do I Start?



A Contractor Compliance Free Resource

www.ContractorCompliance.io



INTRODUCTION

Getting started with Contractor management can pose a challenge for many businesses. You know that you need to more effectively manage your Contractors, but you might struggle with how to get started. If you're struggling to manage your Contractors effectively, consider these important strategies.

1. START WITH THE BASICS

When you're moving forward with Contractor management protocol, start with one thing that every Contractor needs: insurance. Insurance certificates are a must for anyone doing work on a site. Make sure that you know:

What Insurance The Contractor Carries

Every Contractor must carry it. No company is going to be okay with a third-party contractor on the premises who doesn't have insurance--and the Contractor shouldn't be okay with it, either.

When The Insurance Expires

Unfortunately, like so many other things, paying for insurance once isn't enough. Contractors must keep up with when their insurance expires and let you know when they renew the policy. Keeping up with important expiration dates can make it easier to reduce potential lapses on your job sites.

What Insurance The Contractor Should Have

Take a look at what insurance coverage your Contractors need in order to work on your job sites. Your requirements may be industry-specific. Depending on the specific type of work you do, you may even have stricter requirements than other businesses in your industry. You should also carefully consider what type of insurance is necessary for working on specific job sites, if that impacts what you need to carry. Do not allow Contractors to work with your business when they do not carry adequate insurance for your needs.



2. KNOW YOUR RISKS

According to **OSHA**, the greatest risks and the things they cite the most often are:

- Fall protection (specifically in the construction industry)
- Hazard communication
- Scaffolding
- Respiratory protection
- Hazardous energy control
- Ladders
- Powered industrial trucks
- Fall protection training
- · Machinery and machine guarding
- Eye and face protection



When you have Contractors who work with these functions, notably in the construction industry, you must keep up with those safety requirements yourself. Try some of these steps:

Do Your Research on Contractors

Look up what violations they've been cited for in the past. Keep in mind that when Contractors are cited, your business, too, may face fines, depending on the severity of the violation. When you know what your Contractors have been cited for in the past, you have a better idea of what you need to watch out for on the job site. You may also find that some Contractors are more prone to safety violations than others and your business may choose not to work with those Contractors.

Create Your Own Safety Standards & Checklists

OSHA standards are minimum standards. In some cases, you may have your own standards to help protect workers and visitors to your site. Make sure you have your own clear safety standards and communicate them clearly to third-party workers and visitors to your site.

Assess Safety On Your Job Site Regularly

Make sure you regularly check for the most common violations as well as safety hazards specific to your industry.



3. TAKE A CLOSE LOOK AT YOUR BUSINESS

Your business likely has unique requirements, standards and its own unique set of challenges and problems. As you're working toward better Contractor management, take a closer look at your own business and how it has operated thus far. Carefully consider:

What Contractors Have You Had The Most Problems With?

Many problems and challenges can negatively impact your relationship with your Contractors. Some mistakes, especially one-time mistakes, you can excuse and work past so that you can continue to maintain a solid working relationship. Repeated problems, however, may be worth terminating a relationship with your Contractors. Consider:

- Which Contractors struggle to complete their contractual obligations on time? Do you have Contractors who are routinely running behind or who often fail to keep up with deadlines?
- Do you struggle with payment arrangements with a particular Contractor? Either one that does not provide you with estimates in a timely manner, or one that does not pay you on time if needed?
- Are there Contractors who are less likely to maintain general safety requirements in and around job sites? Do you have to struggle to keep those Contractors in compliance?
- Are there Contractors who do not interact well with clients or visitors to your sites? Do they give your business a bad reputation, since they are often associated with your business?





Which Contractors Have Others Had Problems With?

Whether you're a new business just getting off the ground or you need to work with new Contractors as your business grows, Contractors' reputations within your community can make it easier to decide who you want to work with--and who you need to steer clear of. Ask others in the area what they think of those Contractors and what problems may have come up during their interactions. Not only will this help you choose the best Contractor for your needs, it can make it easier to troubleshoot and identify potential problems ahead of time.

What Third-Party Contractors Are Most Expensive?

In addition to your other concerns, you must keep up with your own budget. Carefully evaluate the cost of local Contractors versus the quality they deliver. Higher-quality Contractors may cost more, but they're often well worth the expense. On the other hand, often, you can find Contractors who deliver quality work for a reasonable price--which ultimately means cost savings for your business. Carefully evaluate the quality of work Contractors are able to provide when considering them for a specific job. Then, balance those costs against your budget to help you make more responsible decisions.

CONCLUSION

Learning to manage your Contractors is an ongoing process. By following these strategies, however, you can improve your Contract management process, keep up with the Contractors on your job sites, and ensure that you deliver better quality to your clients. Want to learn more about managing Contractors on your sites? Contact us today. We can reduce the time it takes to do this vital task by 70% overnight with our free web-based software.



