

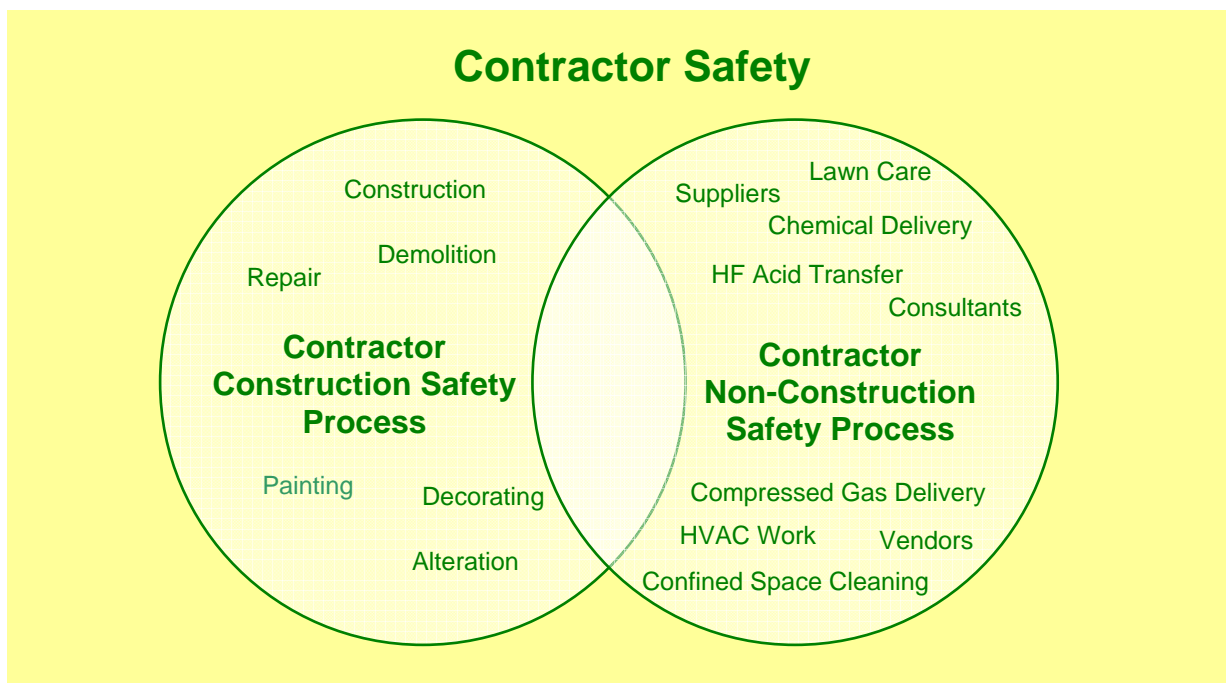
**Company
Contractor Safety Process Model
Construction and Non-Construction Applications**

Company's Contractor Safety Process Models Construction and Non-Construction Applications

The ability to prevent losses and to minimize the impact when losses do occur is a learned skill. Company desires to hire contractors and subcontractors who have that skill. We want contractors and subcontractors who have good loss experience and whose management employees demonstrate their commitment to continuous safety performance improvement.

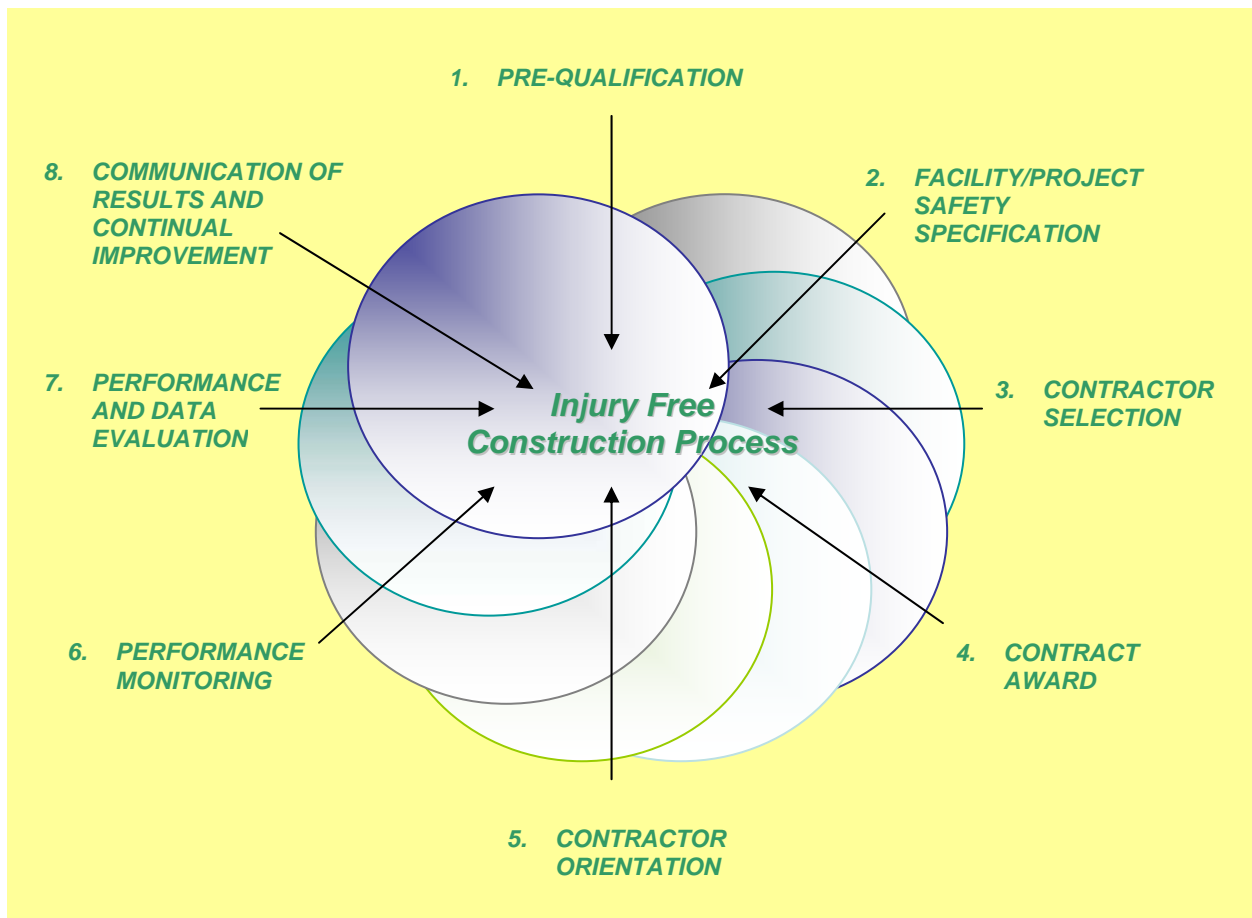
All projects begin with an idea or model of what the finished product will look like. To go from that visionary model to the actual working model, our project managers, sponsors and coordinators must understand the progression of steps that need to be followed and how the quality of work will be ensured. They must understand the "process" including the relationships between planning, budgeting and procurement and their roles in meeting goals.

Two contractor safety process models, one for contractor construction activities and one for contractor non-construction activities, have been developed for use by Company operations. In our process a contractor is defined as a person or persons not directly affiliated with the facility or operation that contracts to perform work or provide services at a Company or affiliated company location. Contractor construction is defined as work consisting of construction, demolition, alteration, and/or repair, including painting and decorating that is performed by a contractor. The inter-relationship between the two contractor safety processes is shown in the following diagram.



The **contractor construction safety process model** consists of eight phases for well managed contractor safety as shown in the following model diagram. Brief descriptions of each of the phases follow the model diagram and, where appropriate, examples are included for use. Following the contractor construction safety process model is the **contractor non-construction safety process model**. This model, in flow chart form, contains the process steps to be followed for contractor non-construction applications. It should be noted that, in both contractor construction and contractor non-construction applications, several process steps are similar in situations where high risk work is performed by contractors.

CONTRACTOR CONSTRUCTION SAFETY PROCESS MODEL



CONTRACTOR CONSTRUCTION SAFETY PROCESS PHASES

Phase I – Pre-Qualification Phase

Pre-qualifying the safety experience, safety programs and safety results of contractors (and potential sub-contractors) who are interested in bidding on a Company project is recommended. The pre-qualification safety questionnaire and evaluation score sheet may be used to gather pre-qualification data. **Examples of these are shown in [Appendix I](#) and [Appendix II](#), respectively.**

Phase II – Facility/Project Safety Specification Phase

The project team or facility leader, in developing the scope of the project or the scope of services being requested from a contractor, must include the actions and resources to provide safe designs, safe constructability, and safe working environments.

The project manager, project team, facility sponsor, facility competent person or whoever is responsible for the utilization of contractors on Company sites must address safety planning in the project appropriation request (AR), the project plan, the contractor's scope of work, project budget and the project schedule. The issue of ensuring contractor safety starts with the initial planning by the Company project team or project owner and the requestor of contracting services. Addressing and including construction/contractor safety from the initial concept or planning of a contractor task is the critical first positive action in establishing an effective contractor safety process.

At a minimum, the following elements should to be considered by the project team or facility sponsor:

- Project Planning
 - The project team, facility leaders, or sponsors, or the contractor sponsors must determine the roles and responsibilities for all positions in regards to the contractors working for Company.
 - Ensure that the project budget, schedule, and plan include resources to manage the construction safety needs.
 - Ensure that all project assumptions, design standards, risk assessments (including safety and environmental) and baseline safety measures are addressed.
- Engineering and Design should address the following questions.
 - Can the work be constructed safely as designed in the environment where it is to be constructed?

- Can the design be operated and maintained safely during and after construction?
- Have all the proper or vested stakeholders reviewed the design and scope of work?
- Procurement of Construction Services
 - Include in the contract bidding documents the specific requirements, risks, and assumptions that affect implementation of this specific request for services or construction.
 - Include in the bid documents the extent that the owner or project sponsors are going to be involved in monitoring the contractor's safety program.

Best practices suggest that at a minimum, the following safety requirements should be included in the bid specifications. **An example is shown in [Appendix III](#).**

- Requirements for a contractor/operation specific site safety plan
- Safety staffing/competent person requirements
- Permits and safety related certifications that may be required
- Safety training and orientation delivered by the general contractor
- Recordkeeping and safety performance reporting
- Safety inspections
- Toolbox and other safety meeting expectations
- Specific procedures for control or minimization of hazards when special high risk hazards are anticipated

Other requirements may also be added to the bid specifications as necessary.

The safety manual or safety requirements should be included in the request for quote. **[Appendix IV](#) contains an example safety manual.** Best practices suggest that safety requirements are reviewed at a pre bid meetings to help ensure all bidders have a clear understanding of the above requirements.

Phase III – Contractor Selection Phase

When bids are submitted, they should be carefully evaluated to make sure that the bidders understood the safety requirements. Post-bid meetings are often useful to help ensure that all bidders have a clear understanding of the safety requirements.

If the contractor is required to submit a site-specific and hazard-specific safety plan, ensure that it is included and evaluated within the bid package. This will help to minimize the potential for conflict or inadequate planning when that phase of the project is reached and a more comprehensive safety plan needs to be developed.

At this point, the information that was provided in the pre-qualification questionnaire can now be more objectively applied to compare and contrast the different bidders' safety programs. An appropriate evaluation and weighting process should be applied.

Examples of a contractor selection process and a scoring system are shown in [Appendices V](#) and [VI](#).

Phase IV - Contract Award Phase

If Contractor Safety Programs are evaluated and used in selecting the contractor, contracts will likely be awarded to contractors who have a high regard for safety and loss prevention. Although safety is only one consideration of the bidding process, communicate to the contractor that an important point in awarding the contract was your evaluation of their safety management system. This helps to positively reinforce the effort they have put forth to protect their employees, others on the job site, and the general public. At this time notify the successful bidder to initiate preparation of the site specific safety plan, if one is required.

Information should be communicated to contractors not selected about the impact, positive or negative, their safety information had on the selection process.

Contract documents or purchase orders must incorporate by reference the safety requirements identified in the specification document.

Phase V – Contractor Orientation Phase

Prior to the successful contractor starting work or providing services, it is recommended that a pre-construction/project meeting be held. The attendees should be:

- For Company:
 - Project manager and/or
 - Project sponsor and/or
 - Company's representative for the project or facility, and
 - Company's end user or receiver

- For the contractor:
 - Specific contract project manager or owner
 - Site superintendent, foreman, or leader
 - Contractor's safety representative
 - Contractor's representative that prepared the bid
 - Key or major subcontractor representatives, if desired or required

The following items should be included on the agenda:

- Repeat safety commitment statements from Company management to implement, and monitor the safety program and requirements of the contractor.

- Review of the site or project specific safety plan prepared by the contractor, if this was required by the contract documents.
- Review and redefine roles and responsibilities for Company and the contractor.
- Review and redefine the orientation program that will be used for the contractor's personnel prior to their start of work.
- Review and redefine the logistics and resources for implementation of the safety plan/program.
- Review and redefine the reporting and monitoring requirements.
- Review and redefine the emergency and evacuation plans and procedures.
- Review and redefine how subcontractors are to be managed within the plan/program.
- Review and redefine the housekeeping and trash/debris disposal requirements.

The safety plan/program is usually just one major topic of this meeting. This meeting is usually a very long and involved meeting that must include the safety requirements as well as the other elements of the contractor's start-up efforts.

If a site-specific and hazard-specific safety plan is required, a competent safety person should review the plan. This also is a good time to answer any questions that the contractors may have regarding roles and responsibilities, requirements for attendance at project safety meetings, reporting of accidents and other safety program elements.

Before any contractor starts working on the site, their employees should receive safety orientation training. This can be done in one group meeting or by meeting with individual contractors. A large group meeting has the advantage in that the contractors can see who else will be working on the project and to emphasize the point that a safe job requires teamwork and cooperation between all parties.

[Appendix VII](#) contains an example of a 1st day orientation process.

Phase VI - Performance Monitoring Phase

As work progresses on the project, best practices suggest on-going monitoring and reporting of each contractor's safety performance. This effort should be coordinated with the owner and general contractor or construction manager. Included in a typical performance monitoring process would be:

- Periodic (weekly preferably - depending on the size and scope of the project) safety progress meetings between the site project management and safety staff and all contractor management and safety representatives
- Monitoring of the training of contractor employees new to the site, documentation of training, holding of toolbox safety meetings, accident statistics, near misses, general liability and other types of losses, drug and alcohol screening, etc.
- Regular job site safety audits and inspections of all contractor operations, particularly during operations that have been identified in the pre-planning phase as being high risk or critical for safety

- Follow-up on deficiencies that may have been cited during project safety inspections by the safety officer or outside inspection agencies and services to ensure that recommended corrective actions were taken
- Follow-up on corrective actions needed as the result of accident investigations
- Periodic provision of safety statistics (recordables, near misses, lost time accidents, restricted activity) for each contractor on site. This information should be reviewed with contractor management personnel.

Appendix VIII contains an example of a work site inspection sheet.

Appendix IX contains an example of a monthly project safety report.

During implementation of this phase, it is always important to take enforcement and recognition aspects into consideration.

Enforcement: Contractors must be made aware of the site or project enforcement policies during the orientation process. Various approaches of enforcement processes exist from “zero tolerance” to “three violations and you’re no longer working here”. Every safety plan needs to address performance somewhere between these two extremes depending upon the seriousness and frequency of any performance issues. Determining the root causes of the issues may point to management or planning deficiencies.

Recognition and Incentives: Providing recognition and motivational incentives can be beneficial. Incentives should be carefully managed to be value added to the overall aim of an accident free environment. Listed below are examples of successful approaches. Care should be exercised to ensure that the expectation of performing work safely each day is perceived as a contractual expectation and is not based primarily on tangible rewards.

Examples of incentive approaches that can demonstrate owner commitment and recognition include:

- Safety Cook-Outs
- Drinks on Hot Days
- Instant Recognition (mag lites, screw drivers, tape measures, etc.)
- Free Leather Gloves

On large construction projects you may want to consider the following incentives:

- TV Give-Away/250 Employees for Meeting Goals
- Meeting Safety Goals – “Give-a-Ways” (shirts, hats, etc.)
- Special Recognition Gifts

Gift incentives should be considered for above and beyond recognition and not for meeting day-to-day expectations.

Phase VII – Performance and Data Evaluation Phase

When work is completed two separate reviews should be conducted.

- A review and rating of each contractor regarding their overall success and/or contribution to the safety plan and the results that were achieved should be performed. The review and rating should be conducted by the owner's representative and other appropriate personnel. The results of this rating/review should be conveyed to the contractors as feedback for promoting continuous improvement and for future contract considerations.
- An internal (Company) review to evaluate the overall implementation and execution of the project efforts in Phases 1-6.

Considerations for inclusion in the review process should include performance evaluations regarding the elements listed in Phase II.

Appendix X contains an example of a contractor and subcontractor evaluation report.

Phase VIII – Communication of Results and Continuous Improvement

At the conclusion of Phase VII, the overall effectiveness of the contractor safety process should be reviewed and the results communicated to project management as feedback for promoting continuous improvement. The communication should relate to the findings of the project's evaluation questions (Phase VII) and to the goals of the overall program. Recommendations to improve the process should be based on robust findings and not on incidental actions, no matter how persuasive.

Considerations for inclusion in review process should include performance evaluations regarding:

- Phases I –VII
- Project management
- Quality
- Contractor performance
- Safety performance
- Cost

Periodic contractor safety policy and process review should be conducted by a joint Company contractor safety team (MTE, Procurement and Safety Management Services) that includes program evaluation and continuous improvement as appropriate.

CONTRACTOR NON-CONSTRUCTION SAFETY PROCESS MODEL

The following process model, shown in flow chart form, shows the process steps to be followed for contractor non-construction applications. In contractor construction and contractor non-construction applications, several of the activities may be similar, especially in instances where high risk work is performed by contractors. Examples contained in the contractor construction safety process model can be modified for use in developing, implementing and maintaining the contractor non-construction safety process for a facility or operation.

[Appendix XI](#) contains an example of a contractor safety requirement letter and request for safety information.

[Appendix XII](#) contains an example of a pre-qualification spread sheet.

CONTRACTOR NON-CONSTRUCTION SAFETY MODEL

1. Identify all current contractors (service personnel, vendors, equipment representatives, etc).
2. Communicate the facility/operation contractor safety requirements to the contractors. Include basic operation/facility safety program information and a request for contractor safety information.
3. As needed, contact contractors for additional information and provide assistance as applicable in meeting qualifications.
4. Develop a pre-qualified contractor data base using safety information obtained from the contractors.
5. When a need for a contractor is identified, determine the scope of the contractor work. If it is not classified as contractor construction, proceed to Step 6. If it is classified as contractor construction, apply the Contractor Construction Safety Process Model.
6. If there is a pre-qualified contractor(s) to perform the work, proceed to Step 7. If not, identify a contractor to perform the work and complete Steps 2-3 and proceed to Step 7.
7. Provide a request for bid/scope of work information to the contractor(s).
8. Receive the work proposal information, including safety elements, from contractor(s). Request and obtain additional information or provide additional information as applicable. Evaluate the level of risk (complexity, interface with Company employees, equipment or processes, number of contractors, hazards, etc.) to determine the level of sponsor/coordinator involvement needed.
9. Select a qualified contractor and issue purchase order for services.

10. The sponsor/coordinator reviews the scope of work and specific safety requirements with the contractor. Revisions are made as needed. Review applicable safety information and orientation requirements. Ensure that appropriate certifications, qualifications, training requirements are identified and satisfied. Obtain documented verification of the contractor receipt of site-specific information and agreement to conduct work according to scope safety requirements. If no further involvement is needed work is commenced. Proceed to Step 12. If further involvement is needed, commence work and go to Step 11.
11. The sponsor/coordinator performs periodic observations with general safety checklist (housekeeping, use of personal protective equipment, work practices, conformance to safety requirements, etc.). Feedback is provided to the contractor as appropriate and corrective actions are taken as needed. Incident information is provided by the contractor.
12. At job completion, the sponsor/coordinator completes a documented contractor job evaluation.
13. Provide overall job satisfaction (safety, quality, cost, etc.) feedback information to the contractor verbally and/or written, as appropriate.
14. Determine if the contractor will remain on the list of qualified contractors. Update the qualified contractor information list as appropriate.
15. Schedule and conduct an annual review of the complete contractor safety program for effectiveness and continual improvement.