

Best Practice Brief

Managing Subcontractor Performance

Our Best Practice series is based on the belief that the best way for our customers to continuously improve their safety process is to learn from the experience of users like themselves. The following brief focuses on managing subcontractor performance.

MANAGING SUBCONTRACTOR PERFORMANCE

The effective management of subcontractors is a critical success factor for projects everywhere. Poor management of subcontractors reduces jobsite visibility and productivity, leading to risk for increased project costs and incidents. But when cooperation between the general contractor and subcontractors is achieved, a real opportunity for collaboration emerges. Using *SafetyNet* in conjunction with its key reporting features, project teams are jointly tracking and managing safety challenges in order to complete work on time, at a reduced cost and risk. Over time, successful subcontractor management leads to an enduring competitive advantage in the marketplace.

Mike Harris and Tony Toppenberg are two long-time *SafetyNet* users. As Business Unit Safety Directors for Turner Construction in the northwest region, they have formulated several user best practices for subcontractor management, which they share with us here.

ENABLING TOP-DOWN COMMUNICATION

The basis for true collaboration lies in communications that are easily accessed, distributed and shared by all parties at the job site. *SafetyNet* empowers the entire project team to record, view and automatically distribute safe and unsafe observations collected in the field, promoting jobsite transparency. Contractor Summary and Analysis reports provide a quick overview and comparison of safety performance for all contractors on site, helping to identify both troubled and high-performing contractors.

“On the project level, it’s been a very good tool in our sub coordination meeting. We show the sub foremen what we’re seeing in terms of trends,” says Tony Toppenberg. “The subs actually take the subcontractor report and use it in their Tool Box meeting. Not only does the report get passed all the way down, it gets used with management,” adds Mike Harris. Immediate corrective action can be taken with troubled contractors, while exceptional contractors can be recognized and rewarded.

At the end of the day, everyone — from field workers to safety professionals to executives — gains a significantly improved top-down view of project risk, performance and opportunity.

STIMULATING HEALTHY COMPETITION FOR A ZERO INJURY ENVIRONMENT

Securing interest and involvement from subcontractors is crucial and the Contractor Reports help to facilitate this participation. Mike Harris uses the Contractor Reports in his weekly safety meetings with his subcontractors.

“I love it,” he says. “During my weekly safety meeting for subs, I print out each sub’s report so they can have a copy of their guys’ performance for the week. I can see if there are certain issues with one contractor or trends for all — for example, if everyone’s got PPE issues or if it’s just one contractor. The great thing is that they’ve started a friendly competition with each other — ‘Oh, are you at 96% safe? Well, I’m at 99.7%’ — and will even try to outdo each other.”

Because *SafetyNet* provides safe and unsafe percentages for each safety sub-category and category, subcontractors compare their performances in the same categories against each other. This lighthearted competitive spirit motivates proactive behavior and immediate correction of at-risk behaviors. As a result, the subcontractors earn the right to say their category is 98% safe, and can be rightfully proud of their team’s achievement.

EVALUATING SUBCONTRACTOR SAFETY HISTORY

As field information on subcontractors is collected and accumulated over time, an invaluable resource for historical safety performance is created. This centralized repository of information presents a unique opportunity to evaluate subcontractors based on their past work.

Toppenberg explains: “I use it on the front end, in close down meetings with subcontractors. After the subcontractors have finished bidding and our engineers have done a bid analysis and narrowed down the field, we’ll call in the sub for a close down meeting. Now, I have enough historical data from previous projects to evaluate the subs, and lay down the rules and plans for the next project. I can say, ‘On previous

projects, we’ve seen that your guys have a hard time wearing safety glasses.’ I have the documentation up front. With some companies, we even have global data that allows for evaluation on a much more macro scale.”

Without a doubt, the ability to retain and evaluate a subcontractor’s historical safety record affords the project team a certain measure of confidence in the subcontractor selection process. Subcontractors that excel are duly awarded with new work, while those that fail to improve can be weeded out.

REASSURING OWNERS OF A PROACTIVE STANCE ON SAFETY

Monitoring safety trends in a timely manner using consistent communications helps teams to predict and prevent incidents. Selecting the best subcontractors for the job based on standardized metrics further enhances this proactive stance on safety, which in turn, becomes a market differentiator for leading general contractors like Turner.

Toppenberg elaborates: “In construction we’re always doing one of two things: building buildings or selling work. There are a lot of owners that really appreciate the fact that we use DBO² *SafetyNet*. It’s been a huge selling point in the sense that they’ve got the opportunity to look at the leading indicators on their site. It demonstrates that we take steps toward being proactive. We’re not just cleaning up messes. This is a big selling point to safety-conscious owners out there.”

CONCLUSION

Using *SafetyNet*, Turner Construction has increased jobsite transparency, fostered a healthy sense of competition and gained a means to fairly evaluate subcontractor history. In combination, these powerful best practices for effective subcontractor management increase productivity, reduce project cost and risk, and generate a long-term competitive edge that is coveted by best-in-class organizations everywhere.