



THE

FUTURE *of*

CONTRACTOR **MANAGEMENT**



BUSINESS GUIDE

1800 307 595 | sales@rapidglobal.com | rapidglobal.com

Mitigate risks and expand operations at scale with end-to-end contractor management software.



Grab a seat and enjoy
Read time: 10 minutes

Despite today's business environment becoming increasingly challenging, the desire for sustainable growth remains a constant factor for every organisation.

Nevertheless, businesses face both challenges and opportunities from new technologies, disruptive business models, unforeseen competition, and even rapidly shifting market behaviours and demand. But to keep developing, businesses must adapt and transform their systems in a way that embraces these changes.

When it comes to contractor management, it's crucial that your system not only allows for but promotes, a culture of safety, business innovation and development instead of obstructing your business' growth.

Businesses that expand without appropriate management systems are exposed to WHS compliance failures. When a business adopts a comprehensive end-to-end software contractor management solution, leaders are enabled to make better decisions and adopt a risk-approach towards all areas of their business.

Software not only provides better intelligence, but also supports the business to increase productivity and minimise risk.

This guide will help to identify the opportunities businesses can capitalise on with an end-to-end contractor management software solution to mitigate risks and expand their operations at scale.

Who should read this guide?

If your business has experienced a significant increase in the number of contractors you engage, and if your current processes, systems, and resources are unable to cope with the challenges, this guide will offer relevant considerations and tools companies are utilising to automate and streamline their contractor management processes.

Businesses are moving towards a new standard of contractor management.

Is your organisation ready?

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Why existing processes could be harming your business

Inefficiencies hamper growth and innovation

Inefficient systems and manual processes not only limit productivity but also your ability to access critical safety and compliance data which leaves your business exposed to risks.

“We had a paper-based system that was very laborious and took a lot of time and effort to keep track of,” said an OHS Team Leader from the health care industry.

Many of the companies we encounter still have information gaps created from standalone software platforms, stitched together with spreadsheets to manage critical safety and contractor data.

Incidents on site, fines, and penalties

One of the challenges with engaging contractors can be the increased risk of serious safety incidents. The high incidence of contractor

fatalities reported by the Australian Council of Superannuation Investors (ACSI) suggests that the safety practices of companies are not fully translating to their contracting workforces, and this becomes an even bigger problem for sub-contractors further down the line.

70% of fatalities in the workplace were contractors

ACSI The Future of Health and Safety Reporting 2019

Tight labour markets make it more difficult to attract and retain good quality contractors

As companies look to contain costs, skilled and compliant contractors are increasingly in demand. Infrastructure Australia reports demand for labour is going to reach “unprecedented levels” by 2025. The report warns labour shortages may peak at a likely shortfall of 93,000

workers in early 2023.

The cost of over-runs can run into millions of dollars in lost revenue when production is disrupted because work is not completed on time or requires re-work due to poor workmanship.

Contractor management relies on intelligent solutions to support the challenge of ensuring every site and project is adequately staffed with highly skilled, qualified, and compliant contractors.

31% of Australian organisations are having difficulty finding suitable staff to fill jobs

Australian Bureau of Statistics June 2022

High value of pre-qualification

Pre-qualifying contractors is critical in reducing accidents and creating long-term stability.

The best approach to safety and effectively managing risks is by focusing on prevention, and this begins with hiring the right people through rigorous qualification and selection stages.

“More than 80% of our workforce is made up of contractors. We place strong emphasis on the pre-qualification of contractors and have a rigorous procurement process which identifies risks early in the selection phase,” said a Safety Manager at a chemical processing plant.

The safety history of the contractor is an important consideration during pre-qualification. “Before engaging new contractors, we examine their safety record, project experience,

qualifications, systems, and protocols to perform the work safely. Pre-qualification is an investment, but saves us time and money in the long run,” said a Director of Safety at a facilities management company.

Poor safety performance among contractors is not necessarily due to technical qualifications, but a misalignment between the safety values of the contractor and the safety culture of the hiring organisation – a risk that organisations can identify early during vigorous pre-qualification.

“Information we gain during the pre-qualifying stage helps my organisation understand the contractor and determine from the outset if the

contractor is a company we are comfortable to work with for the long-term,” said one Safety Manager from a property group.

When the investment is not made at the pre-qualification stage and safety is not prioritised from the outset, it becomes more difficult to embed it into the subsequent stages of contractor management.

Applying equal standards

A critical element of creating a culture of safety requires organisations to apply equal standards for all workers on the job site regardless of the employment status of workers involved.

“We don’t distinguish between contractors and workers. One of the key changes to our company safety and risk management policy has been to merge contractor and employee safety metrics into combined corporate indicators. If a contractor has an accident or an injury, it is reflected in the corporate performance reports,” said one Health and Safety Director.

Most good contractors will share your commitment to safety and

want to do the right thing, but they want a compliance system that makes their life easier and more efficient.

“When you make processes easy for contractors, they are more likely do it. Easy processes help form the right habits — and the checks and balances keep each contracting company aligned to our safety culture,” said a HSE Manager from an energy supplier.



Harnessing the power of technology platforms

As businesses grow, they also become more dependent on their underlying software choices. Not only do systems need to be able to cope with higher volumes, but they also need to be highly scalable, secure, and capable of integrating with existing applications.

“Larger organisations need reliable systems. With hundreds of different contractors entering multiple-job sites each day we needed a software solution that could scale on-demand and provide centralised, real-time compliance data for Project Managers out in the field,” said one Director of Safety from the utilities industry.

A comprehensive cloud-based **contractor management software** like Rapid, is easily deployed and accessible to sites regardless of geographical location. Any cloud-based system will eliminate the need for costly IT infrastructure, such as physical servers and will typically provide stronger global coverage because the system is designed for multi-national market needs.

“We’re a small team operating on a global scale, and we wouldn’t be able to achieve that without automating our contractor compliance processes. Rapid has strengthened our capability which enabled us to expand our operations,” said a Health and Safety Manager in the food manufacturing industry.

“Placing the onus back on our contractors to maintain their compliance documentation has not only increased compliance and safety, but has also saved us a lot of time and resources through automating our processes,” said a HSEC & Quality Manager in the construction industry.

We often hear from our clients about the benefits of a modular workforce management system like Rapid. The system is capable of managing the entire life cycle of contractors, from pre-verification, on-boarding, and induction training, to issuing work permits all from within a single platform.

Any software system can integrate using API or third-party integration, but Rapid’s native integrations are seamless, faster to implement and do not require costly up-keep of maintaining third-party integrations.

“Rapid’s modular platform enabled us to integrate the contractor management system, induction system, and access management system. Meaning non-compliant contractors arriving at our sites would not be granted access,” said one Operations Manager in the health care industry.

Aligning with software partners that can provide a comprehensive system will not only support your business now, but well into the future.

Overcoming challenges of adoption

Demonstrating that technology can make your operations more efficient is still a big challenge for some industries. We find the most impactful way to transition late-adopters is by showing them the return on investment.

“Our yearly outlay costs for managing contractors and contractor inductions have reduced by 72%. These costs are made up of system management costs and man hours costs and include contractor back billing for time spent on site doing inductions. The yearly cost saving just in wages for managing contractors has decreased by 92% alone,” said a Health and Safety Manager in the transport industry.

“We looked at the mistakes that could have been avoided. Any disruption to production comes with great financial losses and confirmed for us it was worth putting the money into contractor management,” said one Director for a property investment group.

While there are several contractor management software solutions in the market, there are many that place inappropriate expectations on contractors, or are just technically difficult for contractors to use.

“If we engage a contractor for office cleans, they won’t require the same rigorous pre-qualification and induction as a contractor engaged for large-scale industrial cleaning during a complex shutdown. Rapid’s contractor management software allows us to customise our pre-qualification processes based on the type of contractor and the risks they pose,” said one Operations Manager in the facilities management industry.

Ease of use is an important consideration, not only for your admins but also for your contractors. If you expect contractors to adopt your chosen solution, the software needs to make it easy for them to manage their compliance.

“We have some contractors that didn’t even have computers at home, so we needed a software partner that provided locally based telephone support and software that’s easy for them to use,” said a Procurement Manager in the manufacturing industry.

“We are in business for the long-haul, and Rapid has played a key role in managing our contractors and our workplace risk management strategies. Rapid’s end-to-end software is part of our business culture,” said one EHS Superintendent at a manufacturing company.

About Rapid Global

Leading global companies continue to choose Rapid to manage their compliance, safety and risk management processes with their staff, contractors, and site visitors. Our fully integrated and modular workforce management software supports a culture of safety and compliance in companies across Australia, the USA, South Africa, and the UK.

Moving your business to Rapid's system will support more effective and efficient operations, increased visibility, control, and safety when striving for scalability.

Businesses are moving towards a new standard of contractor management. Are you ready? Schedule an obligation free demonstration with our experts.

Rapid Global

Head Office

Level 2, 118 Franklin Street
Adelaide 5000
South Australia

1800 307 595
+61 88405 1100

sales@rapidglobal.com
rapidglobal.com



Fully integrated modular workforce management software.