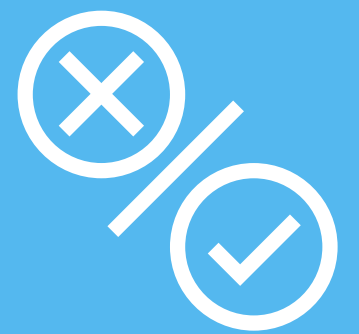


CONTRACTOR MANAGEMENT BEST PRACTICES

1.

SELECTION PROCESS

It is important when selecting contractors to choose those that have ample experience not only in maintenance and asset performance, but experience and familiarity with your industry. The prequalification process should evaluate a contractor's technical capability, experience and performance, reputation, and proposed work methods. It helps ensure that the contractor you work with has a strong safety record and meets the necessary insurance and training requirements.



2.

AVOID THE CHEAPEST OPTION

The old adage, "you get what you pay for," is particularly true when it comes to asset performance and reliability. Price is always important, but avoid the pitfall of just choosing the cheapest contractor/vendor option. Relatively small differences in price can mean huge differences in ultimate cost reduction.



3.

CREATE A CONTRACTOR COORDINATOR

Once contractors are brought on for a project, how are they being monitored? Creating a contractor coordinator, or point person, facilitates monitoring of contractors so they are correctly following policies and procedures. This individual should be responsible for the contractor's activities in the plant and ensures effectiveness of contracting effort with respect to work management. It is best practice to have more than one contractor focal point to avoid bottlenecks or gaps in communication due to availability. For smaller organizations, the contractor coordinator role can be folded into the duties of a maintenance supervisor.



4.

MONITOR

Contractor's workload and results should be monitored once they are brought onboard. Weekly walkthroughs, daily checklists and/or check-ins, and monthly or yearly assessments are important to make sure jobs are on schedule and following company procedures. Periodically analyzing workload helps determine resource or time requirements and if those resources need to be adjusted.



5.

POST-JOB EVALUATION

Organizations that do not do their due diligence with a post-evaluation process for their contractors are missing out on a major opportunity. Oftentimes companies place such a large emphasis on sourcing contractors that they fail to observe whether the work performed was done safely and correctly. Were milestones achieved on schedule? The did contractors deliver on agreed upon metrics or KPIs?

