



Solving the Biggest Challenge of Our Day

How Contractor
Management Can Scale
Our Skilled Workforce



Introduction

Skilled workforce availability is the single biggest challenge facing the trades today. Leveraging a contractor management platform can reduce your business' risk. Then, learn the five best practices to selecting the right platform for your organization.

As the global economy rebounds post-COVID, infrastructure has been crowned as the investment to bring our United States workforce back in droves.

The proposed \$2 trillion American Jobs Plan is a great example, seeking to improve aging telecom networks, electricity and roads and bridges across the U.S. Included in the bill is \$200 billion to expand high-speed broadband across the country, improve power lines and engage clean energy and renewables.

Sounds great. But who's going to do the work?

In recent years, skilled workforce availability has moved center stage as a top issue for the trades. A recent study conducted for Veriforce by London-based research and advisory firm Verdantix, named skilled workforce availability the number one industry challenge for 86% of telecom firms.

After a generation of youngsters favored 4-year university degrees to the trades, the average skilled worker, now middle aged, is a dying breed. Behind him/her lies a major gap in the global workforce that can't ramp up at the pace we need it to in order to meet the demand of large-scale infrastructure improvements like 5G.

Similarly, brand new trade skills are needed if we're going to make clean energy and renewables a top priority. An electrical journeyman who has cut conduit for a decade can't just start scaling wind turbines tomorrow.

Having the right people in the right place at the right time, to perform the necessary work with competence — and do it safely and in compliance — is going to be the greatest global challenge of the next quarter century.



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01

The Role of the Contractor Management Platform in Solving the Skilled Worker Challenge

The solution is likely a combination of cross-industry pollination, or workers moving from aging and less lucrative industries into those in demand, and eventually a resurgence of technical tradesmen and women as the workforce pendulum swings.

Businesses that rely on this transient, contingent workforce and that are looking to capitalize on the first infrastructure boom in 60 years, will need to optimize their workforce — quickly. That means training and re-training contractors to perform skilled work. It means making safety a top priority so workers can return the next day and do it all over again. It means tracking the training, near misses and accidents to maintain compliance with local, federal and enterprise business requirements. The ideal result is an industry passport that travels with the contingent workers and their contract services firms as they move from project to project and industry to industry.

Enter: the Contractor Management Platform.

A contractor management platform is a digital solution that facilitates the hiring of a skilled workforce and tracks ongoing worker performance, enabling organizations to meet compliance regulations, and minimize their risk by ensuring daily safety requirements are met.

The goal is complete visibility into the contractors' operations, and the individual workers as well to ensure that compliance is achieved, safety can be championed, and the work can be completed correctly.



02

The 4 Pillars of the Contractor Management Platform: A Lifecycle Roadmap

A contractor management platform will have a distinct lifecycle that can be broken up into four pillars. These four pillars should serve as a roadmap for both enterprise businesses and contract services firms, helping bridge the gaps of the skilled workforce by maintaining a high-level of control and visibility into pre-qualification, onboarding, control of work and evaluation processes.



Pre-qualification

Pre-qualification checks remain the frontline process used by enterprise businesses to ensure contract firms have insurance, are financially solvent, have the correct qualifications and pass safety checks. And that takes time. A lot of it. Enterprise corporations will want to examine the experience modification rate (EMR), the total recordable incident rate (TRIR), fatality rate, OSHA recordables, and more of contract services firms.

Contract services firms will evaluate individual contractors based on their past experience and training, TRIR, response to a questioner and potentially conduct a field audit or live risk assessment of their skilled work. Again, a lot of time is invested at the business level, which is why few have an official risk grading system to track, evaluate, and compare workers.

Only 5% of telecom firms view their pre-qualification processes as “very good,” while 95% admit there’s room for improvement, according to the Verdantix study. The contractor management platform can serve as a search directory for examining qualifications and a bank to document all necessary pre-qualification documentation, reducing the significant lead time, and cumbersome sourcing before the project gets off the ground.



“As many as **34%** of telecom firms view their contractor onboarding safety training processes as **less than “good,”** without a contractor management platform.”

“Fully **18%** of telecom firms consider their control-of-work processes - including permits to work, job hazard analysis and isolation management as **“poor”** and **21%** say their site access control processes are **“poor,”** either using pen and paper forms or wearable and or mobile devices to gain entry.”



Onboarding

Every organization will require a safety orientation and skills training for contractors that are job, site, and company-specific. Trainings also include health and safety awareness. After completion of the training, each contractor should receive recognition that they've achieved certification, and subsequently, these certifications are noted in the contractor management platform, assigned to the individual worker and their contract service organization. As many as 34% of telecom firms view their contractor onboarding safety training processes as less than “good,” without a contractor management platform. During this phase, businesses may also need to acquire local permits, incremental insurance coverage and service agreements must be certified.



Control-of-Work

Control-of-work, or gaining entrance to a job site, inspecting work, maintaining incident and near miss reports, OSHA logs and more, is something most businesses struggle with. Fully 18% of telecom firms consider their control-of-work processes - including permits to work, job hazard analysis and isolation management as “poor” and 21% say their site access control processes are “poor,” either using pen and paper forms or wearable and or mobile devices to gain entry.

While not easy to do remotely, monitoring and documenting tasks to gain visibility into daily contractor work is critical to both maintaining product or service quality and to reducing risk in the field. Firms that deploy control-of-work in their contractor management practices experience a delta in the effectiveness of their processes.



Evaluation

Most businesses lack proper structure to evaluate a job once it's been completed, or to assess workers with an eye on driving future change based on what worked and what didn't. Questions to think about in this phase include:

- Were there any conflicts on site?
- Did the work happen on budget, on time, etc.?
- How can we capture important qualitative work information?
- What should be changed for next time?

Final evaluation of a project, or regular check-ins during ongoing work are critical. This information can be internally prompted by the contractor management platform, and the answers can be saved therein.



While each business' contractor management platform will look different based on projects, specified workload, needs and industry, the four pillars of the platform serve as a guide to meeting compliance requirements and maintaining visibility across the trades, providing insight into the workers, worker organizations and more.



03

Choose Wisely: 5 Steps to Selecting the Right Contractor Management Platform

Workers are a trade business' greatest asset – and liability. A slip, trip, or fall, an untrained worker, or a worker 200 feet in the air without the right technical skills can all derail a project and cause a major reputational and financial loss to your business. When it comes to the tool you're leveraging to minimize liability, you must choose wisely.

Consider following five steps to selecting the right contractor management platform:

1

Diagnose existing contractor management challenges and prioritize them.

Successfully managing contractors often means facing a host of obstacles, including siloed data, conflicting safety practices, work conflicts and a lack of visibility into on-site contractor work. The first step in contractor management is to perform a formal in-house or third party audit of your current contractor management program. From the audit, you'll have a list of current program obstacles. Prioritize and categorize them.

2

Quantify the costs and risks associated with your challenges.

To establish the business case for solving each challenge and further prioritize them when it comes to budgeting, quantify the costs and manpower of each challenge. Begin with the following:

- Costs and time spent administering onboarding of workers
- Costs and time spent managing work delivery of contractors
- Risks associated with and the financial costs of incidents and accidents



3 Present the business case and rationale to directors and officers.

To get board buy-in for a contractor management platform, C-suite executives will need to identify the solution with the best ROI and business case. Go back to the costs and time spent administering onboarding and managing contractors, the risks associated with them and the financial costs of incidents and accidents. Consider your EMR and current worker's compensation expenses as well.

4 Run a rigorous vendor selection process.

Select the software vendor that best meets your business requirements and offers the strongest ROI. Model the impact and costs of different information management solutions. Remember that not all compliance management solutions are created equal, and the support team behind the solutions that ensure the data integrity and contractor participation. Look for hidden costs like solution fees and features beyond just aggregating health and safety data to all compliance data in order to accurately build the business case based on a robust ROI calculation.

5 Support contractors and internal stakeholders with the roll-out of the new solution.

To ensure that your business gets the greatest benefit from the new contractor management system, C-suite executives must provide support for both contractors and internal stakeholders with full utilization of the software. This includes ensuring all users understand the benefits of the new solution, how to fully access its capabilities as well as making sure information gets transferred to the new platform.



04

Employ a Digital Roadmap to Scale the Next Generation of Global Skilled Workers

Investing time up front in the pre-qualification phase, coupled with a thorough orientation, continued training and job monitoring and assessments, can help transform an entirely new generation of workers into a skilled workforce.

Without the right digital solution — a contractor management platform — it's impossible to document and guarantee that safety, compliance and best practices are being met on the job daily.

As we embark on a new journey to upskill our global trade workforce, the backbone of the entire process is sure to be the digitization of it all, replete with a roadmap for success.



About Veriforce

Veriforce® is a recognized leader in delivering comprehensive, integrated supply chain risk management solutions that help bring workers home safely and optimize business performance. The company's SaaS safety and compliance platform, data integrity and verification practices, and standardized safety training programs empower leading organizations to drive safety and compliance into their supply chains and down to the worker-level.

Veriforce is the world's premier supply chain risk and compliance management network, comprising more than 650 hiring clients, more than 50,000 contracting companies, over 9,000 accredited safety trainers and authorized evaluators, and over 2.5 million workers. It's this network that makes Veriforce the preferred partner for companies that strive to ensure a safe, qualified third-party workforce, to stay ahead of risk, and achieve optimal business performance. Company offices are located in The Woodlands, TX, Covington, LA and Calgary, AB.



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