

24 November 2017

**CLYDE & Co**

**Registered Managers Forum**

**Department of Mines, Industry Regulation and Safety**

**25 August 2017**



# Executive Summary

During the Registered Managers Forum held on 25 August 2017, Alena Titterton (health safety security and environment partner at the law firm Clyde & Co), conducted a presentation on Contractor Management, Safety Management Systems & the Positive Investigation Methodology.

Throughout the presentation we conducted live polling of the participants. The live polling components captured participants' views on contract and safety management systems. This document captures the results of that live polling. 86 people joined the live poll overall. We asked thirteen live poll questions during the presentation. The average number of responses to questions was 57, with an average engagement level of 65% across the whole series of questions in the live poll.

**Figure 1: Live polling statistics at a glance**



Key areas for future directions on contractor management arising from the live poll results include:

- Considering establishing protocols for co-ordination of activities between principals, contractors and subcontractors prior to the commencement of work.
- Rethinking the approach to safety criteria in contract evaluation processes.
- Developing feedback loops that feed lessons learnt on contractor performance to the contractor selection process for future projects.

Live poll participants were receptive to the concepts of investigating success and deploying the positive investigation methodology. However, many indicated that they were constrained by leadership support for these types of innovations and demands on their time and reactions to the first of the day.



## Alena Titterton

Partner

M: +61 439 077 702

E: [alena.titterton@clydeco.com](mailto:alena.titterton@clydeco.com)

Twitter: [@AlenaTitterton](https://twitter.com/AlenaTitterton)

LinkedIn: [Alena Titterton](https://www.linkedin.com/in/AlenaTitterton)

We asked participants to outline their single biggest challenge in contractor management. As demonstrated in the word cloud in Figure 2, inherent in many responses were differences in standards and integration as well as compliance and supervision. Competency and personal accountabilities were also heavily featured within the paradigm of 'workers as the problem' rather than the solution ('clowns', 'muppets' and 'cowboys'). This can be contrasted with the key takeaway messages of live poll participants in the response to the last question.

**Figure 2:**

**Question 1: In a single word, what is your biggest challenge in contractor management?**



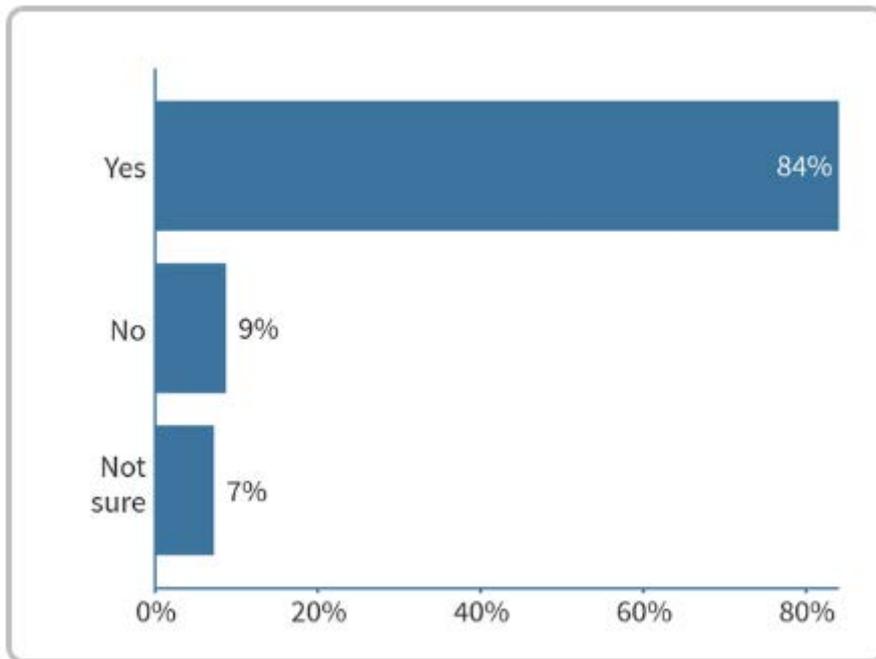
A full list of responses is provided below.

'Knowledge'	'Price'	'Efficiency'	'Supervision resources'	'Communication'
'Competency'	'Interaction'	'Adequate supervision'	'Behaviour'	'Responsibility'
'Communication'	'Disconnect'	'Capability'	'Integration'	'Control'
'Competency'	'Engagement'	'Multiple customers'	'Complacency'	'Prescription'
'Brain cramp'	'Regulators'	'Leadership standards'	'Visibility'	'Safety'
'Standard'	'Culture'	'Relationship'	'Turnover'	'Supervision'
'Engagement'	'Standards'	'Competency'	'Arms-length'	'People'
'Muppets'	'Staff turnover'	'Selection'	'Ownership'	'Consistency'
'Clowns'	'Experience'	'Brain cramp'	'Verification'	'People'
'Reporting'	'Alignment'	'Cowboys'	'Contact time'	'Behaviours'
'Comms'	'Different systems'	'Competencies'	'Compliance'	'Relationships'
'Knowledge'	'Communication'	'Trained'	'Skillset'	'Standards'
'Regulation'	'Integration'	'Adherences'	'Compliance'	'Information'

84% of live poll participants indicated that their organisation scoped out work prior to selecting contractors. We often see this exercise being done post contractor selection so this was a positive result.

**Figure 3:**

**Question 2: Does your organisation conduct a scoping exercise prior to the selection of contractors?**



Response options	Count	Percentage
<b>Yes</b>	<b>58</b>	<b>84%</b>
No	6	9%
Not sure	5	7%



**Engagement**

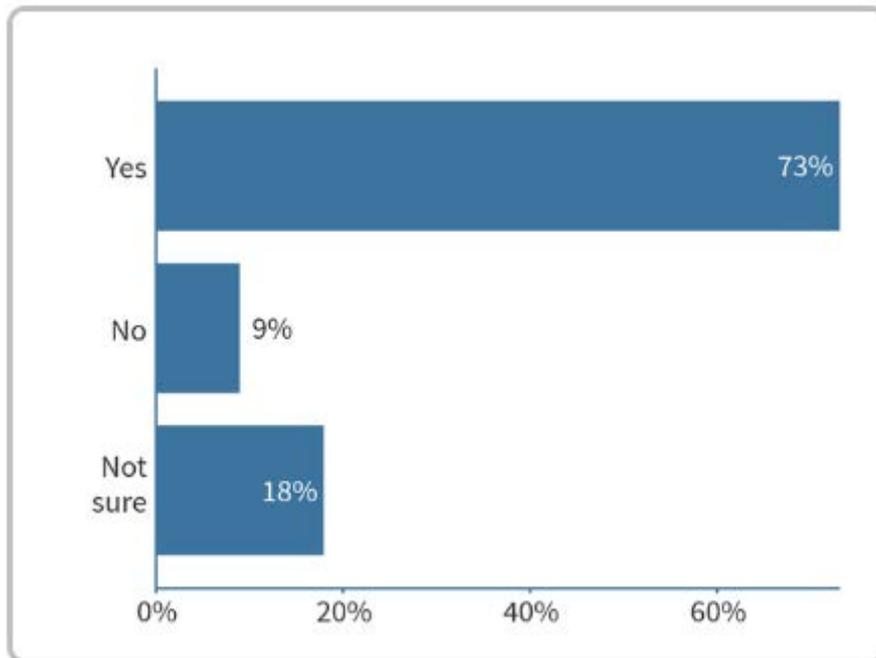
**69**

Responses

73% of live poll participants indicated that their organisation includes safety criteria in their formal contractor selection process. Perhaps more interestingly, 18% of the participants did not know whether this was incorporated in the approach at their organisation.

Figure 4:

**Question 3: Does your organisation include safety criteria in its formal contractor selection processes?**



Response options	Count	Percentage
<b>Yes</b>	<b>49</b>	<b>73%</b>
No	6	9%
Not sure	12	18%



Engagement

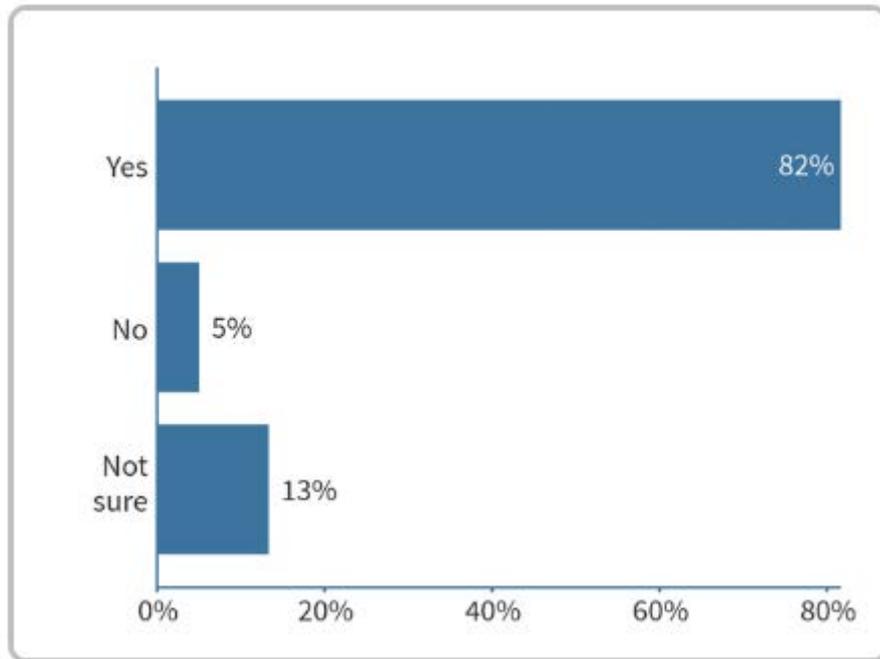
67

Responses

It is good to see that information sharing is occurring in onboarding contractors with 82% of live poll participants indicating they provide information prior to contractors commencing work.

Figure 5:

**Question 4: Does your organisation provide on-boarding information prior to contractors commencing work?**



Response options	Count	Percentage
<b>Yes</b>	<b>49</b>	<b>82%</b>
No	3	5%
Not sure	8	13%



Engagement

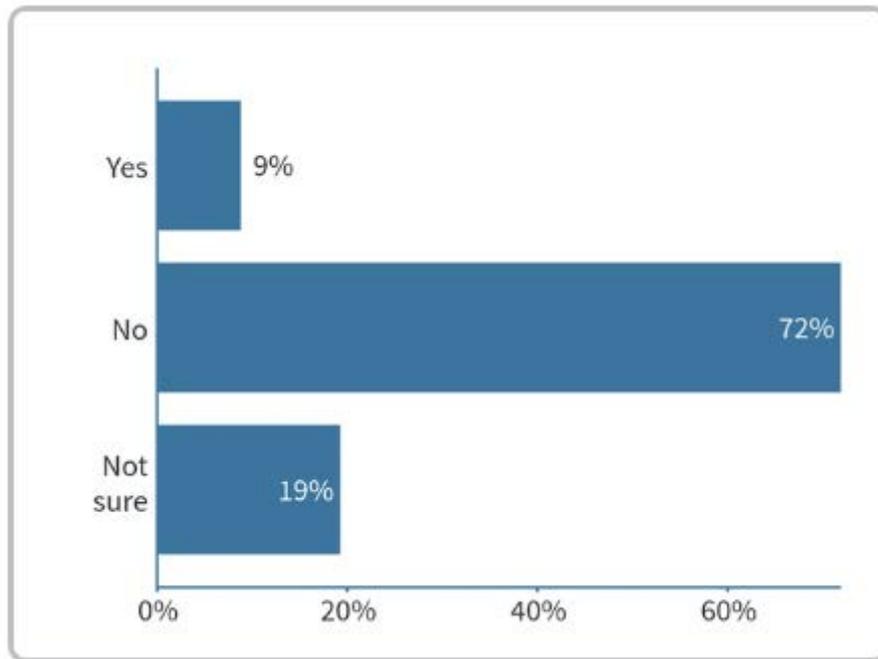
60

Responses

It is fascinating that 72% of live poll participants indicated that in their view certification of safety systems is not a good predictor of safety performance in practice. This reflects perceptions and results in previous polls on this topic. Given these perceptions, it may be time to rethink the approach to safety criteria in tender evaluations as these are often based on such requirements.

Figure 6:

**Question 5: In your experience, is safety system certification (such as certification to AS/NZS 4801) a good predictor of safe performance by a contractor in practice?**



Response options	Count	Percentage
Yes	5	9%
<b>No</b>	<b>41</b>	<b>72%</b>
Not sure	11	19%



Engagement

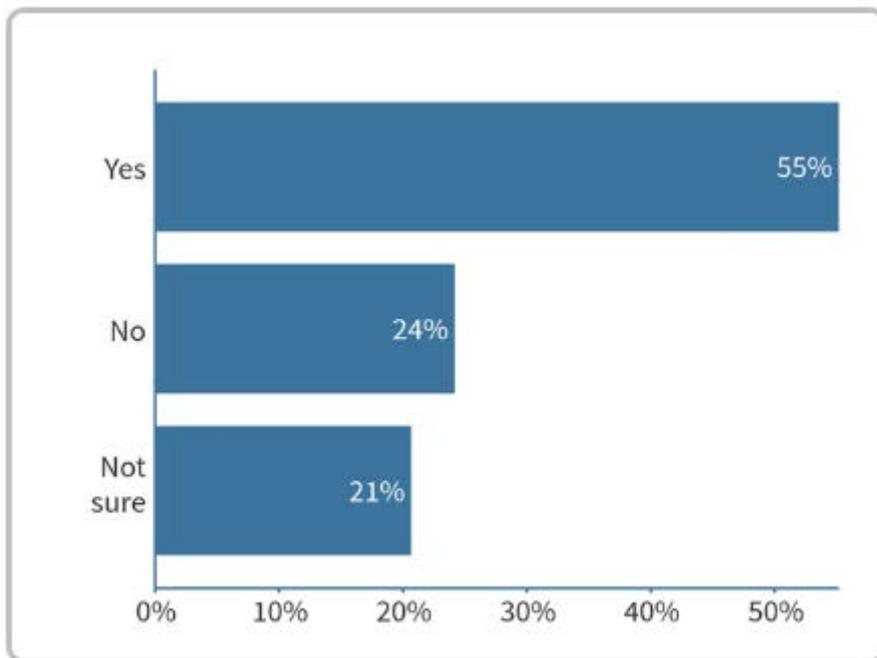
57

Responses

The idea that there is a need to co-ordinate between parties whose operations overlap may not be appreciated by all organisations. Almost a quarter of the live poll respondents indicated that their organisation did not establish protocols for co-ordinating principal, contractor and subcontractor activities prior to the commencement of operations. A further 21% did not know whether this occurred. This should be a subject for further directions. It is critical for different organisations to have a share understanding for how safety will be managed and the delineation of roles and responsibilities across those relationships.

**Figure 7:**

**Question 6: Does your organisation develop protocols for co-ordinating principal, contractor and subcontractor activities ahead of the commencement of operations?**



Response options	Count	Percentage
<b>Yes</b>	<b>32</b>	<b>55%</b>
No	14	24%
Not sure	12	21%



**Engagement**

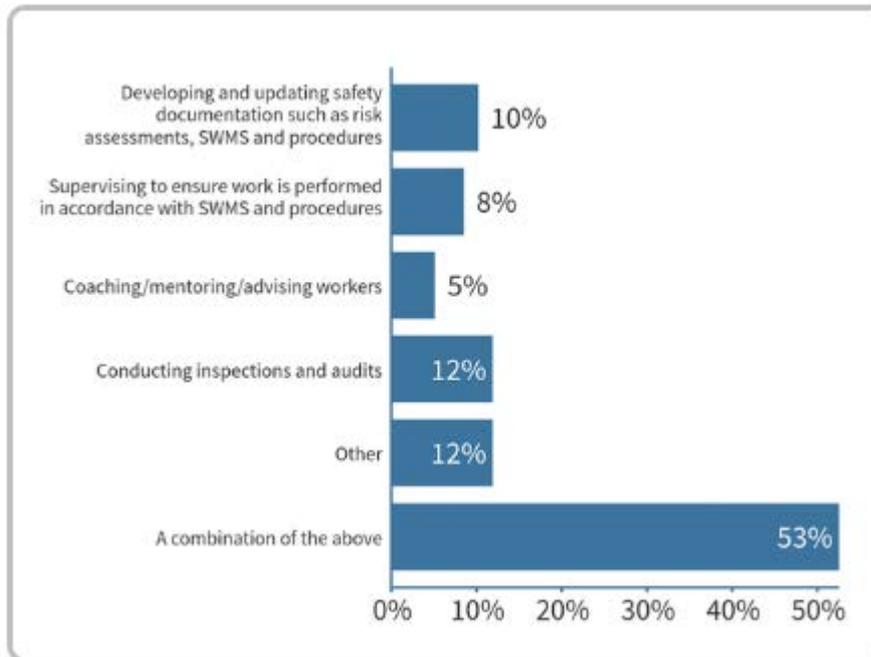
**58**

Responses

It is good to see that the majority of safety advisors are adopting a mix of strategies during the operations phase.

**Figure 8:**

**Question 7: What role do your safety personnel adopt during the operations phase?**



Response options	Count	Percentage
Developing and updating safety documentation such as risk assessments, SWMS and procedures	6	10%
Supervising to ensure work is performed in accordance with SWMS and procedures	5	8%
Coaching/mentoring/advising workers	3	5%
Conducting inspections and audits	7	12%
Other	7	12%
<b>A combination of the above</b>	<b>31</b>	<b>53%</b>

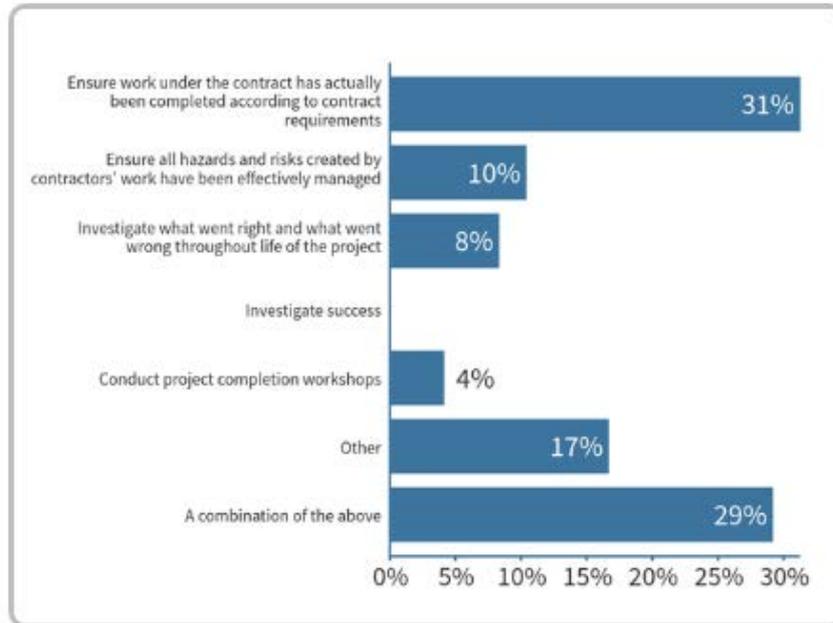


**59**  
Responses

Participants differed on their approaches to contractor de-briefs as can be seen in the results in the figure below.

**Figure 9:**

**Question 8: What contractor debrief activities does your organisation conduct prior to formal contract completion?**



Response options	Count	Percentage
<b>Ensure work under the contract has actually been completed according to contract requirements</b>	<b>15</b>	<b>31%</b>
Ensure all hazards and risks created by contractors' work have been effectively managed	5	10%
Investigate what went right and what went wrong throughout life of the project	4	8%
Investigate success	0	0%
Conduct project completion workshops	2	4%
Other	8	17%
A combination of the above	14	29%



**Engagement**

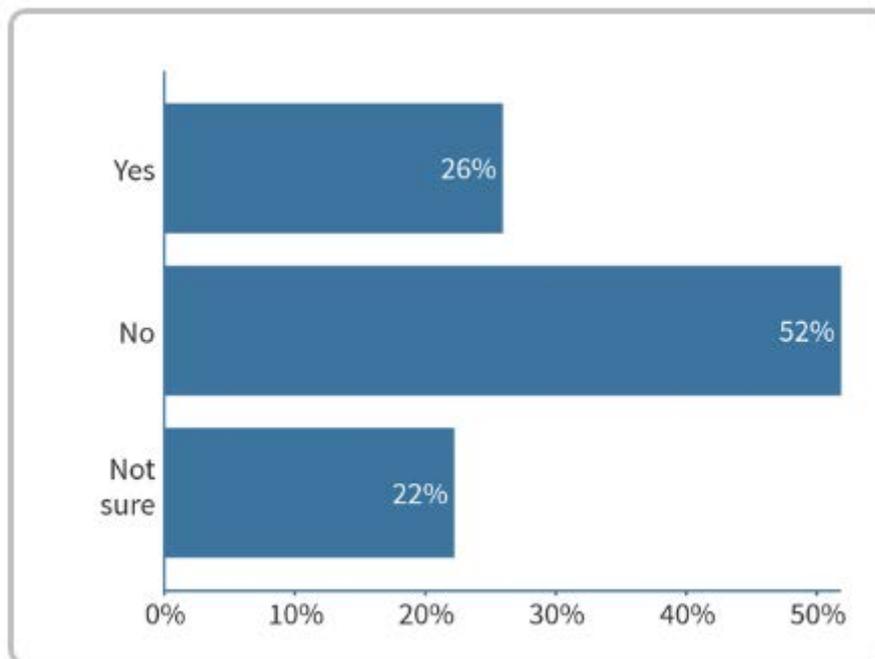
**48**

Responses

It is stunning that over half of live poll respondents indicated their organisation does not feed lessons learnt on contractor performance in one project into the selection for future projects. It is not as if the organisations are not trying to learn from experiences with contractors. As the response to the previous question (Question 8) demonstrates, a number of organisations are deploying multiple de-brief strategies. The question becomes where do those lessons go? How are we using what we learn in de-briefs? Perhaps the issue is one of disconnect between safety, operational and procurement processes and this should be considered for future directions.

**Figure 10:**

**Question 9: Do your systems provide a feedback loop from project completion to scoping and contractor selection for future projects?**



Response options	Count	Percentage
Yes	14	26%
<b>No</b>	<b>28</b>	<b>52%</b>
Not sure	12	22%



**Engagement**

**54**

Responses

Focusing on values and engagement, improving co-ordination and the feedback loop throughout the contracting lifecycle as well as investigating success were common themes in the free text reflections of participants. A couple of participants indicated that contractor selection is based on the cheapest price and this needed to change so that safety performance also informed selection.

**Figure 11:**

**Question 10: Following our discussion, what will you consider doing differently in contractor management?**

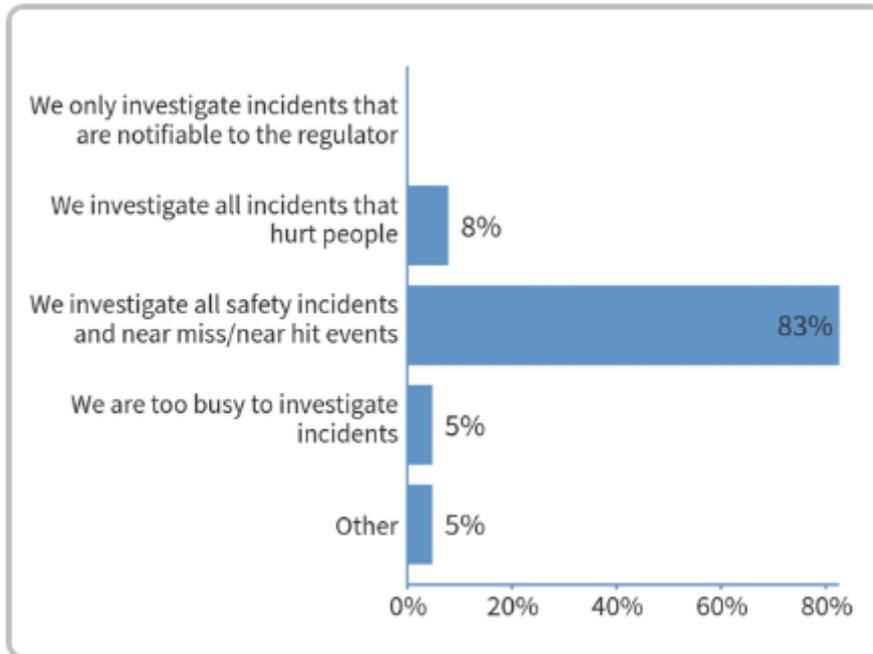


'Selective tender'	'Work with contractors'	'Stop picking the cheapest'	'Review contractor safety statistics'
'Educate our people to support contractors'	'Listen'	'Highlight the opportunity to peers'	'Variation between selection and execution'
'Provide more feedback to contractors along course of work'	'Involve workers'	'Separate specific safety'	'Formalising org interfaces for smaller projects'
'Better engagement'	'System effectiveness'	'Communication outcome'	'Use data gained'
'Team activity co-ordination'	'Selection based on not only price but safety performance'	'Review the process – stuff is missing!'	'Values'
'Everything'	'Follow up and contact'	'Improve engagement'	'Close out reviews'
'Better onboarding'	'More reviews and feedback'	'Engagement'	'Debrief workshop and feedback'
'Investigate success'	'Question their safety team'	'Share success'	'Debrief and follow on to new contracts'
'Contractor forum'	'Walk with their leaders'	'Investigate success'	'Review loop'

There is a high degree of investigation of incidents and near miss/near hit events in live poll participant organisations which is not surprising given the industry.

**Figure 12:**

**Question 11: Which of the following best describes your organisation's approach to incident investigation?**



Response options	Count	Percentage
We only investigate incidents that are notifiable to the regulator	0	0%
We investigate all incidents that hurt people	5	8%
<b>We investigate all safety incidents and near miss/near hit events</b>	<b>52</b>	<b>83%</b>
We are too busy to investigate incidents	3	5%
Other	3	5%



**Engagement**

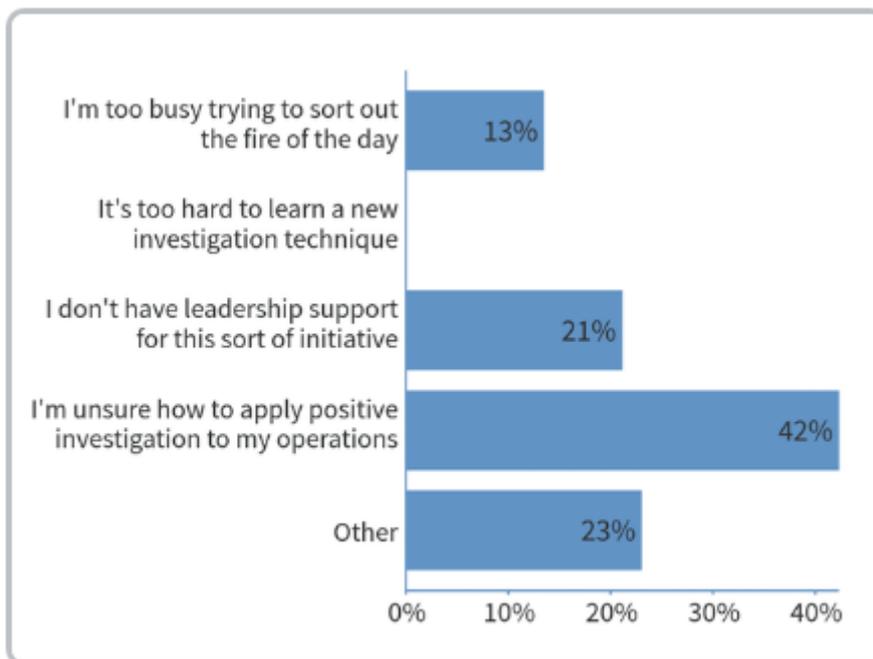
**63**

Responses

Question 12 looked at what would stop people from utilising a positive investigation methodology in exploring success (rather than just the traditional reactive incident investigation techniques). Most interestingly, 21% of live poll participants indicated that they did not have leadership support for this sort of initiative which is suggestive of concerns around culture and leadership commitment to a proactive approach to safety management. Other cultural concerns are represented with potential resourcing constraints given that 13% of participants indicated they are too busy reacting to issues to deploy such proactive methods for safety.

**Figure 13:**

**Question 12: What would stop you from investigating success using the positive investigation methodology?**



Response options	Count	Percentage
I'm too busy trying to sort out the fire of the day	7	13%
It's too hard to learn a new investigation technique	0	0%
I don't have leadership support for this sort of initiative	11	21%
<b>I'm unsure how to apply positive investigation to my operations</b>	<b>22</b>	<b>42%</b>
Other	12	23%



**Engagement**

**52**

Responses

# Final Reflections

The final question asked participants to reflect on what they would do differently in investigations following the discussion on the positive investigations methodology with 38 responses (a 44% engagement score).

The responses to this final question indicated that many in the room were willing to commit to positive investigations, assessing what goes right for learning and looking beyond the linear trajectory of a particular incident to close out other issues as well as testing the robustness of controls identified in traditional incident investigation.

**Figure 14:**

## Question 13: Following our discussion, what will you consider doing differently in investigations?



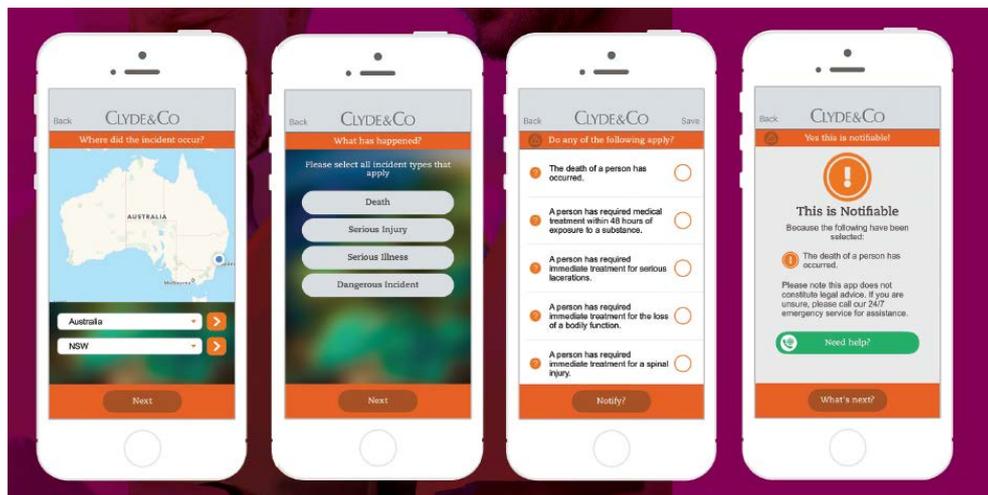
'Open communication'	'Collaborate'	'Positive thinking'	'Look at event as a whole'
'Ensure ZERO BLAME'	'Reviewing success and parrell likelihoods'	'Focus on sharing positive outcomes'	'Assess what went right'
'Continue with what we already do'	'Helicopter view'	'Ask those 5 what if questions of actions'	'Open questions'
'Take more time'	'Investigate success'	'Consider what worked'	'Investigate success'
'Make it easy to provide feedback'	'Robustness of controls'	'Review and access'	'Positive view'
'Look at right and wrong'	'Looking at the positive Comms opportunity'	'Looking for what went right'	'Seek to understand the positives'
'What worked'	'Not blame people'	'Look for the other holes in the cheese'	'What went right'
'What was done right'	'Different spin'	'Tease out the positives'	'What went right'
'What did we do well'	'Find the positives'	'What went right'	'What went right and why'

# ClydeCovered – Incident notification is in hand

**ClydeCovered is a free, fast and easy to navigate global health and safety incident notification app. It has been designed to take the guesswork out of whether a workplace incident is notifiable in a specific jurisdiction – all from a hand-held mobile device or tablet.**

The application is the first of its type in offering cross-border content. Legal, safety and human resources teams are increasingly operating on a global and regional basis, requiring them to work across multiple jurisdictions. Busy teams struggle to keep up-to-date with all the jurisdiction-specific legal requirements that apply when things go wrong. As a global law firm with health and safety experience around the world, we saw the opportunity to meet that need with ClydeCovered and provide businesses with real time information on their incident notification requirements.

ClydeCovered currently supports Australia, New Zealand and Singapore. ClydeCovered will be launched across other locations in the Asia Pacific region and globally.



**Download for free:**

To download ClydeCovered visit the Apple iTunes store

Arrange a demonstration: To request a demonstration please email [alena.titterton@clydeco.com](mailto:alena.titterton@clydeco.com)

ClydeCovered currently supports Australia, Singapore and New Zealand, and is compatible with Apple devices

Further advice should be taken before relying on the contents of this summary.

Clyde & Co accepts no responsibility for loss occasioned to any person acting or refraining from acting as a result of material contained in this document. No part of this document may be reproduced without the prior permission of Clyde & Co. In Australia Clyde & Co practises as an unincorporated legal practice Clyde & Co Australia trading as Clyde & Co, ABN 72 157 316 912 is regulated by the Law Society of New South Wales (NSW). Clyde & Co is in Sydney, Perth, Melbourne and Brisbane.

© Clyde & Co 2017