



# Property Risk Consulting Guidelines

XL Risk Consulting

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## OUTSIDE CONTRACTORS

### INTRODUCTION

All of the 14 points of *OVERVIEW* plus management of change should apply to outside contractors as well as company employees. Control of outside contractors is just one more aspect of doing business that must be managed to have an effective management program for loss prevention and control.

### POSITION

Make certain that the employees of outside contractors working at a facility, whether for major construction, renovation, remodeling or routine maintenance, follow the same loss prevention rules that apply to the facility's employees. Detail these rules in written loss prevention instructions. Attach these instructions to all bid specifications and all signed work contracts to help ensure that the contractor is aware of the value management places on loss prevention.

### DISCUSSION

The written loss prevention instructions should be discussed with the contractor's employees when they first arrive on the job site. Many companies use special booklets and orientation sessions to give the contractor's employees this necessary information. Topics covered might include:

- Fire notification procedures;
- Availability and operation of fire and explosion protection equipment;
- Impairment handling procedures;
- Hot work permit requirements;
- Smoking regulations;
- Housekeeping practices;
- Hazards alarm signals procedures;
- Emergency phone numbers;
- Lists of employees who can be contacted with questions;
- Procedures for handling changes from working plans;
- Windstorm precautions;
- Flooding precautions;
- Security concerns.

A representative of the contractor should be assigned to ensure that all the contractor's employees follow the facility's loss prevention procedures. It should be made clear that if the stated loss prevention procedures are not followed, the representative will be expected to immediately stop the improper practice, have the deficiency corrected, and promptly discipline the employee responsible.

When developing written loss prevention instructions for outside contractors, introductory paragraphs similar to the following should be included. These have been adapted from a booklet published by a large corporation and clearly define corporate policy with respect to the loss prevention instructions to be followed by an outside contractor's employees.

### **LOSS PREVENTION INSTRUCTIONS**

**For Contractors and Their Employees:** The management of (facility name) believes that loss prevention is an individual responsibility. Interest and alertness on the part of each individual will help prevent property damage and other incidents. As a result, we have established programs and procedures to protect our employees and property and we require that all employees follow these programs and procedures.

Contractor and subcontractor employees on (facility name) property are temporarily a part of the (facility name) team and are expected to work to the same superior loss prevention standards.

This booklet outlines the primary loss prevention procedures to be observed while on (facility name) property. Practices, which are contrary to these procedures, will not be tolerated and those responsible for such practices will be removed from the job site.