



CASE STUDY

Standardize contractor qualification
across North America

A world leader in the forest products industry chose the Cognibox risk and contractor compliance management solution to harmonize supplier management continent-wide.

THE CHALLENGE

This leading player in the wood processing and pulp and paper sector operates plants in locations across Canada and the United States. Occupational health and safety (OHS) represents a core corporate value, and company standards rank among the highest in the industry.

Following a series of mergers and acquisitions in recent years, the clarity of company operating guidelines had begun to wane and no centralized structure existed to provide for standardized contractor risk management from one plant to the next¹. Given the scattered nature of contractor-specific information, the company found it increasingly difficult to apply the same standards from one location to the next, and from one contractor to the next.

THE ISSUES

A number of years back, an incident at a plant had resulted in the death of an employee of a company contractor which imperilled the group's reputation and spawned spiralling costs owing to fines imposed and lengthy production stoppages. This unfortunate incident nonetheless resulted in heightened corporate awareness. Despite the existence of a standard for managing contractor-related risks, internal resources were insufficient to ensure proper application at locations across the continent.

Company management realized that multiple operating procedures, inadequate follow-up mechanisms, and difficulties experienced in integrating and storing all contractor compliance requirements in a single location represented a major risk for the organization.

New standards coupled with a management system were needed in short order, as well as enhanced transparency for business partners. The company also required a new IT tool to better manage and share information, as well as support in implementing the new contractor compliance management system.

¹For the purpose of this case study, contractors include general contractors, consultants, engineering firms, as well as chemical and finished product transport companies, to name but several.

THE SOLUTION

Implementation of a corporate contractor management standard and flexible management system to make critical change possible could not have been achieved without expert input.

Indeed, this company sought much more than a simple management tool, rather a partner with the capacity to take charge of the entire qualification process, including document validation and proof of insurance required of contractors. The turnkey solution offered by Cognibox for carrying out the numerous administrative follow-up and validation tasks proved a path to success in a context in which internal company resources remained limited.

Cognibox expertise provided for the sharing of best industry practices which were used to draw up a standardized qualification questionnaire for all plants in North America, while making allowance for the needs specific to each individual plant.

Cognibox is the contractor management system which best addressed our needs by allowing us to qualify contractors based on our own, company-specific criteria.

Business Analyst, Procurement

PERFORMANCE AND RESULTS

Implementation of Cognibox at group plants across North America proved a resounding success. In under a year, over 2500 contractors, including hundreds of transport companies and general contractors, were qualified based on company-specific criteria.


In tangible terms, Cognibox enabled the company to:

- Centralize all contractor-related information;
- Define contractor validation criteria based on company-specific requirements;
- Set up a qualified contractor database using transparent criteria;
- Externalize administrative support and rigorous file follow-up;
- Ensure the automatic updating of contractor documents;
- Put in place a qualification process tailored to the various types of contractors and associated risks (general contractors, transport companies, forestry operators, etc.)

Subsequent to the deployment of Cognibox, an unfortunate accident involving a contractor occurred at a group plant in the United States. Although the outcome could have been consequential, the company ably demonstrated to the Occupational Safety and Health Administration (OSHA), based on contractor qualification data archived in Cognibox, that the company had taken all action as required in the circumstances to minimize the risks associated with contractor activities.


Accordingly, the penalties imposed on the company were reduced to a minimum. Also, just a single production day was lost during investigation into the accident, with operations restarted the following day. Prior to the implementation of Cognibox, plant downtime would likely have extended over several days following an incident of the like.

While the task of harmonizing contractor management across the continent proved a colossal undertaking, this leading industry player remains convinced of the return on investment linked to the implementation of Cognibox. What is more, the company is poised to attain new heights in the matter of occupational health and safety



We may not be in the occupational health and safety business. However, for reasons of corporate sustainability, we have elected to manage health and safety based on the highest applicable standards by involving employees and contractors. Cognibox makes it possible for us to enhance overall efficiency and achieve monumental gains in risk management.

Senior Manager, Health and Safety



ABOUT ALCUMUS COGNIBOX

Since 2005, Alcumus Cognibox has provided comprehensive supplier management, worker compliance and learning solutions that support organizations in their drive towards a safer and more efficient work environment. It offers expert professional services to accompany corporations through their supply chain safety and risk control processes. Guided by its core values of transparency and excellence, Alcumus Cognibox's flexible, client-centric approach is paramount to the customer experience, and serves over 290,000 members. To find out more, visit www.cognibox.com.



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