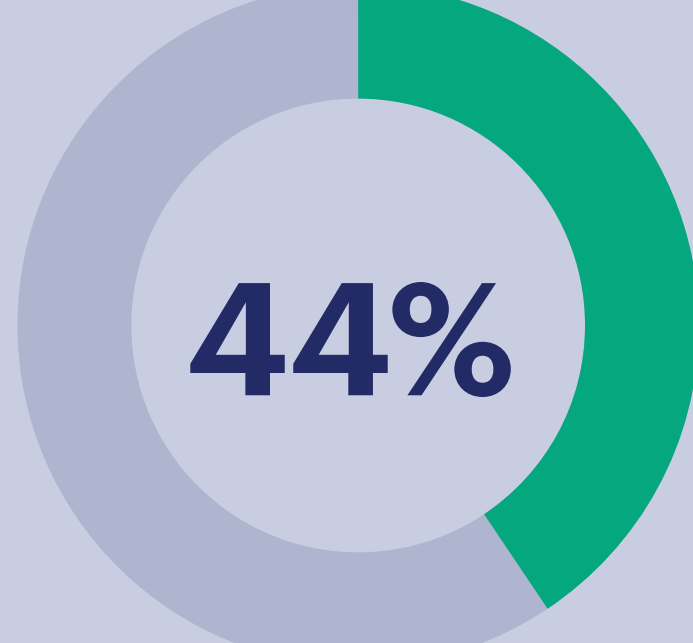# How to manage evolving contractor safety risks

Safeguard your workforce and protect your bottom line.

As industries increasingly rely on contractors, the associated risks grow. Working with contractors offers flexibility and cost benefits, but also presents significant challenges. These challenges must be addressed to protect both workers and the business as a whole—and the numbers make it clear why.

75%
Agree contractors are assigned riskier tasks.

44%
View contractor safety as worse than their own employees' safety.

60%
Companies surveyed had one or more fatalities in the last three years.

Source: ERM 2024 Global Health and Safety Survey

How much are contractors really costing you?

Incident rates for contractors are significantly higher than for employees. These incidents lead to increased financial and operational consequences. With more frequent incidents, costs accumulate from lost time, related expenses (like medical costs, production halts and fines) and reputational damage. These risks need to be addressed to protect your workforce and your bottom line.

Corporate losses

Source: The Impact of Industrial Incidents on Stock Market Volatility

Each injury costs U.S. public companies
$14M

Fatalities can cost up to
$720M

Incident rates

Source: Verdantix Blog December 2023

Contractors face incident rates
3-4x higher
than employees, particularly in high-risk industries like construction and agriculture.

Spotlight:

In 2005, an oil storage depot in the UK suffered a catastrophic explosion caused by an overfilled gasoline tank, which released flammable vapor that subsequently ignited. The disaster resulted in over £1 billion in damages, including £9.5 million in fines and caused significant environmental contamination and operational disruptions.

Mitigating contractor risks with SpheraCloud

Effectively managing contractor safety requires more than oversight—it demands a strategic and integrated approach. SpheraCloud's purpose-built software solutions empower organizations to address contractor risks throughout the working relationship.

Prequalify contractors
Vet contractors based on certifications, safety records and risk assessments.

Operationalize safety programs
Equip contractors with tools for incident reporting and fully integrate them into company-wide health and safety programs.

Evaluate and improve
Use precise data and analytics to assess contractor performance and implement corrective actions as needed.

The benefits of a digital safety platform

Digital solutions like SpheraCloud help you mitigate contractor safety risks.

- ✓ Enhanced visibility
- ✓ Incident reduction
- ✓ Accountability and compliance
- ✓ Cost savings

Build a safer future with Sphera

For decades, Sphera has provided a comprehensive health and safety management solution with deep industry experience managing contractor-related work. Learn more about our comprehensive Contractor Safety Management Solution and how Sphera can help your organization mitigate contractor safety risks.

Find out more

Sphera