

Performance Evaluation of Contractors

- ❑ Background
- ❑ Objectives
- ❑ Performance Evaluation
 - Pre-construction
 - Construction – Administration, Safety & Quality
 - Completion Time

Background

- ❑ Poor Project Delivery (Quality, Time, Cost)
- ❑ Negative Perception from the Rakyat (Quality, Time, Safety, Response)
- ❑ Lack of Shared Information among Government Agencies on Contractor Performance
- ❑ Lack of a Simple and Quantitative Assessment on Contractor Performance

HPT Project - 2014

- ❑ Design a common system to evaluate Contractors
- ❑ Share the information across all agencies
- ❑ Recommend to award contracts to contractors with good performance
- ❑ Star-rated system for contractors

Objectives

- ❑ Simple and common evaluation form
- ❑ Objective and quantitative evaluation
- ❑ Identify the poor performers
- ❑ All agencies use the same performance data

Performance Evaluation

- ❑ Only 2 Forms: Class A to D and Class E to F

Main Components and Allocated Marks

1.0	Pre-construction	=	5%
2.0	Construction	=	45%
	2.1 Administration	=	10%
	2.2 Safety	=	15%
	2.3 Quality	=	20%
3.0	Completion Time	=	50%
	TOTAL	=	100%

Note: Based on classification by Unit Pendaftaran Kontraktor dan Juruperunding

1.0 Pre-Construction (5%)

	Details	A to D	E to F
1.1	Insurance and Performance Security	1%	2%
1.2	Work Schedule/Work Programme	1%	2%
1.3	Method Statement	1%	1%
1.4	Quality Plan and Organisation Hierarchical Chart	1%	N/A
1.5	CIDB Levy & DOSH Registration	1%	N/A

Timely and complete submission

- As per Conditions of Contract and legal requirements
- N/A – Not applicable

Key Performance Measurement

1.1	Insurance and Performance Security	Both documents on time = 100% Either document not on time = 0% Insurance: before commencement date (Clause 10.2) Performance Security: within 1 month of signing of contract (Clause 10 & Clause 25)
1.2	Work Schedule/Work Programme	Document on time = 100% Document not on time = 0% Submit Work Programme not later than 30 days from the date of Site Possession (Clause 14)

Key Performance Measurement

1.3	Method Statement	Document on time = 100% Document not on time = 0% Submit Method Statement not later than 30 days from the date of Site Possession (Clause 14)
1.4	Quality Plan and Organisation Hierarchical Chart	Class A to D only Both documents on time = 100% Either document not on time = 0% Within 14 days of the issue of the Letter of Acceptance (LA) (Clause 7.1)

Key Performance Measurement

1.5 CIDB Levy & DOSH
Registration

Class A to D only

Both documents on time = 100%

Either document not on time = 0%

CIDB Levy: not less than 14 days after date of LA (Part VIII, Lembaga Pembangunan Industri Pembinaan Malaysia Act 1994 and Clause 6.1© of JKR Form of Contract)

DOSH Registration: not later than 7 days from commencement date (Section 35, Factories and Machinerics Act 1967)

2.0 Construction (45%)

2.1 Administration (10%)

	Details	A to D	E to F
2.1.1	Timely Commencement	2%	2%
2.1.2	Sufficient Workforce and Supervisors	2%	2%
2.1.3	Sufficient Equipment, Machineries and Plant	2%	N/A
2.1.4	Timely Progress and Quality Reports Submission	2%	3%
2.1.5	Timely Response to S.O's Instruction	2%	3%

Key Performance Measurement

2.1.1	Timely Commencement	Yes = 100% No = 0% <ul style="list-style-type: none">▪ Within 14 days after possession of site (clause 13.2)
2.1.2	Sufficient Workforce and Supervisors	Either 100%, 50% or 0% <ul style="list-style-type: none">▪ Based on Work Schedule/Works Program▪ Determined by implementing agency▪ Based on monthly reports
2.1.3	Sufficient Equipment, Machineries and Plant	Class A to D only Either 100%, 50% or 0% <ul style="list-style-type: none">▪ Based on Monthly reports

Key Performance Measurement

2.1.4	Timely Progress and Quality Reports Submission	<p>Using ratio of on-time reports over total reports</p> <p>80% and above compliance = 100% Above 50% & below 80% compliance = 50% Below 50% = 0%</p> <ul style="list-style-type: none">▪ Within 1 week of the following month (or based on Preliminaries and General)
2.1.5	Timely Response to S.O's Instruction	<p>80% and above compliance = 100% Below 80% compliance = 0%</p> <ul style="list-style-type: none">▪ Response Time as specified in S.O's site instruction

2.2 Safety (15%)

	Details	A to D	E to F
2.2.1	Proper Signage/Barriers	2%	3%
2.2.2	Proper Housekeeping	2%	4%
2.2.3	Personal Protection Equipment (PPE) Usage	2%	4%
2.2.4	Safety Officer / Safety Supervisor	2%	N/A
2.2.5	Zero Accident / Injury	7%	4%

Key Performance Measurement

2.2.1	Proper Signage / Barriers	Compliance = 100% Non Compliance = 0% <ul style="list-style-type: none">▪ Compliance or non compliance
2.2.2	Proper Housekeeping	Compliance = 100% Non Compliance = 0% <ul style="list-style-type: none">▪ Compliance or non compliance▪ Comply with all local authority By-Laws
2.2.3	Personal Protection Equipment (PPE) Usage	Compliance = 100% Non Compliance = 0% <ul style="list-style-type: none">▪ Compliance or non compliance

Key Performance Measurement

2.2.4	Safety Officer / Safety Supervisor	Class A to D only Appointed on time = 100% Not Appointed on time = 0% ▪ Exceed RM20 million, appoint Safety Officer ▪ Below RM20 million, appoint Site Safety Supervisor ▪ Clause 3, Occupational Safety and Health (Safety and Health Officer) Order 1997
2.2.5	Zero Accident / Injury	No accident/injury reported = 100% Any reported accident/injury = 0%

2.3 Quality (20%)

	Details	A to D	E to F
2.3.1	Compliance to Specifications	5%	20%
2.3.2	Monthly Meetings & Inspections	5%	N/A
2.3.3	Response to NCR, Complaints, Notices	10%	N/A

Key Performance Measurement

2.3.1	Compliance to Specifications (Material and Workmanship)	<p>Class A to D Below 20 non compliance incidents = 100% More than 20 non compliance incidents = 0%</p> <p>Class E to F Below 5 non compliance incidents = 100% More than 5 non compliance incidents = 0% Material or workmanship</p>
2.3.2	Monthly Meetings & Inspection	<p>Class A to D only</p> <p>Full Attendance of Contractor's Representative = 100% Any incidence of Absence of Contractor's Representative = 0%</p>

Key Performance Measurement

2.3.3	Response to NCR, Complaints, Notices	Class A to D only Nos. of on time report vs total report: 80% and above = 100% Above 50% & below 80% = 50% Below 50% = 0% Quality Assurance / Quality Control reports, within 7 days of the following month (or based on Preliminaries and General)
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3.0 Completion Time (50%)

	Details	A to D	E to F
3.1	Ahead	60%	60%
3.2	On time	50%	50%
3.3	Delay up to 20%	37.5%	37.5%
3.4	Delay > 20%	0%	0%

Note:

- Bonus for completion ahead of time
- Based on original or approved extended period

Thank You

