

Professional qualification of construction contractors

Competency profile

Administration



This document was produced with the collaboration of the team of competency assessment advisors (Direction de la qualification) of the Régie du bâtiment du Québec.

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Introduction

The person who passes the exam can act as an Administration guarantor for all authorized construction work, depending on the licence subclasses held by the construction company.

This competency profile is based on the scope of application of the *Building Act*, as well as on Section 21 of the *Regulation respecting the professional qualification of contractors and owner-builders*:

Subclass definition

Section 21:

The examination of knowledge in administration is established by the RBQ in relation to the licence subclass applied for. It may deal with the subjects listed below and be divided into modules:

1° Financial management, 2° Management, 3° Labour relations, 4° Statutes and regulations.

Abbreviated titles:	
QPP	Quebec Pension Plan
REQ	Registraire des entreprises du Québec
AECQ	Association des entrepreneurs en construction du Québec
CNESST	Commission des normes, de l'équité, de la santé et de la sécurité du travail
FDRCMO	Fonds de développement et de reconnaissance des compétences de la main-d'œuvre (Workforce Skills Development and Recognition fund)
CQLR	Compilation of Québec Laws and Regulations
LMRSST	<i>Act to modernize the occupational health and safety system</i>
LNT	<i>Act respecting labour standards</i>

Module 1 – Financial management

Elements of competency covered in this module:

1. Know the concepts used in the financial statements of a commercial enterprise.
2. Know the concepts involved in recording accounting information and preparing budget forecasts.
3. Adopt sound practices for processing accounts receivable and accounts payable.
4. Adopt sound practices for processing payroll, expense accounts and entertainment expenses.
5. Assume responsibilities, fulfill obligations and maintain respectful relations with supervisory bodies.
6. Analyze the gap between budget estimates and results.
7. Assess the company's financial situation.



Module 1 – Financial management

Elements of competency	Skills required
1. Know the concepts used in the financial statements of a commercial enterprise.	1.1. Explain the functions and purposes of a balance sheet.
	1.2. Apply the basic balance sheet accounting equation (assets = liabilities + shareholders' equity).
	1.3. Identify accounting items for current assets and fixed assets.
	1.4. Identify the accounting headings for current and long-term liabilities.
	1.5. Identify owner/shareholder equity accounting items in accordance with the company's legal form.
	1.6. Distinguish between liquid and non-liquid items.
	1.7. Identify items to be converted into short-term liquidity.
	1.8. Explain the function of the income statement.
	1.9. Describe the income statement sections (sales, operating expenses, earnings, etc.).
	1.10. Differentiate between fixed and variable costs.
2. Know the concepts involved in recording accounting information and preparing budget forecasts.	2.1. Explain accrual accounting.
	2.2. Name the modules in accounting software (sales module, payroll module, purchasing module, general ledger items, general purchasing journal, etc.).
	2.3. Identify cost sheet elements by project.
3. Adopt sound practices for processing accounts receivable and accounts payable.	3.1. Identify the main sources of information on consumer, commercial and corporate credit files.
	3.2. Identify the elements that must appear on the billing document.

Elements of competency	Skills required
	3.3. Explain the system for collecting and remitting consumption taxes (GST, QST).
	3.4. Explain the management of working capital for tax remittances.
	3.5. Determine a computerized accounts receivable filing system.
	3.6. Define recall rules and collection procedures.
	3.7. Describe the information to be communicated to suppliers to enable credit assessment and authorization (authorized line of credit, payment terms and conditions, etc.).
	3.8. Determine an accounts payable classification system.
4. Adopt sound practices for processing payroll, expense accounts and entertainment expenses.	4.1. Identify the information to be included in employee files (trade, union, ASP card, etc.).
	4.2. Know what information should appear on employees' pay stubs in accordance with current regulations and business sectors.
	4.3. Identify assessments and deductions for workers subject to the labour relations regime in construction.
	4.4. Identify assessments and deductions for workers not subject to the labour relations regime in construction.
	4.5. Explain the management of working capital for payroll deductions (income tax, QPP, employment insurance, GST, QST, etc.).
	4.6. Know the variable parameters for each pay period in accordance with current regulations (time worked, class, rate, etc.).
	4.7. Identify the rules governing eligible expenses and the supporting documents to be submitted and retained.
	4.8. Determine a reimbursement claim system.

Elements of competency	Skills required
<p>5. Assume responsibilities, fulfill obligations and maintain respectful relations with supervisory bodies.</p>	<p>5.1. Complete the declaration and remittance forms, such as:</p> <ul style="list-style-type: none"> • Declarations to the REQ; • Reports and submission to the Commission de la construction du Québec (CCQ); • Reports and remittances to the AECQ; • Reports and remittances of payroll deductions and employer-employee contributions to both levels of government; • Reports and remittances of tax instalments to both levels of government; • Tax returns and payment of capital tax balances to both levels of government; • Wage statement reports to CNESST; • Reports and remittances of assessment related to labour standards; • Attestation to Revenu Québec; • Statement of Contract Payments (T-5018); • Production of T4s, RL-1 slips and summary; • Production of RL-1 slip and summary; • FDRCMO assessment; • Contribution to the Fonds des pensions alimentaires; • Wage garnishment.
<p>6. Analyze the gap between budget estimates and results.</p>	<p>6.1. Identify the elements of the operating budget, cash budget, projected income statement and projected balance sheet.</p> <p>6.2. Identify company priorities.</p> <p>6.4. Evaluate fixed and variable expenses.</p> <p>6.5. Analyze variance between income statement and projected income statement.</p> <p>6.6. Assess overall ability to pay (payroll deductions, CCQ, taxes).</p>

Elements of competency	Skills required
	<p data-bbox="662 323 1317 390">6.7. Know the important information about forecasted financial statements.</p> <hr/> <p data-bbox="662 428 1292 495">7.1. Analyze financial statement ratios and indices to assess the company's profitability:</p> <ul data-bbox="708 501 1013 604" style="list-style-type: none"> <li data-bbox="708 501 1013 531">• Gross return on sales; <li data-bbox="708 537 1013 567">• Net return on sales; <li data-bbox="708 573 1013 602">• Return on total assets; <p data-bbox="662 611 932 640">Return on investment.</p>
<p data-bbox="250 676 548 743">7. Assess the company's financial situation.</p>	<p data-bbox="662 676 1279 743">7.2. Analyze financial statement ratios to assess the company's solvency:</p> <ul data-bbox="708 749 997 852" style="list-style-type: none"> <li data-bbox="708 749 997 779">• Working capital; <li data-bbox="708 785 997 814">• Debt-to-asset ratio; <li data-bbox="708 821 997 850">• Debt/equity ratio. <hr/> <p data-bbox="662 890 1349 957">7.3. Analyze financial statement ratios to assess company management:</p> <ul data-bbox="708 963 1328 1102" style="list-style-type: none"> <li data-bbox="708 963 1328 993">• Accounts receivable collection period; <li data-bbox="708 999 1328 1029">• Accounts payable payment period; <li data-bbox="708 1035 1328 1102">• Development of company-specific performance indicators.

Module 2 – Management

Elements of competency covered in this module:

8. Know general management principles.
9. Know the composition and characteristics of a business plan.
10. Plan company structures and activities by work function.
11. Organize the company's human, financial and material resources to achieve objectives.
12. Direct human resources and work execution to meet objectives and deadlines.
13. Monitor company resources and activities to ensure follow-up and make any necessary adjustments.



Module 2 – Management

Elements of competency	Skills required
8. Know general management principles.	8.1. Explain the four elements of the management process: plan, organize, direct, control (PODC).
	8.2. Distinguish between the basic functions of a construction company (general management, marketing, operations management, information technology, human, material and financial resources).
	8.3. Identify the elements of the internal environment that influence the management of a construction company (systemic approach).
	8.4. Identify the elements of the external environment that influence the management of a construction company (systemic approach).
	8.5. Explain the repercussions of a change in the environment on the construction company (political, economic, socio-cultural, legal, regulatory, environmental changes).
	8.6. Identify the success factors for construction contractors (quality work, lucrative contracts, keeping abreast of regulatory changes, customer research, etc.).
	8.7. Explain integrated risk factors.
	8.8. Distinguish between company, project and site management.
	8.9. Identify the needs and characteristics of different generations (employees and customers).
9. Know the composition and characteristics of a business plan.	9.1. Name the elements of the business plan.
	9.2. Explain the purpose of the business plan.
	9.3. Name the users of the business plan.
	9.4. Explain the impact of the business plan on the execution of key management activities related to corporate functions.

Elements of competency	Skills required
	9.5. Use the elements of the business plan as performance indicators in evaluating the company's internal activities.
	9.6. Use the elements of the business plan as indicators in assessing the external environment that may affect the company's development.
	9.7. Apply a structured process for reassessing and revising the business plan.
10. Plan company structures and activities by work function.	"General management" function
	10.1. Define the company's niche.
	10.2. Define the company's mission.
	10.3. Define the company's vision.
	10.4. Define the company's values (ethics, fairness, respect, etc.).
	10.5. Adopt ethical behaviour (individual versus collective good) with employees, customers and suppliers.
	10.6. Know the characteristics of a goal statement (SMART: specific, measurable, achievable, realistic, time-bound).
	10.7. Determine the company's overall objectives.
	10.8. Develop a marketing plan.
	10.9. Identify and allocate tasks to company managers.
	"Marketing management" function
	10.10. Establish marketing objectives and positioning.
	10.11. Define product and/or service characteristics.
	10.12. Define pricing policy.
10.13. Identify the competition.	
10.14. Define the target market segment.	

Elements of competency	Skills required
	10.15. Interpret market trends and anticipate foreseeable changes.
	“Human resources management” function
	10.16. Identify the skills required for each position.
	10.17. Draft job descriptions by position or function.
	10.18. Determine staffing requirements by numbers of people by position or function.
	10.19. Set performance targets.
	“Material resource management” function
	10.20. Describe the properties and technical specifications of company-owned material resources (inventory).
	10.21. Identify sources of information on technological advances and equipment offered on the market.
	10.22. Select the right tools and equipment for the business (office equipment, technological tools, construction equipment, etc.).
	10.23. Calculate the profitability as well as the financing and acquisition methods (purchase, rental, leasing, subcontracting, tax benefits, etc.) of equipment selected.
11. Organize the company’s human, financial and material resources to achieve objectives.	“General management” function
	11.1. Distinguish between functions and positions and establish hierarchies.
	11.2. Determine an appropriate accounting system.
	11.3. Establish an information system (information processing: acquiring, sharing and storing information).
	11.4. Establish document management rules (retention schedules, file classification rules, disposal methods, etc.).
	11.5. Identify simple, practical tools to optimize employee task execution (use of forms, agendas, lists, technological tools, etc.).

Elements of competency	Skills required	
	11.6. Determine which activities are best outsourced.	
	“Marketing management” function	
	11.7. Define promotional, advertising and sales strategies.	
	11.8. Adjust promotional, advertising and sales efforts in line with order book trends, and monitor results.	
	“Human resources management” function	
	11.9. Develop an employee selection and hiring process.	
	11.10. Develop a subcontractor selection and hiring process.	
	11.11. Establish a staff attraction and retention strategy.	
	11.12. Establish rules and methods for data collection, retention and filing of personnel files (in accordance with current standards).	
	“Material resource management” function	
	11.13. Establish supplier evaluation and selection criteria.	
	11.14. Establish a preventive maintenance program to ensure equipment reliability and safety.	
	12. Direct human resources and work execution to meet objectives and deadlines.	“General management” function
		12.1. Explain the principles of delegation.
12.2. Distinguish tasks and responsibilities according to staff skills.		
12.3. Define corporate objectives to encourage employee contribution and a sense of belonging.		
“Marketing management” function		
12.4. Develop promotional and advertising activities.		
12.5. Determine the sales and transaction process with customers.		
“Human resources management” function		

Elements of competency	Skills required
	12.6. Establish a protocol for welcoming and supervising new employees.
	12.7. Estimate staff training needs and organize skills development activities.
	12.8. Define clear and precise guidelines to be communicated to employees.
	12.9. Distinguish between the four leadership styles to adopt depending on the context and the employee (directive, participative, delegative, persuasive).
	“Material resource management” function
	12.10. Apply a procedure for placing orders, inventory, purchase orders, authorization rules, etc.
	12.11. Apply structured equipment maintenance procedures (equipment files, defect reports, repair orders, etc.).
	12.12. Determine appropriate training for employees on new equipment.
13. Monitor company resources and activities to ensure follow-up and make any necessary adjustments.	“General management” function
	13.1. Interpret performance indicator tracking (dashboard and others).
	“Marketing management” function
	13.2. Revise pricing policy in line with market price trends.
	13.3. Identify ways to ensure after-sales service (follow-up with customers, handling complaints, managing difficult customers, continuous improvement).
	“Human resources management” function
	13.4. Identify ways of periodically evaluating staff using relevant data (absenteeism, productivity reports, compliance with deadlines, rules and procedures, performance targets).

Elements of competency	Skills required
	13.5. Define appropriate interventions with staff based on periodic evaluation (promotion, task enrichment, positive feedback, recognition, warning, dismissal, etc.).
	“Material resource management” function
	13.6. Calculate whether equipment acquisition meets performance objectives (degree of use, efficiency, savings generated, etc.).

Module 3 – Labour relations

Elements of competency covered in this module:

14. Know the *Act respecting labour relations, vocational training and workforce management in the construction industry* (CQLR, c. R-20).
15. Know the *Regulation respecting the vocational training of workforce in the construction industry* (CQLR, c. R-20, r. 8).
16. Know the *Regulation Respecting the Issuance of Competency Certificates* (CQLR, c. R-20, r. 5).
17. Know the *Regulation respecting the hiring and mobility of employees in the construction industry* (CQLR, c. R-20, r. 6.1).
18. Know the *Regulation respecting the register, monthly report, notices from employers and the designation of a representative* (CQLR, c. R-20, r. 11).
19. Know the rules governing the workforce subject to the Regulation.



Module 3 – Labour relations

Elements of competency	Skills required
<p>14. Know the Act respecting labour relations, vocational training and workforce management in the construction industry (CQLR, c. R-20) (hereinafter Act R-20)</p>	14.1. Know the purpose and scope of Act R-20.
	14.2. Explain the professional employer’s responsibilities under Act R-20 (maintaining compulsory registration with control bodies and others).
	14.3. Describe the consequences of non-compliance with laws and regulations for the construction contractor (possession of required certificates, performance of tasks not authorized for the trade or occupation, monthly reports, hiring and mobility rules, etc.).
	14.4. Describe the functions of the CCQ (workforce management, benefits administration, vocational training, application of collective agreements).
	14.5. Describe the powers of the CCQ (audits and investigations, recommendation of prosecutions).
	14.6. Distinguish between business sectors (residential, industrial, institutional-commercial, civil engineering and roads).
	14.7. Know the steps involved in negotiating a collective agreement.
	14.8. Distinguish between different statuses (companies and employers).
	14.9. Describe measures to promote the integration of women in the construction industry.
<p>15. Know the Regulation respecting the vocational training of workforce in the construction industry (CQLR, c. R-20, r. 8).</p>	15.1. Know the rules for applying the journeyman-apprentice ratio.
	15.2. Name the rules for learning a trade.
	15.3. Distinguish between the various trades in the industry and the types of tasks authorized for each (exclusive, shared and residual).

Elements of competency	Skills required
<p>16. Know the <i>Regulation Respecting the Issuance of Competency Certificates</i> (CQLR, c. R-20, r. 5).</p>	16.1. Distinguish between the different classes of competency certificates (journeyman, apprentice, occupation).
	16.2. Explain the conditions for obtaining and maintaining competency certificates.
	16.3. Explain the rules for obtaining an apprentice's competency certificate.
	16.4. Explain the rules for issuing competency certificates in the event of shortages.
<p>17. Know the <i>Regulation respecting the hiring and mobility of employees in the construction industry</i> (CQLR, c. R-20, r. 6.1).</p>	17.1. Explain the rules governing the hiring of persons holding competency certificates required for the performance of work subject to the regulations.
	17.2. Explain priority hiring rules on a regional basis (employee's place of residence).
	17.3. Explain the mechanisms and procedures for hiring and moving employees.
	17.4. Identify the players involved in the hiring and movement of employees.
	17.5. Explain how the CCQ's Carnet de référence construction works in accordance with the <i>Regulation respecting the Service de référence de main-d'oeuvre de l'industrie de la construction</i> .
<p>18. Know the <i>Regulation respecting the register, monthly report, notices from employers and the designation of a representative</i> (CQLR, c. R-20, r. 11).</p>	18.1. Describe the employer's obligations with regard to audits and inspections.
	18.2. Explain the obligation to keep a record of all construction work.
	18.3. Produce and transmit monthly reports to the inspection body.
	18.4. Explain the usefulness of keeping a register of employee timesheets.

Elements of competency	Skills required
	18.5. Explain the obligation to pay the remittances and contributions provided for in the collective agreements, within the deadlines set out in the regulations.
19. Know the rules governing the workforce subject to the Regulation.	19.1. Describe the specific features of each of the four collective bargaining agreements by business sector.
	19.2. Apply collective agreement rules on work organization and managerial rights.
	19.3. Apply collective agreement rules on compensation, allowances and benefits.

Module 4 – Statutes and regulations

Elements of competency covered in this module:

20. Know the three main legal forms of company.
21. Know the *Building Act* (CQLR, c. B-1.1) and its regulations.
22. Know the rules of the *Civil Code of Québec* specific to construction companies.
23. Assume responsibility with regard to the legal framework governing the construction industry.
24. Know the legal framework relating to the obligation to provide a healthy and inclusive work environment.



Module 4 – Statutes and regulations

Elements of competency	Skills required
<p>20. Know the three main legal forms of company.</p>	20.1. Distinguish between the main characteristics of the three legal forms of companies (natural person, legal entity and company).
	20.2. Describe the advantages and disadvantages of the three legal forms of companies (natural person, legal person and company).
	20.3. Identify the resources involved in setting up a business (registration).
	20.4. Know how to maintain and update a company.
	20.5. Explain the possible consequences of closing a business (employee salaries, taxes, CCQ and CNESST contributions, personal guarantee)
	20.6. Apply regulatory requirements in accordance with the company's legal form.
<p>21. Know the <i>Building Act</i> (CQLR, c. B-1.1) and its regulations. 21.1 Know the purpose and scope of the <i>Building Act</i>.</p>	21.1. Know the purpose and scope of the <i>Building Act</i> .
	21.2. Describe the RBQ's role in administering the <i>Building Act</i> .
	21.3. Explain the rules governing mandatory company registration with regulatory bodies (RBQ, CCQ).
	21.4. Describe the responsibilities of contractors and professionals under the <i>Building Act</i> .
	21.5. Define the different types of construction contractor and owner-builder licences.
	21.6. Explain situations requiring amendment or updating of a licence (departure or death of a guarantor, change of shareholder, addition or removal of a subclass, change of address, new lender, etc.).
	21.7. Describe certain aspects of the legal framework of a licence (guarantee plan, security, etc., in particular sections 52, 58 and 60).

Elements of competency	Skills required
	21.8. Explain the consequences of working without the required licence or licence subclass.
	21.9. Describe the measures in place to counter unlicensed work.
22. Know the rules of the <i>Civil Code of Québec</i> specific to construction companies.	22.1. Know the types of contracts and their particularities (fixed-price, over-the-counter, bilateral, etc.).
	22.2. Distinguish between written and verbal contracts.
	22.3. Identify the constituent elements of a contract.
	22.4. Identify the key elements of sound contract management.
	22.5. Identify defects in consent.
	22.6. Define security types.
	22.7. Define the appropriate types of insurance.
	22.8. Explain the importance of respecting conventional and legal guarantees.
	22.9. Know the contractor's main obligations (good faith, duty to inform, duty to perform, duty to achieve results, etc.).
	22.10. Distinguish between contractual and extra-contractual liability (<i>Civil Code</i> , ss. 2118 and 2119).
	22.11. Define the notion of overtime (extras).
	22.12. Know the customer's obligations (receiving the work, giving access to the site, targeting interference, etc.).
22.13. Know the basic remedies for resolving problems and disputes concerning construction work (formal notice, legal recourse).	
22.14. Know alternative dispute resolution methods (mediation, arbitration, negotiation).	

Elements of competency	Skills required
	22.15. Explain the legal mortgage and the conditions for exercising it.
23. Assume responsibility with regard to the legal framework governing the construction industry.	23.1. Explain the importance of respecting the operating limits authorized by the licence subclass.
	23.2. Describe the sanctions and possible consequences of criminal convictions on the licence.
24. Know the legal framework relating to the obligation to provide a healthy and inclusive work environment.	<p>24.1. Know the employer's legal obligations to provide a healthy and inclusive work climate under:</p> <ul style="list-style-type: none"> • The LNT; • The Act to modernize the occupational health and safety regime; • The Charter of Human Rights and Freedoms; • Collective bargaining agreements; <ul style="list-style-type: none"> ○ Psychological harassment, ○ Sexual harassment, ○ Discrimination, ○ Work-related psychosocial risks (physical or psychological violence, including spousal, family or sexual violence), ○ Access to adequate sanitary facilities on job sites, etc.
	24.2. Identify actions to prevent unhealthy work environments.
	24.3. Know the mechanisms of action and remedies to put an end to unhealthy work environments.