

How to hire a construction management firm

Most consulting firms today offer "construction management services." However, the interpretation of construction management and the services it entails greatly varies. According to the Construction Management Association of America, "construction management is a professional service that applies effective management techniques to the planning, design, and construction of a project from inception to completion for the purpose of controlling time, cost, and quality."

While that definition may seem simple enough, the selection of the proper firm can make or break your project. By selecting the proper firm, you can help manage risks and control costs at every stage of the project, from preconstruction planning and complete construction oversight to post-construction services.

WHAT IS THEIR ROLE?

Undertaking a construction project is a complex endeavor. It is critically important that public works directors and municipal leaders clearly articulate their goals for the project to all members of the design and construction team, including the architect, engineer, and contractor. Construction management firms can help by leveling the playing field between the owner and the contractor, and ensuring that everyone is informed and understands their role, expectations, and schedule for completing the project on time.

The role of a construction management firm is especially important in the public sector since many public agencies, especially smaller communities, undertake substantial construction projects—such as a fire station, library, or community center—only once a generation, whereas a construction firm that they would be working with may construct many similar projects in the course of a year. This leads to a gap in knowledge and experience. By integrating a construction management

firm into the project, you can balance the experience level between the owner and the construction firm.

Yet another reason to consult with a construction management firm is that these services often are included with the architectural and engineering services as an afterthought or merely as a requirement. Unfortunately, by the time construction begins, the design team may very well see their profit margin for the project shrinking.

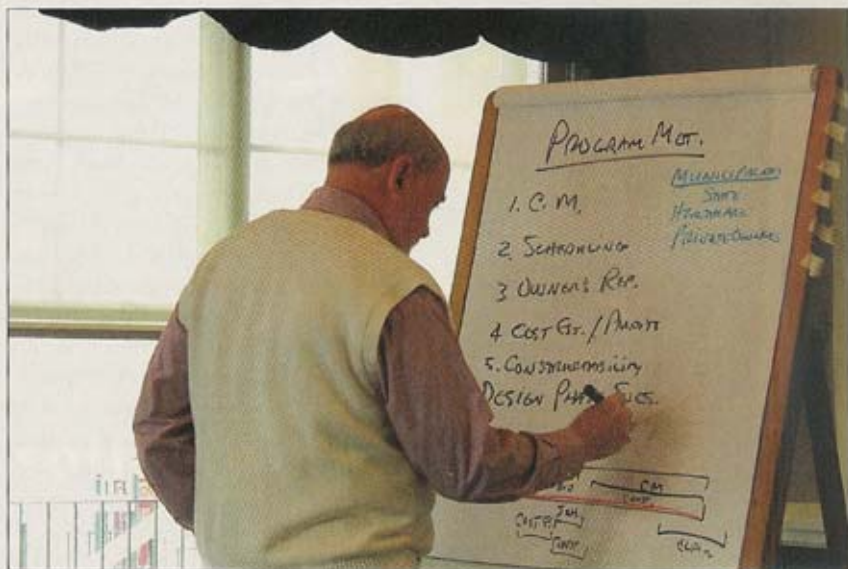
To accommodate the shrinking budget, it is common practice to send the rookie or team member who bills the lowest to monitor the project and provide the promised construction administration services. This person may have had little involvement on the project before this and may not feel comfortable asserting the owner's interest to the contractor. Further, this representative may lack the necessary experience to truly be a creative problem-solver. This approach results in construction ob-

servations rather than construction management since the construction process is just being monitored—not explored for methods to control the cost and schedule.

WHEN TO HIRE

Recognizing that true construction management can improve the success of your project, it is important to hire a firm whose core competency is construction management. Contrary to popular belief, the first firm hired for a project should be the construction manager, not the architect or contractor. A construction management firm is most effective when it is not only afforded the opportunity to manage the construction, but is also a part of the design, bringing value to a project even before the contractor is onsite.

By hiring the construction management firm at project inception, the firm can work with the owner to develop contract documents that are owner-friendly



A project can be on the drawing board for several years with intimate involvement from the architect, engineers, and owners. The contractor, however, is often left to interpret and implement the intent in rapid fashion. Review by a construction manager ensures that items are properly spelled out, which helps to avoid change orders and schedule delays that add cost to a project. Photos: H.R. Gray

and can focus on preconstruction services, value engineering, and cost estimating on the front end, which will help control costs and ensure adherence to the schedule. And since the design process often takes longer than expected, which can result in a shortened construction schedule, having the construction management firm involved from the beginning can assist in keeping all phases of the project on schedule and ensure optimal results.

Early involvement also allows the construction manager to conduct a constructability review and examine the construction documents before they go out for review. With this approach, minor revisions can be made to increase efficiencies. For example, a project can be on the drawing board for several years with intimate involvement from the architect, engineers, and owners. This team then expects a contractor to review the documents and understand all the background information that led to the development of the documents in a mere four to six weeks.

It is easy for the design team to overlook certain items and not clearly articulate its goals because of the intimate in-

What can a construction management firm do for you?

Many construction management firms offer the following services:

- Audits and cost-to-complete estimates
- Budget management
- Change control and management
- Critical Path Method schedule development and monitoring
- Constructability reviews
- Contract administration
- Contract bidding, negotiation, and award
- Contract document development
- Cost and resource scheduling
- Design and construction schedules
- Final billings and contract close-outs
- Final project walk-through
- Master plan implementation
- Onsite management and coordination
- Operation and maintenance manuals
- Owner training and orientation
- Project completion and close-out
- Quality control and inspection
- Safety monitoring
- Value engineering



Owners must clearly articulate their goals for the project to all members of the design and construction team. Construction management firms can help aid in this quest by leveling the playing field between the owner and the contractor, and ensuring that everyone is informed and understands their role, expectations, and schedule for completing the project on time.

volvement. However, review by a construction manager ensures that items are properly spelled out, which helps to avoid change orders and schedule delays that add cost to a project. This allows the contractor to provide the best possible bid cost and schedule.

DOCUMENTING SUCCESS

Another area where the construction manager can offer considerable expertise is with the contract documents. Often, the contract that architectural firms use is a standard document available from the American Institute of Architects (AIA); therefore, it is ultimately serving the best interest of the architect. While these standard agreements provide a good starting point, the owner's best interests are achieved by reviewing and altering the document to ensure the best position for the owner. For example, AIA documents are not specific about timing. The document states that the architect will review contractor questions or change orders but does not cite a timeframe for this response—a slow response can become a source of claims.

A construction manager's expertise also extends to coordination with the contractor. Often on public works projects, the firm with the lowest bid secures the work. This philosophy provides contractors with the necessity of maximizing their

profit on change-orders since they have already been asked to skinny-down their profit in the low bid. An "owner-friendly" contract can provide more specific language for the owner to control their project and limit their risk. A construction management firm can incorporate schedule milestones into the documents to provide accountability for the contractor. When goals and requirements are clearly explained in the documents, the risk of claims and change orders is dramatically reduced.

One of the most important elements to consider when hiring a construction management firm is experience. Examine the firm's experience in projects similar to yours and be sure that it served as the construction manager for those projects, not merely as the contractor or another member of the team. Also, be sure to check references. Ask for a list of owners that the firm has worked with and contact them to evaluate performance. Finally, make sure that the firm provides comprehensive management with preconstruction, construction, and post-construction services. The proper firm will



help level the playing field between the owner and contractor to ensure project success. **PW**

—James Joyce, P.E.,
is president and CEO of
H.R. Gray, Columbus, Ohio.