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Construction Management: Be in the Know

by **Jerry Kingwill**

Construction is a major responsibility of facilities management. One way to ensure successful construction projects is to work with a highly competent construction manager.

Construction management is an all-inclusive responsibility that entails meticulous organization and the knowledge of complex building procedures and relationship development. Successful classic construction practices start with strong communication efforts between the client, usually represented by the facilities manager, contractor, and designers. Working with facilities managers, construction managers set the tone for these relationships, maintaining the process from the beginning phase to post-construction. This article explores the qualities necessary for a good construction manager and outlines the construction manager's role from budgeting to construction phases.

Constructing a successful budget

A budget sets the stage for the project, allowing all parties to operate with the same baseline. An overall budget is maintained by the construction manager and could include all aspects of the project, from land acquisition to the completion of the contract warranty. In addition, the construction manager should generate a document that identifies cost implications, responsible parties for each step of the project, and bonding and insurance costs.

Another aspect to consider when budgeting for a project is an owner contingency. In the construction world, contingencies serve as protection against possible financial emergencies and any unknowns that may arise. Construction managers should have contingency funds available, since most financial institutions do not allow for additional expenses to the project. Weather conditions, material costs, code changes, and changing administration needs are all out of the construction manager's control; however, they can add significantly to the bottom line of a project.

In addition to the owner's contingency, the contractor contingency should also be included in the initial budgeting phase. These funds would be allocated to handle excess costs that may not have been identified in the design process. The contingency percentage is based on the size of the project and often represents a percentage of the total project of as much as 10%. This value is typically included in the guaranteed maximum price. The contractor contingency applies to the contractor's costs only. Changes made by the owner would alter the contract cost, thus creating a "change order" to the guaranteed maximum price. Facilities managers must be sure to receive proper documentation and/or contracts for any use of this contingency.

Maintaining set time frames

Pre-construction time planning and timelines are as vital to the outcome of a project as the budget. There are many facets that a construction manager must consider when setting a timetable in conjunction with the facilities manager. One must take into account the project's assets such as labor, material, equipment, and budget. Proper scheduling will deter downfalls such as unavailable resources and waste of labor that would ultimately send the project over budget. Facilities managers should note that an accurate time schedule will create a smooth construction process while, adversely, improper scheduling can thwart progress.

Creating productive construction teams

Selecting an appropriate team for a project can be as complex as the project itself. Construction managers often develop relationships that will strengthen the success of the

project. Three key factors are important to the success of this task: team, trust, and communication. If one of these three components is not in place, the team breaks down, causing potential errors, extra costs, and unhappy customers.

When selecting the architect and/or engineer, the facilities manager and construction manager must consider these priorities: safety, function, quality, completion date, aesthetics, location, maintenance costs, financing, and acceptable stress level. Don't be tempted by low bidders; choosing a contractor will be one of the most important decisions in the project. When receiving a low bid, make sure to research the source and ask questions. The bidding contractor should have a strong reputation and be well-known in the community for maintaining schedules and budgets.

Identifying important phases

There are three major phases of a project that serve as integral elements of the construction process; pre-construction, project execution, and post-construction. It is essential for facilities managers and construction managers to monitor progress, provide coordination, and ensure success throughout each one of these phases. The adequate completion of each phase will include, but is not limited to; time control, cost control, quality control, and safety control.

Prior to breaking ground on a project, construction managers should have identified and begun work on the following issues: preliminary estimates, recommendations through value engineering, plans for the project schedule, an updated and refined estimate, prepared bid packages, an organized cash flow schedule, and prescheduled meetings with subcontractors and vendors.

During the construction phase, the construction manager provides administrative support as well as project management and construction oversight. These tasks include scheduling, conducting progress meetings, and maintaining cost accounting records. The construction manager should also monitor progress as well as oversee onsite safety performance and quality control. Furthermore, the construction manager must obtain all necessary permits.

When the project is completed, the construction manager is responsible for administering warranties, supplying operation and maintenance information, and providing all project documentation to the client.

While this is not all-inclusive of construction management, it does portray the hefty responsibility that it entails. When FMs and CMs adhere to the phases above and make sure these procedures are incorporated in an effective plan, a project should be a success. It is important for the facilities manager to understand the role of the construction manager from the start.

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