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Keep Control of Your Projects

Building/Remodeling Finance and Legal Advice Related Articles: Change Your Approach to Change Orders By: Matt Alderton Issue Date: May 2009

Murphy's law famously states, "Anything that can go wrong will go wrong." Nowhere is that more true than on construction job sites, where not even the toughest hardhats, guardrails or steel-toed work boots can protect <u>builders</u> from the everyday calamities of their profession.

That's because the most frustrating pieces of a project —foundational problems like <u>scheduling snafus</u>, <u>budget overruns</u> and renegade <u>subcontractors</u>—are as much a part of the job as tool belts and table saws.

Unfortunately, when builders neglect the nuts and bolts of their business, they can easily lose control of their projects, including their time, money and manpower, says custom homebuilder Jeff Crane, president and CEO of Gilbert, Ariz.-based Concept To Creation, a residential construction consulting company.

"For me, the most important thing when it comes to project management is complexity reduction," Crane says. "When you reduce the amount of complexity involved in your projects, you avert a lot of the spirals and issues that can cause you to lose control."

To keep your projects as simple as possible, consider the following preventive problemsolving strategies before you sign your next contract:

Plan your projects first

Before he starts a project, Crane plans it out from start to finish so that he knows exactly what will happen and when. He leaves nothing to chance.

"I send schedules to my subs about two weeks out so that they know in advance what dates they're supposed to be on my job site and what's expected of them when they get there," Crane says, adding that he actually books his subcontractors at least two or three

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weeks—sometimes even a month—before he needs them in order to prevent scheduling conflicts. "I like to give everybody plenty of lead time. You can't say, 'We need you tomorrow,' and expect things to get done, especially when it comes to priority tasks."

Communicate openly, often

Essential to effective planning, according to Crane, is communication. Once he's scheduled his workers, he connects with them to ensure they not only show up, but also do what he wants them to do.

"After I send out a schedule, I follow up with my subs by phone to make sure they got it," he says. "Then, before the date they're scheduled actually arrives, I'll follow up with another call to confirm that they'll be there. We'll also do pre-start meetings a few days early to go over their scope of work; if they have any questions whatsoever, they bring them up at that time and we get them answered before they even start work. It's pretty much just over-informing. A general contractor is connected surgically to his cell phone; it's his job to be on the phone."

Contain Your costs

Without proper communication, just about every piece of your project can go haywire. Among the first is budget, according to former construction industry consultant Richard Sampson, who is also the creator of aWeb-based project management software for builders, Construction Communicator. If your costs are out of control, he insists, then everything else on your job site will be, too.

"The biggest problem in construction is always cost," Sampson says. "Before work starts, therefore, the best thing to do is produce an actual, itemized cost estimate of the work that you're about to do."

Once work commences, Sampson adds, it's critical to keep evaluating costs—especially those associated with change orders, which he recommends should be thoroughly documented and appropriately charged for in order to keep the project on track.

Keep clear records

Whether you're struggling most with schedules, personnel, budgets or materials, written records are often your best solution, according to Crane, who maintains a daily job-site journal in which he records everything that happens on his job sites and during meetings —including who was there and what was accomplished—so that he can reconcile any potential discrepancies.

While handwritten records will suffice, Sampson suggests using project management software since it can automate and simplify many of the most complex scheduling and record-keeping tasks that builders must do on their job sites.

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