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Contractor Selection Makes or Breaks Projects

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Everywhere you look these days it seems that construction is an omnipresent part of our daily lives. Those of us who live and breathe the built environment have a keen understanding of what it takes to make a construction project run smoothly, and many of us have painful memories of what can cause a project to falter. Selecting an experienced general contractor can make the difference between smooth sailing and stormy seas. For the purpose of this article, it has been assumed that the construction management firm will also serve as the general contractor.

The optimum time to choose a general contractor is right after the architect has been selected and before design has begun. Ideally, the client and architect should choose the contractor together and involve the project management firm, if applicable. Once chosen, the general contractor becomes an integral member of the project team and can provide construction experience and forward thinking to help influence the design process. Getting to the successful selection of general contractor, however, requires research and due diligence.

In the proposal stage, it's important to create specific criteria that will help determine which firms will be invited to propose on the project. With a clear understanding of the project needs, you can invite general contracting firms with the appropriate size and experience for the job. It may help to ask yourself these preliminary questions: Do they have the size and capacity to handle the job? Have they done this type of work before? Are you interested in a union or open shop firm?

Large, multimillion-dollar mixed-use projects are best managed by large firms that have successfully handled the size and complexity of similar projects in the past. For smaller projects such as tenant renovations, smaller firms that specialize in interior fit-outs will be more experienced in your specific project requirements. Typically, between three and five general contractors are invited to propose on a project. It is important to understand the firm's strengths and expertise before inviting them to participate to save both parties from wasting time.

Once the list of general contractors has been defined, the proposal phase traditionally continues with the issuance of a request for proposal to the competing firms, setting up site visits to allow the firms to more fully understand the project needs, receipt of written proposals, and scheduling interviews. A clearly written, organized RFP helps provide the contractors with insight into what you're most interested in, allowing them to craft a meaningful response.

In response to the RFP, the contractors are expected to address the specific criteria, which often include:

- An understanding of the project requirements;
- Resumes for proposed team members;
- Concise descriptions of relevant project experience; and

- Proposed standard, fixed costs for a project of similar size and scope (more detailed cost estimates will come later in the process, once the complete scope of the project is fully understood).

During the interview, a successful contractor will likely convey enthusiasm for the project. All invited contractors are assumed to be capable and competent simply due to their inclusion on the invite list. A contractor that really wants the job will show it and want to prove it in person. After all, both the client and the contractor are seeking the right project built at the right time for the right price.

The interview can represent half, or more, of the decision-making process. While qualifications and references are important, it's essential to feel a connection between the client and the contractor since both will be working closely for a significant amount of time. The general contractor could demonstrate enthusiasm for the project by offering creative suggestions, knowledge of the site conditions, a solid understanding of potential obstacles, and a thoughtful process to mitigate risk. Allowing one to two hours for each candidate's interview should be sufficient to get a feel for their communication style, ability to respond to open-ended questions, approach to challenges that will inevitably arise during the construction process, and interaction with the team members' personalities.

The interview also presents an opportunity to discuss how each general contractor would approach project logistics and procurement.

- How would the contractor manage and communicate a pre-construction schedule?
- What does their site plan look like in regard to trailers, materials and equipment storage?
- What site conditions need to be addressed?
- How do they typically manage sub-contractors?
- What do they see as potential project obstacles?

For example, for the 175-185 Wyman St. project in Waltham, Mass., Waltham-based Hobbs Brook Management and Boston-based Margulies & Assoc. recently interviewed a general contractor who already knew the site had an active remediation program for a previous spill and came ready to talk about how they would address it during construction. The ability to identify an obstacle and offer real solutions for it during the interview process clearly illustrated their forward-thinking approach, and helped the firms get a feel for how the relationship would work during construction.

People Are Key

The general contracting firm's resources, bonding capacity, reputation and experience are an important piece in the evaluation, but the people who will be on site every day will make the biggest impact on your decision.

It's a good idea to know the key personnel assigned to your project and their individual roles and responsibilities. You should feel confident that the proposed team will actually end up working on your project (beware of the classic bait-and-switch of personnel, which can happen often when contractors are hungry for business). The contractor should bring to the interview the day-to-day people with whom you'll be dealing, so you can ensure that their priorities reflect yours. Personalities are a crucial consideration; the team you assemble needs to be able to work together and stay committed for the duration of the project. A project manager who wants to be in

the field and primarily speaks the language of construction, rather than sounding like a sales pitch, will contribute more to your project's success. As an aside: it is not critical to interview sub-contractors, as they will be identified later in the process.

Technology use is also becoming a significant consideration. Most general contractors have embraced on-line construction-management tools that aid in document-tracking and quick retrieval of project information. It's important to ask if the firm you're evaluating has a program like this in place. Using Web-based project management technology ensures that critical information is tracked, logged and made available to everyone on the team. Having experience with building information modeling is also a selection advantage, especially on large complex projects, but should not necessarily eliminate a firm from selection on a smaller project.

The ideal general contractor will be a master of logistics who manages pre-construction and construction activities using sound business and building practices. They should be able to think critically about construction processes, identify problems, and offer solutions. By conducting a meaningful (and early) selection process, collaboration between client, architect and general contractor can ensure project success.