

CONSTRUCTION MANAGEMENT DELIVERY METHOD

For many business owners starting a construction project, the first and most important decision is selecting a “Delivery Method”. A delivery method is how the project is organized, designed, and constructed based on the responsibilities of the parties involved. As capital projects become more complex, owners are choosing alternative options to the traditional “Hard Bid” delivery method. One of the preferred delivery methods by many owners is Construction Management.

With the Construction Management Delivery Method, the owner selects a Construction Manager (CM) based on his or her qualifications. Generally chosen early in the project, the CM assists the design team with recommendations on constructability, budget compliance, value engineering, and scheduling. In this scenario, the owner holds separate contracts with the design team and the Construction Management firm. The Construction Manager oversees the project from start to finish, including project administration, on-site construction supervision, project planning, and sub-contract management. Depending on the project, the CM may self-perform some of the construction services.

Benefits to Construction Management Method of Delivery:

- CM team acts as an advocate to protect the owner’s best interests
- Team approach unites the owner, architect, and CM in the decision process
- CM clearly defines scope and may hold subcontracts
- CM promotes a safety culture and enforces a safe worksite
- CM provides the owner with a Guaranteed Maximum Price (GMP) contract
- CM can identify and correct challenges quickly to keep the project on schedule and in budget

Budget Management

- CM manages the preconstruction process to improve estimate accuracy, productivity checks, cost evaluations, and clarification of specifications
- Early involvement of the CM reduces the frequency and impact of change orders
- CM breaks the project down into bid packages to lower costs
- Continuous budget control is maintained throughout the project

Communication

- Total transparency of construction costs through an “Open Book” process
- Weekly meetings to discuss progress/schedules/hurdles throughout the project
- CM develops a centralized communication system to maximize work flow
- Document control is maintained by the CM to ensure correctness

Faster Project Completion

- CM is on site to monitor contractors for scope and schedule compliance
- Early site work and structural steel packages are bid to fast track the project
- Breaks projects into phases to promote coordination of the trades for full utilization of workspace and reduction in delays
- CM can identify long lead time items and place orders to meet project schedules

Quality

- Owner and CM are able to screen subcontractors to optimize quality and cost
- Quality control efforts begin early in the design phase with input from the owner
- CM assists with the owner’s transition into the new building’s operation



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