

## When & Why Do You Need a Professional Construction Manager?

**Construction management** is a series of discrete steps pertaining to the overall planning, coordination and control of a project from inception to completion. The construction management process is aimed at producing a functionally and financially viable project that is completed on time, within budget and to the required quality standards. Associations are wise to acknowledge that successful execution of a major project can require expertise beyond that of most boards and community managers. Boards should look carefully at their project and consult with a qualified construction manager to determine how best it should be accomplished at an acceptable risk to the association.

Stonemark Construction Management specializes in leading associations through major construction projects and construction defect renovations. It is invaluable to have a construction manager on large, high-risk and/or complicated projects, especially those that involve water intrusion, exterior renovations, and multiple trades. Stonemark has significant experience creatively strategizing repair plans to maximize the value received within available funds.

**Savings Opportunities.** The earlier a construction manager is retained, the better- most savings opportunities are identified during the planning and preconstruction phases. Our value-added services typically save our clients money well in excess of our fees. Any incremental costs we bring to a project are, at a minimum, offset by the savings we generate. We provide fixed, stipulated fees that are not tied to a percentage of construction costs, eliminating any conflict of interest.

**Risk Management.** Our job is to identify project risks and advise on how best to manage those risks, and protect the Association from liability. Risk, which is essentially anything that can go wrong, is inherent in construction and must be properly analyzed and mitigated. This can include financial risks from cost overruns from uncontrolled change orders or unstable market pricing; unforeseen conditions such as hazardous materials, disputes from misunderstandings, poor scope or contractual documentation, or unrealistic expectations; the potential for construction defects; accidents or mistakes, responsibility for correction, and insurance disputes.

**Why Your General Contractor Should Not also be your Construction Manager.** The contractual relationships between the association and their construction manager and their general contractor, and the loyalties and obligations of those relationships, are very different. Following is a chart juxtaposing the differences.

Please visit our website for many educational articles. Click on our [blog](#) to follow construction project journals, and for information on construction issues and project management. Sign up for our RSS feed to receive new articles & updates automatically in your in-box. Follow us on Facebook or LinkedIn.



Construction Manager (CM)	General Contractor (GC)
<ul style="list-style-type: none"> <li>Your CM is an independent representative, advocating for you, actively pursuing your best interests. Risk management is a key function we provide.</li> </ul>	<ul style="list-style-type: none"> <li>GCs are vendors who are paid fee for services. If there is a dispute, the GC will defend himself, not you.</li> </ul>
<ul style="list-style-type: none"> <li>Your CM's job is to be knowledgeable about all the vendors for your project, &amp; the best way to achieve all your goals. They are a valuable educational resource, available to respond to your questions in a direct, yet easy-to-understand manner.</li> </ul>	<ul style="list-style-type: none"> <li>The GC's job is to perform their specific scope of work. They may not be responsible for others' scopes, nor integrating the various trades' work together.</li> </ul>
<ul style="list-style-type: none"> <li>Your CM should not receive additional compensation for change orders, and should not be paid on a % of construction – this is an incentive to drive up the cost of your project. Your CM should be your advocate in keeping the costs of construction as low as possible.</li> </ul>	<ul style="list-style-type: none"> <li>As GCs receive an additional fee for each change order, there is a financial motivation to submit multiple change orders &amp; increase the cost of construction. We've seen GCs "bid low" to win projects &amp; then submit numerous change orders to increase their profit margins.</li> </ul>
<ul style="list-style-type: none"> <li>Your CM should physically inspect the work to make sure it is in accordance with the contract documents and is of highest quality.</li> </ul>	<ul style="list-style-type: none"> <li>Correcting deficient work is expensive and can negatively impact a GC's bottom line. Construction defects are all too common. You cannot rely on the building inspector to protect your interests.</li> </ul>
<ul style="list-style-type: none"> <li>Your CM should be able to save you money on all phases of your project – even before construction starts. With creative &amp; thoughtful planning, your CM will structure your project to minimize the duration and assist you in avoiding costly, unnecessary expenses.</li> </ul>	<ul style="list-style-type: none"> <li>Many GCs only have experience in the construction phase; don't miss opportunities in planning &amp; preconstruction phases to reduce your costs.</li> </ul>
<ul style="list-style-type: none"> <li>With their multi-disciplinary perspective, your CM should be able to identify scheduling problems in advance and mitigate delays. Your CM should monitor the schedule and keep the project on track.</li> </ul>	<ul style="list-style-type: none"> <li>GCs can be susceptible to delays due to incorrect scheduling techniques, inattention, or lack of resources. In these cases, you may not be aware there is a problem with schedule until it is too late to correct.</li> </ul>

It all boils down to this: a good Construction Manager is *your agent*- with your best interests in mind. At Stonemark, we pledge to

- Protect your association's best interests first and foremost
- Advise you on the best qualified and most appropriate project team for your project
- Provide and balance critical budget and quality controls
- Coordinate multiple issues, including insurance, legal, and contracts
- Act as project liaison to fully and seamlessly integrate all participants
- Accelerate and manage the schedule – time is money

*"I was a Board member during the multi-year, extensive repair project for Surfside III HOA. We had a LOT going on! We had to get in people's homes, tear out walls, pipes, leaving them without showers and toilets... There was no way we could have handled it all without Stonemark. First of all, their investigation and assessment services actually reduced the scope of work, and provided creative alternates that were less expensive and still solved our problems. They were great support for the Board in how they assisted with managing our homeowners, and produced newsletters that communicated complex, and unpopular, project news in a way that got everyone on board as much as possible, making our job much easier. They provided wise funding assistance and their careful budget management enabled us to stretch our dollars to perform repairs in more buildings than we had anticipated. We would recommend them to any association!"*

- treasurer, Surfside III HOA