

The 10 Commandments of Project Success

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HOW TO STOP MAKING EXCEPTIONS & DELIVER EXCELLENCE EVERY TIME

Outlining how you will manage, operate, and run your construction business is a big step toward building a continuously profitable construction company. You, your managers, field supervisors, estimators, and crews must know the basics – rules, standards, values, and fundamentals – that you stand for as a company.

Success is achieved by doing what you believe is the right and setting firm company standards, processes, and systems – no exceptions. Too many construction business owners manage using the path of least resistance. To avoid confrontation and questioning, these owners let slide too many exceptions. They try to go with the flow instead of holding people accountable to do what's required. To set expectations and align teams with company processes and goals, it's important to see those requirements through execution at every stage of work. When some employees are perceived to “get away” with cutting corners, others will undoubtedly attempt to follow suit.

It's important to have a must-do strategy for your company to ensure that your values are reflected in your team's work and there is a consistent quality to the projects being completed. One way to see to this is to organize a set of commandments that must be followed on every jobsite and project. Your construction company's 10 commandments might include:

1. PROVIDE ACCURATE ESTIMATES

Prepare accurate estimates by examining past projects' cost history for crew, equipment, production, and quantity installed



per hour. Develop detailed estimating templates with every trade, work item, requirement, and add-on that may be required on projects to ensure there are never any missed items.

Always get input from superintendent and foreman prior to completing crew hour estimates and review every bid or estimate over a threshold amount prior to submitting final proposal.

2. BUILD PER THE EXECUTED CONTRACT

Always follow and manage every project per the complete, executed contract and subcontracts – no exceptions. Don't include any extra money in a contract to perform additional items, unknowns, verbal promises, or other items that are not clearly called for in the contract.

If the work is not detailed in writing, don't do the work. Work diligently to train both your customers and subcontractors to follow the contract.

3. FINISH PROJECTS WITHOUT PROFIT MARGIN FADE

Set, develop, monitor, and implement project goals, targets, and plans to beat or meet the project budget.

Update project budgets with accurate estimated cost to complete and final job costs monthly. Track, monitor, and review updated crew hour production job cost scorecards weekly with project manager, superintendent, and crew foreman to produce high-quality work with no callbacks, mistakes, or rework. Management should meet with crew foreman weekly to review performance.

4. DEVELOP & IMPLEMENT PLANS TO FINISH ON TIME

Commit to finishing every project 10% faster than estimated or planned. Draft and commit to project work plan, schedule, phases, move-ins, and milestones. Crew foreman and job superintendents should develop and update a 2- to 4-week look-ahead schedule. Meet all subcontractors and major suppliers on-site both 3 weeks prior and 1 week prior to meet needs. All materials, tools, and equipment should be on-site 2 to 3 days prior to needed.

5. PROVIDE PROFESSIONAL PROJECT SUPERVISORS & FOREMAN

When project budget allows, full-time supervision is preferred to produce positive results – don't under budget supervision. Supervisors need to be fully capable of understanding contract, scope, inclusions, exclusions, change order management, and also be able to make project decisions and represent the company with customers. Supervisors should perform daily crew huddles and weekly crew meetings while managing job safety programs, weekly punch lists, quality and safety inspections, and review crew production scorecards with project managers on-site.

6. ENGAGE IN PROACTIVE PROJECT MANAGEMENT

Your company should provide a professional and competent project manager that is 100% responsible for the success of project from start to completion. Make sure project managers are allowed adequate time to properly manage a project. The project manager should visit every job weekly to review job costs, crew production scorecards, look-ahead schedule, quality, and safety. Project managers should approve crew timecards and job invoices weekly and submit project payment requests

in a timely manner.

7. BE AGGRESSIVE WITH PROACTIVE CHANGE ORDER MANAGEMENT

Submit and get customer approval of all change-order rates, time and material rates, general conditions rates, delay charges, and extra move-in rates prior to job start. No extra or change-order work will be performed without written approval or authorization to proceed prior to starting any extra work – do not accept verbal agreements. Document delays and always request additional time and money with every change or schedule delay.

8. IMPLEMENT AN EFFECTIVE SAFETY PROGRAM

Make safety a top priority. Provide ongoing safety inspections of all projects under construction and put safety program management in the overall company budget.


9. USE PROFESSIONAL SUBCONTRACTORS & SUPPLIERS

Maintain enough qualified professional subcontractors and suppliers who can perform and are competitive. Make sure that qualified subcontractors man jobs properly, meet the schedule, understand and manage per their subcontracts, document changes and requests properly, maintain an excellent safety program, are well financed and can handle the cash-flow standards required on projects, and are able to represent you well when attending a meeting with your customer on-site.

10. HOLD MANDATORY MEETINGS

To manage your construction company properly, you should hold regular meetings that allow management, supervisors, and foremen to lead and oversee construction operations and project performance. Management must be in constant communication in order to be effective.

Meetings allow you to oversee and stay in touch with a large group of team members all at once rather than running around trying to talk and direct everyone.

Manage your company with integrity and hold people accountable for their roles the success of every project. Make sure everyone knows the rules and requirements of working with you, and do not accept excuses or exceptions. By following these 10 commandments, you can conduct business and represent your company's values and standards. 



About the Author

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