

Tidy sites are profitable sites

Today we consider the obvious home-truth regarding site tidiness.

The first day we turn up on a site and look at the general state of cleanliness, we can tell you if the job is going to achieve forecast profit margins or become a miserable loser.

Every untidy site has cost us money, and these have often been the sites where a builder has gone into liquidation.

A tidy site is a profitable site. But for whom? I'd suggest for everyone from the developer, through the head-contractor to all of the subbies.

There are many reasons for this but they are all fairly obvious.

A tidy site is an efficient site as well as a safe site. When it's easy to move around, we can work faster and more efficiently. We don't have to move someone else's rubbish to get to our work face. There is no lost time through double-handling and no lost-time through safety issues or injuries.

A tidy site is indicative that a job was properly priced by the builder, who has all necessary prelims covered to maintain a clean, well-organised and safe site. It also shows that the backside wasn't screwed out of every subby's price, so they can allow to do their own trade clean-ups.

But the biggest reason is discipline. A clean site tells us that this builder is efficient, has scoped work properly, knows the "Unknowns", and is less likely to be challenged by latent conditions. These are the same builders who assess variations fairly and in a timely fashion. They give proper directions via written site instructions. NODs and EOTs are discussed before time and proper advices are given either way.

This discipline encourages us to work together to confirm that our variations are also head-contract variations which can then be claimed by the Builder. The process becomes consultative and cooperative rather than adversarial.

Procurement method seems to have a major part to play.

The tidiest sites seem to be under Construction Management or Design & Construct contracts which were awarded under a negotiated or limited tender.

The worst are always Lump sum contracts resulting from an open tender.

These are supposedly "fully documented" which always gives us a giggle.

These jobs always seem to have Superintendents with a QS background. All the money has been screwed out, even from the original architectural documentation. No surprises that these often have the most unscoped work, latent conditions, mis-specified products, fail to meet budget, and run over programme. They are set up to fail from day one.

How do we fix this?

The tidy site is a definite indicator that a project is good, but is not the reason.

The reason is that a project was properly procured from the very first take on the project brief. The Development Manager needs to get the right Project Manager involved. One with experience of delivering that type of project. The PM needs to get the right Design team together. An Architect with experience of the particular project is a no-brainer. Then stop screwing their fees. If they can't afford to document it

properly, any false saving will be spent ten times over during construction.

If you have to screw the design fees to get the feasibility to work, the project doesn't stack up. Cease now. Full-stop.

Then look at the procurement process.

As a subby, we will always work with a Builder who is negotiating with a Developer. If it's a D&C, we may be able to provide some buildability input, or value engineer some of the costs out. But we don't want to waste our time if it's then retendered to every man and his dog.

If fairness is applied from day one, the Developer truly knows what a project should cost, the builder gets proper payment for the full scope, and you have happy subbies working in a safe, clean environment, who are happy to go the extra yard. Subbies can do a fair day's work for a fair day's pay, and complete the work to the standard we expect of ourselves.

You can't have it on time, within cost and to the required quality?

Yes, you can. And make money too. Just set it up properly from the start.

Developers need to get back to relationship building with their preferred head contractors.

Builders need to show some loyalty to their best subbies. Right through the contracting chain.

Let's leave lump-sum lowest-dollar construction for the bottom-feeders who are happy to work in a pig-sty.

Cheers,

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