

Construction Management for Small Practitioners

Contributed by Laura Lee Russell, AIA

August 2003

The AIA collects and disseminates Best Practices as a service to AIA members without endorsement or recommendation. Appropriate use of the information provided is the responsibility of the reader.

SUMMARY

Small firms and their clients can benefit from offering construction management services. Architects develop a new revenue source, make decisions more quickly during construction, and may potentially mitigate risks in the long run. Clients have a single point of contact throughout the project and potentially reduce delays, project completion time, and nontangible costs such as those associated with change orders.

THE SMALL-PROJECT DILEMMA

Often, the design fee for small projects is not sufficient to enable the architect to develop the details such projects deserve. Many architects hope to clarify the details during construction, but many owners rely fully on the contractor during the construction process, reducing or even eliminating the architect's construction observation and contract administration services.

Limited design and construction coordination by the architect can result in reduced quality control, cost overruns, inappropriate design modifications, construction delays, and, worst of all, finger pointing. The architect may be held liable for a project over which he or she has exercised little or no control during the most important phase of the project: construction.

ADDED SERVICES MAY IMPROVE QUALITY WHILE GENERATING NEW REVENUES

Small-project architects can correct the situation while developing a new revenue source by offering design-build or construction management (CM) services. While design-build and CM services entail additional risk, you can minimize those risks by limiting the size of projects on which you offer them until you have acquired greater experience. Always consult your professional liability insurance broker and legal counsel before you offer new services.

Four compelling reasons can be offered to prospective clients for hiring the architect to provide these services:

- The client has a continuous single point of contact and responsibility throughout the project development and construction process.
- The architect can participate in the development of field details, thereby reducing the risk that spatial concepts and design elements will be compromised.
- The client's percentage of nontangible costs can be reduced by
 1. Eliminating the portion of design fees needed to fully communicate the project to a separate construction team member
 2. Reducing the number of change orders and their associated costs
 3. Reducing construction delays and reducing the actual construction completion time
- The architect can make decisions quickly during the construction process.

As a marketing incentive for CM services, consider offering the client a small reduction in the CM fee to motivate the owner to contract directly with the subcontractors. This approach works well when the owner recognizes the additional costs required for you to carry the financial risk of acting as a design-build contractor. Emphasize that this arrangement does not eliminate your responsibility for postconstruction callbacks but places the final responsibility for proper execution of the work on the subcontractor.

Designate a staff member to follow the project through completion. Use familiar, dependable subcontractors with whom you have experience.

ABOUT THE CONTRIBUTOR

Laura Lee Russell, AIA, is principal of Laura Lee Russell Architects in Oklahoma City. She served as 2003 chair of the AIA Small Project Forum.

RESOURCES

More Best Practices

The following AIA Best Practices provide additional information related to this topic:

- 18.02.02 Owner-Architect Agreements for Small Projects
- 11.08.11 Why Offer CM Services?
- 13.04.02 Construction Cost Estimating

For More Information on This Topic

See also “Construction Management” by Robert C. Mutchler, FAIA, and Christopher R. Widener, FAIA, *The Architect’s Handbook of Professional Practice*, 13th edition, Chapter 18, page 589.



See also the 14th edition of the *Handbook*, which can be ordered from the AIA Bookstore by calling 800-242-3837 (option 4) or by email at bookstore@aia.org.



Feedback

The AIA welcomes member feedback on Best Practice articles. To provide feedback on this article, please contact: bestpractices@aia.org.

Key Terms

- Practice
- Project administration
- Contract requirements
- General conditions
- Contract administration
- Observation of the work