



Sometimes change isn't such a good thing

by Bruce Giffin

The building business is filled with colorful language and its own wonderful vernacular: astragal, fascia, muntins and mullions to name but a few of the arcane but meaningful words that are part of the industry. Yet, this is about a few four-letter words that come up all the time in construction: *cash*, *cost* and *redo* (or more specifically: money, budget and change orders).

It's remarkable how people avoid these words—and it goes across the board from clients and design professionals to builders and trade contractors. When push comes to shove, many would rather just let the issue idle, hoping the process will magically solve the problem and the final outcome will be favorable to all parties—with no financial impacts—right up to the bitter end. Unfortunately, that's when you, the owner, are running tight on funds, the contractor still has trades and suppliers to pay and the project is not quite finished.

Things can get pretty ugly.

For some reason, a lot of talented contractors don't like to talk about money with clients. They don't want to tell you, or perhaps can't tell you, that what you've just

asked them to do in the midst of the project amounts to additional work (and therefore is about to cost you more money). And they won't ask you, "Are you sure that you still want to do that?" And if so, then "Please sign here, signifying that you understand that it will cost more, you wish it to happen and you are authorizing the work to proceed." Unfortunately, a lot of contractors can't do that.

No, far too often, the contractor or tradesman proceeds with the assumption that, since it's clear to them that what you want is additional work, it must somehow be clear to you as well. And, innocently enough, a lot of contractors assume that somewhere you've got the extra money that will be required to pay for the added work. (It's either tucked away in a secret Swiss bank account or growing on that money tree in your back yard.)

It's a well known fact that most guys who work in the trades don't enjoy paperwork and accounting. If they did, they'd be doing something different than laying block or sweating pipes. They're much more interested in doing the work and figuring it out later. It's a "git'er-done" state of mind:

"Nah, we don't want to talk about money and change orders because that takes away from the creative spirit and experience of the job. Plus it slows things down." "Whaddya mean, stop, figure it out and price it before moving forward? We're gonna lose momentum, man. We're in the heat of battle!"

Well, how about that other situation that can occur where a change is brought up and it's clear to the trade contractor and the general contractor that this is a change, but the owner and the design professional feel that this should have been included in the original scope and bid. So what do you do about that? A lot of diplomacy, negotiation and good communication help to resolve those issues, but the best cure is prevention and that calls for a clear and concise *Scope of Work*.

Believe it or not, residential building plans are rarely perfect. In fact the very best plans I've seen over the years rate about a 95% in accuracy. Most fall in the range of 85%. It's not really anyone's fault. It's the nature of the business. (Secretly, we builders know that our friends the architects never make mistakes.) But clearly we know and understand that all plans will contain some "discrepancies." As builders, we simply note the discrepancies in the plans