

Construction Management

What you need to know about working with a CM on the Project

CAUTION

The following project delivery descriptions are basic, and are included in the Handbook to give a general idea of the recognized models; however, each project has its particular variations that may alter the model.



Be aware that the State of California does not require a license to provide construction management services, THEREFORE **anyone can offer and provide construction management services.**

- Because of this, unless the CM provider in your project is an established CM firm, it is advisable to ask the Owner to provide RMW the CM's qualifications, since the risk for RMW will significantly increase when the CM is not qualified for the job.

DEFINITION

CONSTRUCTION MANAGEMENT as defined by the Construction Management Association of America (CMAA): Construction Management, or CM, is a service that uses specialized, project management techniques to manage the planning, design, and construction of a project, from beginning to end.

- The purpose of CM is to control a project's time, cost, and quality. CM is compatible **with all** project delivery systems. **A Construction Manager's responsibility is to the Owner and to a successful project.**

Construction managers are introduced to the project when the project cost, complexity, or schedule are critical and the Owner lacks the in-house expertise to oversee and manage the project.

ROLES OF THE CONSTRUCTION MANAGER

The CM typically has one of the following roles:

- **CM as an "advisor"** - The CM acts as a constructibility and cost management consultant to the Owner during the design and construction phases of the project. **NOTE** that the CM is not a "design" consultant. The AIA contract documents include the "CM as Adviser" family. This is the most common case in RMW projects.
- **CM-Agent:** Provides consulting services to the Owner and may act on behalf of the Owner in assembling and coordinating the construction trades (subcontractors) prior to and during construction. The CM assumes no risk and passes savings and overruns directly to the Owner. There are no AIA Contract Documents for this specific CM role.
- **CM-Constructor:** The CM in the design phase of the project is a constructibility and cost management consultant to the Owner, and when the design phase ends, the CM role changes to the "constructor" in the traditional Design-Bid-Build project delivery method. The AIA contract documents include the "CM as Constructor" family.
 - **Guaranteed Maximum Price** is an arrangement sometimes used when the CM is the Contractor. This approach puts the risk of cost increases on the CM-Contractor.
 - When the CM is both consultant to the Owner and contractor, there is an intrinsic conflict of interest that we should be aware of.