

Things You Need to Know During Pre-construction Phase

Every construction project will begin with a phase that is known as preconstruction. During this phase, the entire scope of the project is laid out for the benefit of both the team assigned to work on it and the client. Those who are looking to [start a construction business](#) need to familiarize themselves with pre construction due to how it can affect the [strategies for success](#).

Project managers and construction business owners alike who do not adequately prepare during this phase may find themselves running into trouble later on that might have been avoidable had they put the work in. To learn more about this important part of any construction project, it is imperative to acquaint yourself with its different aspects.

Early Due-Diligence



When talking about due-diligence, you refer to a term that, in more general use, means ‘reasonable care.’ As far as construction projects are concerned, early due-diligence is an exercise or investigation of care that all involved need to take prior to making an actual commitment. Basically, this is where the preliminary work is done. Project managers, for example, will need to take into account the overall logistics of the construction project. Doing so will involve coming up with a [construction cost analysis](#) so that the [budget can be properly prepared](#) and all risks involved can be taken into account.

Permits and Inspections of Construction Business

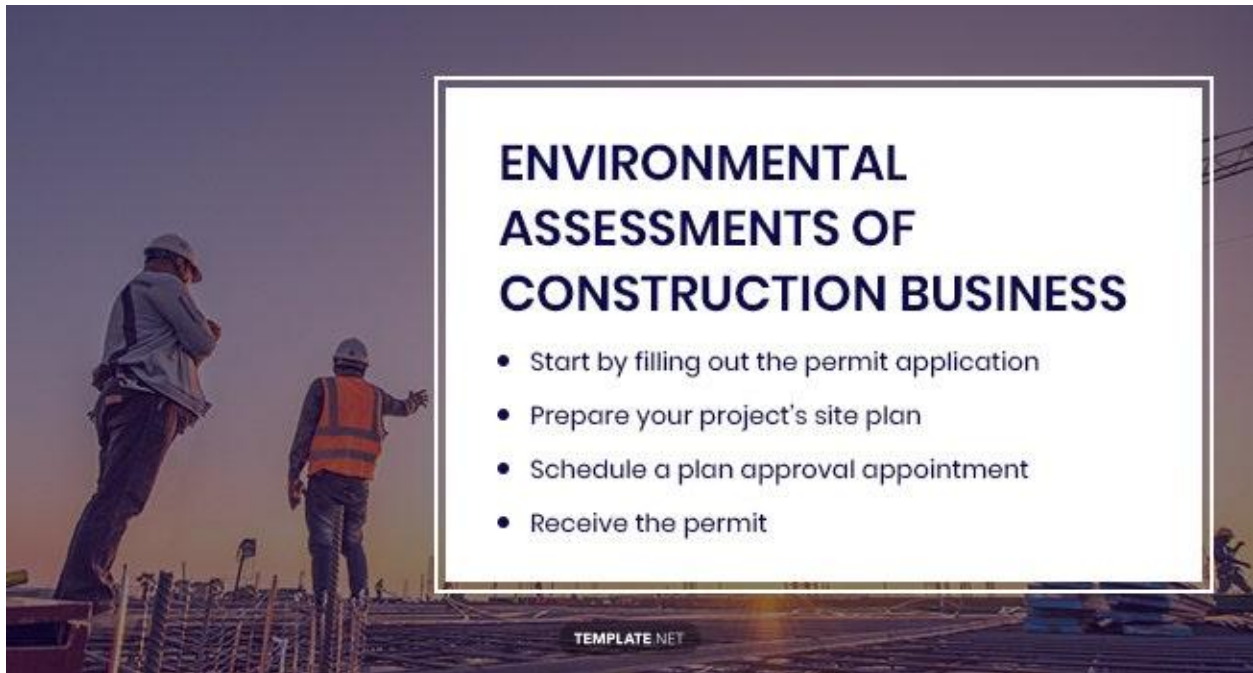


Before your construction project is legally able to get underway, you must first determine whether or not it will require any particular [license and permits](#). This is meant to ensure the safety of all involved, along with the project's compliance with any zoning, building, and construction codes. The scope of your construction project will affect whether or not a permit is needed, along with the location in which it will be done. For those who are unfamiliar with the steps needed to acquire a permit, take note that it will vary by location. However, it is typical to see the following steps performed:

- Start by filling out the permit application
- Prepare your project's site plan
- Schedule a plan approval appointment
- Receive the permit

From there, you can start scheduling the [construction site safety](#) inspection. This is something that will be done throughout the entire construction process until the project is completed. Each item on the construction safety inspection checklist is meant to help verify to city officials that you are acting in accordance with the plan you submitted for approval.

Environmental Assessments of Construction Business



Part of what makes pre construction such an important phase of any construction project comes down to the environmental assessments. People want to make sure that as much as they want their projects to be successfully completed, the environment must also be kept as safe as possible during the entire building process as well as beyond. It is not unusual for a pre-construction environmental checklist, a risk assessment checklist, and an environmental inspection checklist to be prepared for that very reason.

When it comes to the methods involved, both industry-specific and general assessment methods are usually employed. Below are some examples:

- Product environmental life cycle analysis
- Fuzzy logic reasoning method
- Genetically modified plants

Gain construction Site Control



Now that you have properly inspected the environment for any threats or challenges, the next facet of the preconstruction phase to focus on would be site control. A developer will not be able to do anything unless he or she acquire this. For the most part, a [construction contract](#) between owner and builder is often necessary to make sure that neither party is going to end up doing anything that crosses any legal lines and that both are satisfied with how much control they will have. One last thing to remember is that any contradictions to your site phase plan will need to be addressed by the appropriate professionals.

Obtain Construction Financing



Just like any other business venture, your finances are going to serve as the lifeblood of your efforts. It is hardly ever easy, especially since there will be multiple aspects of the construction project to keep in mind at once. Even with a proper [construction tracking sheet](#), it is often a matter of ‘when’ rather than ‘if’ you will need additional capital. The most common way to get what you need would be through the application of construction loans. These are the short-term, bank-issued financing that you can use for whatever commercial or home building finance challenges that you are facing. You will also want to keep a close eye on the different types, such as:

Construction Mortgage Loans

This is the kind of loan that is utilized to help finance the purchasing of land or even the creation of a project on land that you already own.

Construction-to-Permanent Loans

If your project falls under the category of home building, then this serves as an excellent option to go for.

Commercial Construction Loans

These are most appropriate for big projects like apartment buildings, commercial office buildings, shopping malls, and the like.

Create a Budget and Schedule for Construction Business



With your finances in order, the next step is to make sure that proper budgeting is in order. Engaging in budget planning for construction projects involves assessing the income and [construction expenses](#) related to said projects over its natural lifespan. For example, developing a new home construction budget requires you to take into account the fixtures, equipment to buy and use, expenses related to any consultation fees, the salary of the contractors hired for the job, and many more.

Take your construction company budget and divide it according to both the actual and estimated expenses that you are prepared to accrue once your project's preconstruction phase comes to an end.

Construction Planning and Safety



Construction projects can be very dangerous if it isn't planned outright. Always strive to make room for a safety management plan when you are still in the process of drawing up an overall [business plan](#). The safety of your workers must be a strong consideration to keep in mind before the project even begins. Keep the environment and the processes as safe as possible with the use of a [construction safety](#) inspection checklist.

Besides the safety of your staff, extra measures must be taken to ensure that the construction project will also be safe for anybody who will make use of it after it is completed, such as the family who plans to live inside the created residential building or the companies who intend on occupying the commercial structure. Make it a point to include planning for safety in the preconstruction contract, which will be a completely separate agreement to the actual construction contract.

Choose the Right Materials and Equipment for Construction



A major component of the planning that is done under the [preconstruction phase](#) would be the choices of which materials and equipment to purchase and utilize. This is not only done by the project managers, but it must also be planned out with the client's input. Part of the planning would involve the selection of which building material estimating software is best for the project, along with the filling up of documents such as time and material forms and material order.

Considering that the purchasing or rental of the equipment -- both small and large -- is essential to the planning of the project's finances, it makes sense for an equipment cost analysis to be performed. From there, the creation of an equipment lease proposal and other [construction documents](#) must be prepared.

Creating and Managing Team



Even all the money and materials you can acquire mean nothing without capable teams to make use of them. On the topic of [construction business management](#), hiring and keeping the right people should be among the top priorities, with several [project management](#) processes dedicated to ensuring that your actions are done in the most effective of ways. The following considerations need to be taken into account if you want to succeed with your staffing plans:

Determine the Specific Jobs that need to be Filled

Divide the staff into teams, with each one catering towards a particular aspect of the construction project. From there, look into each team and decide what positions are needed in order to help fulfill its purpose.

Determine the skills that are required for the Jobs

With each position or job, there will be a need for specific skill sets. Hiring based on the skill sets that you need will net you the best possible contractors for each job. Continue doing so until each team is filled with the right people for their role.

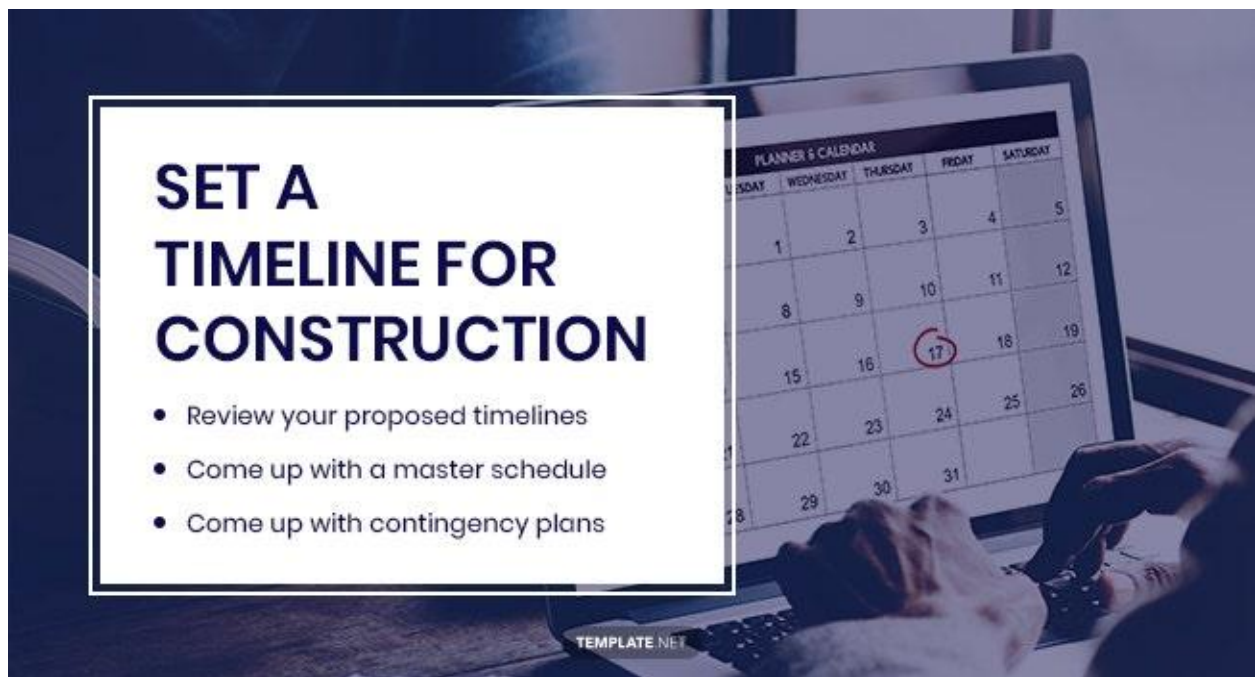
Define What the Lines of Authority, Communication, and Coordination are

Performing a management [SWOT analysis](#) can aid in determining where your management team stands in regards to its strengths and weaknesses. By learning about those attributes, you can better define how to best communicate with the staff, who is best suited towards which management role, and how you can better coordinate the different teams that are under your employ.

Define Measures that Manage Staff Attendance and Retention

Some contractors may prefer specific schedules. Others may be available only for a specific number of days in the week or a certain number of weeks. Then there are those that can be hired full-time and those who may decide to retain a per-contract basis of employment. Take all of these into consideration as you develop management plans that will allow you to coordinate each contractor in your employ despite the difference in scheduling.

Set a Timeline for Construction



They say that time is money, and that is certainly the case where construction projects are concerned. Experienced business folk will know that it pays to have a clear definition of the construction project timeline. By having one, project managers can better organize when certain tasks will be performed, which will, in turn, make it easier to

procure the necessary materials and equipment. This will make goal-setting much easier and you can better plan everything out ahead of time, which is more or less the point of the preconstruction phase. Construction management timeline and building [construction timeline](#) go hand in hand, so here are a few tips that you can employ during the preconstruction phase:

Review your Proposed Timelines and Plans More than Once

Think of this as refining your drafts as much as possible until you and the client are completely satisfied with it. Take everything you consider important into consideration in case there are some changes that need to be made, or if your plans somehow evolve as the preconstruction phase goes on.

Come up with a Master Schedule

There should be an overall schedule or timeline that can help oversee every other aspect of the construction project. Due to the diversity of what needs to be done within a single building project, specific [construction schedules](#) will also be needed. A master schedule will be needed to ensure that your project is, as a whole, well plotted out.

Come up with Contingency Plans

In the event that things go wrong, then it would be wise to have backup timelines or plans set in place. Come up with any plausible and acceptable alternatives and document those so that they can serve as contingency plans.

Construction Risk Analysis



By definition, [risk analysis](#) refers to what needs to be done in order to identify and then analyze any prospective challenges and problems that can negatively impact one's projects. The purpose then is to ensure that a company or organization is made aware of the risks so that they can find a way to either mitigate them or avoid them entirely. The preconstruction phase of a building project is no exception.

Considering everything that will go into the planning and execution of such a costly and important project, it is important to implement proper risk management and come up with a risk assessment checklist. In that checklist, you can note down what you need to do to identify the problems as well as what you can do afterward to help get rid of or overcome them. Below are a few examples of scenarios that you can expect:

- The failure or deterioration of necessary equipment that could lead to expensive repairs, replacements, and significant delays in the construction process that can be just as -- if not even more -- costly in the long run.
- Any expected or unexpected competitors that may affect your construction company's ability to do business with clients.
- Any expected or unexpected changes in the business or industry landscape that may affect your ability to complete the project in a specific way that you and your client prefer.

Through the use of risk analysis methods, you can either prepare for these examples or at least create conditions that will allow your project to survive any of the aforementioned scenarios. Although it should be noted that no construction company or project is immune to problems, placing importance on risk management during the preconstruction phase will help you smoothen out the path towards your eventual and much sought-after success.

Conclusion

As you can see, there are tons of stuff to prepare for before the actual work can begin on your construction project. This is even more relevant when you deal with clients that are involved in commercial building efforts as opposed to residential ones. Remember that both [business marketing](#) and [business branding](#) can benefit from a well-constructed structure to serve as a company's headquarters or even as a separate asset that serves multiple purposes. Those reasons alone prove why preconstruction is so important; taking into account everything else, you can bet that all of the troubles will be absolutely worth it once the building process starts and everything falls into place.