

## Professional Standards of Practice for Construction Subcontractors

Specialty trade subcontractors operate in a challenging business environment. Constructing quality buildings on time requires an infinite amount of cooperation between all parties from owners through to field employees. At the same time, each of the parties often has competing interests with other construction team members.

The American Subcontractors Association, Inc. encourages responsible conduct through adherence by subcontractors to the following standards of practice. These standards represent subcontractor obligations which also are sound business practices that prove to be in the enlightened self interest of prudent subcontractors.

The Professional Construction Subcontractor will normally:

## Prior to bid:

- Become familiar with job requirements in sufficient detail to assure that it has the expertise, finances, people and time to complete its portion of the work as prescribed.
- Recognize that not all general contractors and construction managers are the same and plan accordingly to consider such positive factors as efficient job coordination, prompt pay record and competent supervision, and such negative factors as inequitable business practices, unfair contract terms, and lack of competency.
- Provide expertise in its specialty area and point out any serious problems with technical specifications or time allowed for completion, particularly where impact on quality or cost seems inappropriate.
- Seek clarification of any requirements that are unclear, ambiguous or inconsistent so that pricing of the job can be accomplished with as much certainty as possible.
- Provide a written confirmation of the scope of work to its customer prior to bid.

## During the bid and negotiation stage:

- Support a bidding system that deals fairly with all parties and furthers open competition for construction work.
- Avoid practices that might be considered in violation of the letter and spirit of anti-trust laws
- Sell the merits of its firm by stressing its strong points instead of making any statements that would harm the reputation of a competitor unnecessarily.
- Avoid divulging its price to a competitor or seeking information on a competitor's price directly or through a general contractor.

- Submit bids promptly with the terms of its offer clearly defined, including any obligations of others that are not made clear in the bid documents.
- Negotiate equitable subcontract terms including the subcontractor's performance obligations without waiving any protections afforded by law or good business practice, and conditioned upon prompt payment as contained in recognized authoritative contract documents such as those published by ConsensusDocs.

## **Contract performance:**

- Assign promptly a qualified field supervisor to participate in coordination of plans for orderly performance of work and to represent the subcontractor through management of its on-site labor, making adjustments to plans and participating in all project meetings.
- Furnish quickly a schedule of values confirming the dollar amounts of subcontractor's work from mobilization services through final adjustment for the customer representative to use in evaluating performance and progress billing amounts.
- Provide specialized expertise in a coordinated approach for solving technical problems related to its work, bearing in mind that the design professional has final responsibility for overall engineering decisions.
- Coordinate the performance of its work to avoid delays, obstruction or damage to itself or to others, with emphasis on informal solutions to problems through mutual exchanges of services and the prompt, fair settlement of any disputes with other contractors.
- Expedite completion of its work by all reasonable means, but minimizing major scheduled overtime programs because of counter-productive, inherent efficiency losses when overtime is used for extended periods.
- Assure that all of its invoices and change order requests are presented on time with complete documentation to meet project payment requirements and thereby promote orderly payment procedures and prompt receipt of remittances for its work each month.
- Treat its own subcontractors and suppliers as it wishes to be treated by processing their billing and change orders promptly and passing on progress payments without delay.
- Maintain safe, clean work places for its field employees and assure compliance with the letter and spirit of laws relating to working conditions, equal employment opportunities and pay practices.
- Provide timely notice of delays, interferences, damages and other factors that will become claims if prompt corrective action is not taken.
- Upon completion, prepare its own punch list and complete those items before requesting an inspection of its work. Correct promptly any work not in compliance with specifications as well as furnishing as-built drawings, warranties and other required documents without delay.

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