

“What are some of the Key Factors to Consider When Hiring a Contractor?”

The success or failure of a project hinges on whether the owner retains the correct contractor. This article identifies the eight most important factors in the selection process.

Basic Company Information

1. How long has your company been in business?
 - a. To confirm: <http://corp.sec.state.ma.us/corpweb/CorpSearch/CorpSearch.aspx>
2. What are the typical cost, size, and types of projects your company builds?
3. Is our project typical of that cost, size, and type?
4. What is your company's relationship with the building inspector?
5. Is your company bonded?
6. Five years of construction history with referrals required.

Key Personnel

1. How many full-time employees?
 - a. identify duties and number of years for each
2. Who would pull the Building Permit?
3. Who would be responsible for the day-to-day operations of this project?
 - a. Describe skill and experience level.
 - b. Has this individual handled similar projects?
 - c. Will this person handle the project from beginning to end?

Financials

1. CPA verification your company has the financial ability to perform this project and other on-going projects needed.
2. Are there any present or pending claims against your company for payment, performance or other issues?

Project Diversions

1. How many other projects will your company have ongoing during this project?
2. Will those projects divert attention from our project?
3. What is the rough dollar value of those projects?
4. Where are those projects located?
5. To what extent will the key people involved in our project be involved in those projects?

Subcontracting

1. What work will your company self-perform?
2. What are the names, addresses, years in business, and number of years your company has employed the plumbing, carpentry, and electrical subcontractors you would use on our project?
3. What projects has your company done with these subcontractors?
4. Has your company ever had any performance or payment problems with any of subcontractors?
5. Does your company anticipate hiring any subcontractors with whom it has not worked in the past and, if so, how will your company ensure their work meets your/our standards?

6. Do you use WRITTEN subcontractor agreements with each subcontractor?

Lawsuits and Claims

1. How many lawsuits and arbitrations has your company been involved with in the last 5 years?
 - a. Please explain circumstance.
 - b. How did these matters resolve (i.e., settlement, trial, arbitration)?
2. Is your company involved in any ongoing lawsuits and arbitrations?
 - a. If so, what can your company do to ensure that such proceedings will not impact our project?
3. Does your company anticipate any lawsuits or arbitrations will be filed during the duration of our project?
4. Has your company ever attached or put a lien on an owner's property? Please explain the circumstances.
 - a. To confirm: <http://www.masslandrecords.com/ Safety Record>
1. Describe in full your company's 5 year safety record
2. What will your company do to ensure a safe worksite?
3. Provide the names, training, and experience of each key safety person
4. Has your company ever been fined by OSHA, if so, explain?

Deadlines

1. If selected, when can your company start?
2. The project must be completed by XXXXXXXX. Can you envision any set of circumstances that could jeopardize this deadline and, if so, what can be done to avoid missing that deadline?

In summary, the process of carefully vetting a contractor is the first step in ensuring a successful project. Other steps include hiring a stellar design team, drafting a solid contract, and performing appropriate construction administrative services.

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