

Anatomy of a Change

Executive summary. Construction changes are generally handled in a similar way in most contracts. As a contractor you can develop good habits and controls to ensure you capture time and cost impacts.

Anatomy of a change. Changes occur in a majority of construction contracts. Knowing how to track them and to receive both time and cost impacts from your owner is key to financial survival.

The Playbook. On the following sheet is a typical path of change management for any construction project. Please review it with your project management staff and your attorney.

My story. I've been using this system forever. The acronyms may be different in your company. For example, a "PCO" for me stands for potential change order. Others call this a PCI or some other acronym. The concept is the same: there is an issue which *potentially* may turn into a cost or time impact to my company. When in doubt, just assign a potential change a sequential number. This sequential number can tie directly to the cost code in your accounting system. You can also set up files on your server which correspond to the change numbers, this way photos, RFIs, field notes, diaries, et cetera, can all tie into this file.



