



How Adding (an Owner's Rep) Subtracts (Costs)

Construction projects, particularly commercial and institutional endeavors, are complex undertakings involving numerous stakeholders, rigorous regulatory requirements, and intricate logistical considerations. Without proper oversight, these projects frequently experience cost overruns, delays, and compromised quality.

Engaging a professional Owner's Representative provides strategic value by ensuring projects remain on schedule, within budget, and achieve the highest quality standards. Construction for Change (CfC) exemplifies this role through proven expertise in safeguarding client investments, illustrated through impactful projects in North America, Africa and Asia.



Key Takeaways

- **Owner's Representatives safeguard outcomes.** By aligning every decision with the owner's goals, they help prevent cost overruns, delays, and scope drift.
- **Early planning pays off.** Projects with strong preconstruction planning are 52% more likely to be profitable; poor planning leads to average overruns of 79%.
- **Cost, quality, and schedule risks are manageable.** Through value engineering, quality assurance, and contractor accountability, Owner's Reps help avoid the common pitfalls that derail 85% of projects.
- **Coordination is key.** Up to 70% of RFIs can be eliminated through early design alignment. Owner's Reps streamline communication between stakeholders to prevent rework and confusion.
- **Successful closeout ensures lasting value.** With nearly 30% of project data often lost at handover, structured documentation and training led by Owner's Reps protect long-term facility performance.

The Value of an Owner's Representative in Construction Projects

Construction projects demand careful coordination between diverse groups, including architects, contractors, regulatory bodies, and community stakeholders. Without specialized representation, owners often struggle to maintain control, leading to increased costs and delayed timelines.

Owner's Representatives act as strategic advisors, ensuring every decision aligns with the owner's vision and objectives.

Project Planning & Execution Excellence

Pre-Construction Planning

Effective project planning begins well before construction starts. This includes defining clear project goals, conducting feasibility studies, and carefully selecting qualified design professionals and contractors.

Projects that invest in robust preconstruction planning are 52% more likely to report higher profitability, yet fewer than 20% of firms achieve this level of rigor (Dodge Data & Analytics, 2022). On large-scale projects, inadequate planning frequently leads to significant overruns, with average cost increases of 79% and delays of 52% (McKinsey & Company, 2020).

Regulatory Navigation

Navigating regulatory frameworks is a critical factor in maintaining project timelines and budgets. In regions such as Kenya, the permitting process grew from 9 to 16 steps between 2014 and 2020, increasing average wait times by 25% (World Bank Group, 2020).

Delays in permitting, environmental approvals, or compliance can derail otherwise well-planned initiatives. Early engagement with consultants and regulatory bodies reduces bureaucratic friction and ensures smoother execution.



Strategic Decision-Making

Strategic choices at the outset—regarding design, delivery models, procurement, and team roles—set the tone for a project's success. Research from the Project Management Institute (2020) shows that 26% of failed projects lacked sponsor engagement, while projects with active strategic leadership were 40% more likely to meet their goals.

Informed decision-making, grounded in scenario analysis and owner objectives, reduces risk exposure and unlocks long-term value.

Cost Control and Budget Adherence

Preventing Cost Overruns

Cost management begins with disciplined budgeting and real-time expenditure tracking. Globally, 85% of construction projects exceed their initial budgets, with only a third staying within 10% of projections (Flyvbjerg et al., 2020). Large capital projects average a 79% cost overrun (McKinsey & Company, 2020).

Preventing these issues requires contingency planning, early risk identification, and financial oversight throughout the project lifecycle.

Value Engineering

Value engineering helps optimize outcomes without compromising quality. When applied early and methodically, value engineering can reduce project costs by over 10% on average (McKinsey & Company, 2021). These strategies assess materials, construction methods, and functionality to eliminate unnecessary expenses while enhancing return on investment.

Risk Management & Quality Assurance

Proactive Problem-Solving

Projects that proactively address risk avoid many common disruptions. Construction teams document potential risks in a register, evaluate their probability and impact, and plan mitigation strategies in advance.

Poor data and miscommunication are the root causes of up to 52% of rework, with 14% directly attributed to "bad data" (Autodesk & FMI, 2021). Anticipating these challenges leads to fewer delays and greater resilience.

Ensuring High-Quality Workmanship

Quality assurance begins with strict supervision, standardized procedures, and continuous inspection. Rework can account for 5-9% of construction costs and cost the U.S. industry over \$65 billion annually (Autodesk & FMI, 2022). Despite this, fewer than 10% of contractors implement formal QA programs (Sablono, 2022).

Projects that prioritize build quality from the outset reduce future claims, enhance safety, and avoid costly rework.

Schedule Management & Timely Delivery

Preventing Delays

Delays are among the most visible and costly construction risks. A KPMG survey (2023) found that 72% of firms reported longer-than-expected delivery timelines. Major capital projects often finish a year behind schedule. By establishing critical milestones, regularly updating timelines, and holding contractors accountable, teams can limit scope creep and maintain delivery goals.



Streamlined Coordination

Streamlined coordination among project stakeholders is essential to eliminating bottlenecks. A coordinated approach to design, procurement, and construction reduces duplication and enables faster decision-making.

According to Dodge Data & Analytics (2020), improved design coordination alone can eliminate up to 70% of RFIs, significantly accelerating timelines.

Communication & Stakeholder Coordination

Acting as the Owner's Voice

An owner's representative serves as a strategic liaison, ensuring that decisions align with overall goals. The UK National Audit Office (2021) found that project sponsor effectiveness is the strongest predictor of project success. Active representation leads to better alignment, faster resolutions, and fewer costly misunderstandings.

Regular Reporting & Documentation

Consistent updates and thorough documentation keep all stakeholders informed and accountable. Deloitte (2022) reports that as much as 30% of project data is lost by project closeout, often leading to rework and confusion during operations. Project teams that prioritize record-keeping improve transparency and long-term performance.

Seamless Project Closeout & Handover

Defects Liability Management

A structured approach to closeout includes final inspections, a punch list of unresolved items, and defect remediation within the warranty period.

In 2022, U.S. homebuilders paid out \$955 million in warranty claims and reserved nearly \$2 billion for anticipated defects (Builder Online, 2023). Proper management ensures operational readiness and avoids reputational damage.

Smooth Transition

A smooth handover includes the delivery of as-built drawings, warranties, and hands-on training for operations teams. When closeout is poorly planned, time spent resolving outstanding tasks can rival the construction phase itself (Construction Dive, 2022).

Early planning for turnover improves outcomes and facilitates immediate facility use

Owner's Reps In Action with CfC

CfC brings a distinct set of skills and strategic approaches to Owner Representation, particularly suited for projects in challenging environments. CfC's ability to manage complex logistical and cultural contexts results in successful, community-driven outcomes, going beyond typical project management to foster lasting local impact.

Working on donor-funded projects, CfC faces even higher scrutiny to maximize every dollar to the client's best interest.



CASE STUDY 1



“In the past, we had no choice but to transport our deceased loved ones hours away to find a quality morgue. Now, with Serenity Parlour Mortuary close to home, we no longer have to endure costly transportation fees. The facility’s exceptional standards give us peace of mind, knowing our loved ones are well cared for.”

— Village Sub-chief

Matibabu Foundation Hospital, Western Kenya

The Matibabu Foundation Hospital required extensive support to construct two critical facilities: a 10,000 sqft modern surgical theatre and a 5,200 sqft mortuary building. Located in a rural area, the project faced significant challenges, including stringent healthcare regulations, limited local resources, and complex environmental factors.

Key Challenges

- Strict regulatory requirements for healthcare facilities resulted in challenges with construction approvals.
- Innovative sourcing strategies were needed to overcome the lack of high-quality materials and skilled labor in the highly rural area.
- Soil conditions and fluctuating weather patterns in the area necessitated professionals with real-time problem-solving skills and experience.



OWNER'S REP IMPACT

Design Modifications for Efficiency

The building designs were refined to enhance functionality and address project-specific needs. Key improvements included optimizing airflow to improve ventilation and infection control in the theatre, constructing underground rubble drains to manage groundwater without compromising structural integrity, and incorporating an external gas chamber with piped connections to the operating rooms — thereby eliminating exposed pipes and wires that could pose trip hazards or detract from the facility's aesthetics. Access link ramps were designed to create seamless connections between the inpatient ward and theatre block, and a two-bed ICU unit was integrated into the theatre block to support patients requiring intensive care.

Proactive Schedule Management

Daily site inspections by Project Managers and consistent enforcement of contractor accountability helped minimize delays, ensuring that the facilities opened on schedule and were ready to serve patients promptly.

Local Capacity Building

Community engagement was a core priority, with contractors required to train and employ local workers in key construction skills such as masonry and carpentry. In addition, 80% of construction materials were sourced locally, supporting the regional economy while maintaining high standards of workmanship. This strategy not only stimulated local economic growth but also equipped community members with valuable skills, enhancing their long-term employment prospects within the construction sector.

Strategic Procurement & Cost Control

Effective communication and coordination with the contractor facilitated bulk purchasing of materials, mitigating potential supply chain disruptions and avoiding project delays. Value engineering principles were also applied, with materials and construction methods carefully assessed to optimize costs while preserving quality. These measures resulted in cost savings of more than \$15,000 for the client, without compromising the durability, functionality, or quality of the final build.

“We never imagined we could complete this project within budget while maintaining such high quality. CfC not only delivered a state-of-the-art theatre, but also ensured we maximized our investment. Their expertise and attention to detail made all the difference”

— *Matibabu Hospital C.E.O.*



CASE STUDY 2



“The Early Learning Centre was more than just a school building. CfC helped create a safe haven for these kids, a place where their education can begin in a nurturing environment.”

— *Flying Kites School Director*

Flying Kites Academy, Central Kenya

CfC partnered with Flying Kites Academy to construct essential educational facilities: an Early Learning Centre and kitchen facilities serving thousands of students. These buildings went beyond physical structures to become safe, nurturing environments critical to the community's growth and well-being.

Key Challenges

- Ensuring the finished design could handle the throughput of thousands of students.
- Balancing the functional necessities of feeding nutritious meals with the environmental necessities of providing a safe haven to focus and learn.



“I always thought construction was only for men. Seeing you here makes me believe I can be anything I want.”

— *Young Girl from Tulaga Primary School*

OWNER'S REP IMPACT

Designing Spaces Beyond Construction

These facilities were envisioned not merely as buildings, but as safe havens for learning, nutrition, and community development. The designs prioritized natural lighting, proper ventilation, and ergonomic layouts to create a conducive and inspiring learning environment.

Advancing Gender Inclusivity in Construction

The involvement of women in supervisory and project management roles had a visible and lasting impact on the local community. For many young girls, seeing women in leadership positions within a traditionally male-dominated industry ignited curiosity and opened up conversations about future career possibilities.

Sustainability & Cost Efficiency

The use of locally available materials played a key role in reducing construction costs while simultaneously supporting the local economy. This approach promoted sustainability and reinforced community resilience.

Community Engagement & Ownership

Input from teachers and parents was instrumental in shaping the final design. Through active engagement and dialogue, culturally relevant design elements were incorporated to ensure the facilities aligned with the real and practical needs of the students.

“With the new kitchen, our students and staff receive hot meals daily, and you can see the difference in their concentration and energy levels.”

— *Headteacher at Heni Primary School*



WHY OWNERS & DEVELOPERS CHOOSE CFC

We Protect Your Investment

Our proactive management ensures your project stays on budget and schedule, avoiding costly mistakes.

We Solve Problems Before They Become Crises

We anticipate risks, eliminate inefficiencies, and implement real-time solutions.

We Maximize Value Without Compromising Quality

Our expertise in cost control and value engineering ensures you get the best return on investment.

We Bridge the Gap Between Vision & Execution

We translate your project goals into tangible, high-quality results.

We Go Beyond Construction

Building with Purpose; whether it's a hospital saving lives or a school shaping young minds, we ensure projects deliver lasting impact.

About Construction for Change

Construction for Change (CfC) is a nonprofit organization dedicated to building essential infrastructure that empowers communities around the world creating an impact Bigger Than Buildings. Through partnerships, sustainable practices, and a commitment to local empowerment, CfC goes beyond construction to foster long-term growth, resilience, and opportunity. By working with local leaders and prioritizing community engagement, CfC ensures that its projects are tailored to meet real needs and inspire meaningful change.