Just Say "No" – You May Get Thanked

Executive Summary. A word that is very undervalued by Owners is the word "No." It has tremendous power and, although perceived as controversial and adversarial, it can be the best thing an Owner can say to a Contractor. Just make it timely!

Leading up to the "No." Many construction projects become adversarial. Fight after fight over incomplete or poor drawings, unacknowledged changes, slow responses, delayed permits, or just poor behavior. On the other hand, there are plenty of jobs which go great – everyone's happy, the job is on time, and both parties (Owner and Contractor) are within budget.

However, it can get little dicey and uncomfortable when a time or cost impact is presented, in either scenario presented above, and the Owner has to deliver a "No."

"No" for what? Here are some of the "Nos" to which I am referring – in order of increasing severity:

- "No, I'm not available to attend that golf tournament with you next Thursday."
- "No, I can't get ahold of the Engineer today, we'll get an answer from her tomorrow."
- "No, we cannot give you those two extra manhours on your change order request."
- "No, we cannot get you the owner-furnished material in three months, please procure yourself."
- "No, we will not pay you for this delay, but we will give you time."
- "No, we don't think there's any merit to your claim. Your claim is denied."

Speed is the key. I'm not saying that Contractor's want to hear "No,", but I am saying that if you have to deliver a "No," don't wait around. Although wine may get better with time, a "No" just gets stinkier. Get it over with. It can be self-preserving for an owner too.

You say 'self-preserving'? Delivering bad news quickly gives a Contractor the time to come up with another solution. That solution may completely solve a problem, or at least it can reduce the impact (whether you think you, as Owner, are responsible or not). Ripping off of the band-aid let's the Contractor get started on fixing the problem. Saying "No" is being decisive – this is what Contractors need. They need quick decisions – good or bad!

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My story. I've been on both sides of the fence, the Contractor side and the Owner side. And one thing some Owners do not understand is that time is truly money. Each day a Contractor does not receive an answer is another day the job is spending overhead or is another day crews are being used inefficiently. Both cost money and money is, frankly, 99% of what the Contractor is trying to manage on the site.

Two jobs come to mind where an Owner couldn't answer quickly enough and give that hard answer: one was a tunneling project and the other a pump station job. One of these jobs went to mediation and both of them were delayed and cost the Owner too much money in the end. The time it takes to make decisions just means that the ask at the end of the job by the Contractor will be larger.

Although this article was about the too-often-protracted delivery of the "No," it can easily be argued that any indecisiveness or delayed answer negatively impacts a Contractor. And as much as an Owner wants to say "that's not my problem," it surely will be once the lawyers start getting involved.

Work safe!

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