

# Martin Rapley's Tips FOR MANAGING YOUR PROJECT

## SITE MANAGER VS PROJECT MANAGER

Interview & Words: Heidi Moment

Managing a refurbishment or build can be a big job that requires specific knowledge, skills and experience. **Martin Rapley** explains the difference between a site manager and a project manager and why you often need both.

## SITE MANAGER

### What is a site manager?

The term 'site manager' is a term you rarely hear within property investing circles, but it's used extensively within the construction industry. The site manager has sole responsibility for managing all the works on site, including:

- Bringing the right tradesmen in at the right time
- Co-ordinating the tradesmen
- Ensuring the materials are purchased and delivered at the right time
  - Ensuring the site is clean and tidy, the deliveries aren't disrupting the pavement outside, and the vans have got somewhere to park
  - Raising any issues and helping to solve them (usually with the project manager).

It's a really hands-on position, requiring the site manager to be based on site all the time. They are your one point of contact and they deal with everything that happens on a day-to-day basis.

Sometimes, on smaller projects, we might call them a 'foreman', which would mean they are taking the lead but also doing some of the work at the same time. Typically this would be a builder or a carpenter-based tradesman, because they're often on site most of the time, hanging doors, fit-

ting the kitchen etc, but they will stop to deal with the management of the project too.

### Typical projects

Regardless of the size of the project, if you're not a tradesman you won't have the skills or experience to be the site manager, so even on fairly basic refurbishments, such as some bathroom repairs, some tiling in the kitchen and some decorating, it's worth having someone to take the lead and co-ordinate all the other trades.

### Site manager role

When discussing the specification and agreeing how you'll work together it's important to define your roles and agree on your responsibilities.

Are you going to find the plasterer, electrician and plumber and send them to site for the site manager to manage or is he going to find the relevant tradesmen and bring them in at the right time?

Are you going to buy all the materials for him or is he going to purchase them using his trade account?

It all depends how much you want to be involved in the daily running of the site, but my recommendation is to let the site manager bring in his team of trusted tradesman and for him to manage them on site.

Give him the responsibility for purchasing all the day-to-day materials too. It is more efficient this way, as they can make sure they're on site when they need them. The site manager can also buy specialist items, such as kitchens and bathrooms, but if you prefer to do this part yourself that's fine. You just need to speak to him about your spec to make sure everything is covered and arrange for delivery in good time.

### Your role

If you give them the responsibility for buying the materials and appointing and managing all the trades you are releasing yourself from a huge responsibility and time commitment, allowing you time to find more deals or funding, or whatever it is you need to grow your business.

### Things to be aware of:

### Why get a site manager?

There are plenty of reasons to employ a site manager, including:

- Good relationships with trusted tradesmen, resulting in quality work and efficient timing
- Thorough understanding of each trade and what is needed when. This is invaluable and makes the difference between a project running smoothly and one running over by months
- In depth knowledge of materials and all the little bits that can so easily be forgotten
- Experience to solve day-to-day challenges with the works
- Ensuring the site is operating safely.

### EXPERIENCE

You need somebody who's done this role before, someone who's been managing projects or parts of projects and teams of tradesmen. Often this person is from a building or carpentry background, as they're the ones who are on site from the beginning and stay until the end. They are often multi-skilled and can turn their hand to various trades whilst on site, including boarding ceilings, plastering repairs, fixing things, hanging doors, cutting holes etc, making them the best ones to lead the project.

### KNOWLEDGE

Your site manager will be great at everything to do with managing the site, but they may lack knowledge when it comes to specialist investment rules and regulations, such as HMO regulations. So make sure this falls as part of your remit.

### CLARITY

If they have responsibility for buying materials, always agree a process that allows you to have the final say and to be able to check that the quantity ordered is the quantity delivered. You don't want to risk paying for something that isn't being used or is on the back of a lorry going somewhere else. Agree their remit by bringing some clarity to their role.

### INCENTIVE

Don't hesitate to pay them a little premium to manage the site. It's a hard job and although they won't be on the tools for the entire eight hours they're on site, they'll be busy on the phone ordering materials, going to their suppliers to pick up materials or interfacing between some tradesmen. An additional financial enhancement of around £100-£150 per week will help to sweeten the deal for them.

## NEVER manage all the trades yourself

Managing all the tradesmen yourself is a recipe for disaster and I strongly recommend you never do it. It's hard work - you have to be technical on site, which is difficult if you have no prior experience and you'll find that no-one takes responsibility for anything, resulting in an untidy site and deliveries that no-one takes control of. You also end up being a social worker, dealing with issues that go on between tradesmen (accusations of stealing tools, disputes about cleaning up or even lost sandwiches). Seriously, let the site manager deal with all of this. It is definitely money well spent.

"Managing all the trades yourself is a recipe for disaster"



# PROJECT MANAGER

## What is a project manager?

A project manager is the next tier up. The project manager works with and manages the site manager to ensure the timely completion of a project. They manage, co-ordinate and bring everything together.

The project manager's role can include all or some of the following:

- **Initial appraisal of property (people often forget to include the PM in this, but it is a key part of the process)**
- **Putting a specification of works together**
- **Putting the job out to tender, getting prices in and comparing prices**
- **Appointing a builder or building team**
- **Managing the site manager**
- **Procuring specialist products, such as kitchens and bathrooms**
- **Managing the schedule and budget**
- **Making decisions if any issues arise**
- **Communicating and updating the investor on progress**
- **Managing the sale or initial letting of the property.**

## Typical projects

There is a common misconception that a project manager is only needed on larger projects, but in reality if you have no previous experience, or you lack the skills or time to be able to complete this yourself you'll hugely benefit from having a project manager to manage your smaller projects too. They will run more smoothly and stand a better chance of being on time and on budget.

The process of project managing is exactly the same for a refurb worth £10,000 (new

kitchen, new bathroom, and a coat of paint) as for one worth £10 million (new build, block of flats). The difference is with the larger project you need to bring in more specialists and delegate to more technical people, such as architects, structural surveyors, building control, party wall surveyor, the list goes on. Employing a project manager who has the skills and experience to do this is by far the best decision you could make.

## Project manager role

The project manager will manage the site manager or building team. Where the site manager will be on site every day, the project manager may only go to site once a week, but he or she will be the first port of call for the site manager, or for the investor as their client, if there are any questions or issues. They will also check and remind the site manager to do certain tasks, such as order materials, deal with deliveries and maintain a safe site.

In the event the property investor wants to choose the layout of the kitchen and get heavily involved with it to make sure it's right, the project manager will co-ordinate the two to make sure the information is available on time, that it's going to be on budget, and that the site manager knows when that kitchen will be delivered to site and has got the space for it and the resources to unload the van.

## Your role

As an investor, you may or may not want to be involved in the management of the site process. This depends on the time, skills and knowledge you've got and whether you've got other priorities that mean you can't be involved as much as you would like.

Many investors have other businesses or full-time jobs that need their time and involvement and some live miles away from their investments. In these cases employing a project manager to manage the entire project from start to finish is a must. You will receive regular updates and can even have Skype video calls whilst the project manager is on site so you can keep up-to-date with progress. You'll be sent invoices along the way, but you won't need much more involvement than that. Then when the project is finished you'll be given the keys. Easy peasy.

Alternatively, investors may wish to visit the site quite often so they can learn the processes and see what's going on. In this instance, the project manager will work with you to do this. They will also explain things in detail, so you won't need to disrupt the builder from his work.

"A project manager deals with everything"



## Why get a project manager?

### LACK OF SKILLS OR EXPERIENCE

There are far too many property investors choosing to hands-on micromanage their projects when they could make far more money finding another deal, bringing in finance, or managing their portfolio. And many of these are throwing money down big black holes because they don't know there's a better, cheaper and faster way of doing things.

The investor is the top project manager, of course, as this is their project, but often it makes sense to outsource the project management to another expert who has better skills than you, such as writing a specification of works, finding builders and dealing with building control. While they are doing this, the investor can be making sure that the finance and legals are in place, or looking for the next deal.

When trying to decide whether to be the project manager yourself working with your site manager or whether to employ a more experienced project manager you have to assess your own skills and knowledge and understanding how much time you've got to spare, and if this is the best use of your time and skills and knowledge to manage the project.

**It doesn't make any difference if the project is small or large, if you don't have the time or skills then you need a project manager.**

## Things to be aware of:

### NOT THEIR ONLY CLIENT

It is likely that the project manager will have more than one project on at any one time. That's perfectly manageable, as one project will not fill up their day like it will with the site manager.

But make sure to check with them how many projects they have to ensure they haven't spread themselves too thinly, and to make sure your project is taking priority.

## Summary

Project managing your refurbishment yourself and employing a site manager is certainly the cheaper option and will save you money. But it will take up a lot of your time and you could easily find that you're the cause of delays and errors, due to your lack of experience managing a project.



### LESS RISK

A project manager's experience and expertise should eliminate a lot of delays and issues on site. Although, they should also carry professional indemnity insurance, so if they are the cause of errors, there's some coverage to put you at ease.

### ADD VALUE FROM THE BEGINNING

The most successful projects are those where you get the project manager involved before you've even purchased the property. That way you can get an experienced

professional to run the numbers again to check that it all stacks up. At this critical time, you can get invaluable insight into what is needed to refurbish the property – as the project manager has more experience than you they will spot things you didn't, which will help you to know what your maximum offer price is to enable you to make a profit. You can also work together to look at ways to maximise the value and keep the cost down.

Appointing the project manager after you've already bought the property can make it hard for the project manager to give any valuable input into the project and can sometimes be too late.

### COSTS

A project manager is worth their weight in gold. They will take your project and make it happen, leaving you to concentrate on the rest of your life and business.

I always recommend including project management in your initial budgets and appraisals. Project managers usually price based on the duration and complexity of the job, so if the project will take eight weeks you'll get a price that covers that period of time. This can range from anything from £1,500 to £40,000 depending on the size of the project.

The quote you receive will be bespoke and tailored to your specific project.

Smaller jobs are going to take less time, of course, but there's always a bare minimum you need to spend to get things going. So allow £1,500 as a bare minimum. This might seem a lot if you're only putting in a new kitchen and bathroom, but if you don't have the time or expertise it's totally worth it to get the knowledge and expertise of somebody else doing it for you. As with everything in life, you get what you pay for.

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