Unit 7 Project Contract Approaches

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In this project, the goal is to build a Garage Apartment with a fully furnished interior and exterior. Naturally, there are many uncertainties that arise when dealing with construction; it may not be as simple as a grocery run with fixed prices. For example, prices on equipment and materials may rise and fall with the current market trends. Certain contractors may require more deposits than others. Natural environmental situations such as storms may delay building, or destroy foundations that are already set in place; requiring them to be rebuilt to add to the budget further. All of these uncertainties and more create issues when attempting to write up an accurate budget for the lifetime of this project.

Because of the uncertainties surrounding this project, it is important to put careful consideration into which type of contract would work best for the situation. A standard Fixed Price Contract may be appealing to a project sponsor, as this lays out specific monetary guidelines to stick to, and will help present clear benchmarks as to the project performance (The Federal Acquisition Regulation of the United States, n.d.). However, there are no clear solutions to determining exactly what the project budget will be and since the budget in this contract cannot be altered, it will not serve well in this situation. One contract that may help accommodate the uncertainties described may be a Time and Material type contract. This particular contract is used as a “rolling tab” which will pay out based on worked hours, accrued materials, and emergency situations (The Federal Acquisition Regulation of the United States, n.d.). Because of the baseline to pay as the project demands the money, this type of contract would provide the necessary flexibility that the uncertain climate of the Garage Apartment project would demand. Major issues such as storms or lightning striking the premises may be unlikely, but in their events they wouldn’t provide any risks to the already set negotiations of the project, and would simply add to the budget that the team would need to repair and overcome the challenges.

All of this will work to maintain the security and quality of our project deliverables. There are a few key deliverables that the project will surround (Purdue Online Writing Lab, 2023). One essential project deliverable for this Garage Apartment Project would be the Project Plan. This deliverable may not seem all too essential in the long term, but will provide the grounds for the entire project going forward, and will aid in the necessary logistics planning and organization that the entire project will rely on in the coming timeline. Control Measurements for this deliverable are relatively simple, compared to the others in this project (The National Academies of Sciences Engineering and Medicine, 2021). As it is part of the planning phase of this project, only the leadership team needs to work on this deliverable. This means it can be started before any standard contractor has been brought on board. Because of this, this project can be laid out in the Plan documentation for the leadership team to adhere to as they move onto the physical stages. This project Plan will be verified through the key stakeholders such as the client via the project team submitting their completed document for review. Upon the agreement of the key stakeholders, the deliverable will be considered completed. The project plan will be revised and resubmitted however many times it requires to be approved by the key stakeholders. A second deliverable would be the property’s garage. This deliverable will be considered as the complete physical construction of the garage portion of the property. It will be considered complete only when the physical unit matches the design blueprints, the quality control documentation outlined in the Project Plan, and an approval from project management. This deliverable control measurements will be detailed and reported on in weekly meetings seeing the construction specialist and project manager receiving presentations via remote meetings. The vendor and client key stakeholders will be updated upon the successful completion of this deliverable. A third deliverable would be the Design Philosophies. This deliverable specifically sees the team’s landscaping and designer implementing the design philosophies detailed in their report, and will be considered completed much like the Garage when the physical descriptions of each room and outside areas match their counterparts in the project plan, Quality Control documentation, and the Project Manager’s insight. Similarly to the Garage deliverable, meetings on this deliverable will happen weekly via remote talks in order to gauge project progress and identify risks, emergencies, and additional requirements.

There are many different moving parts to this garage project. Due to the uncertainty in labor, materials, and equipment costs designing a budget and plan can be extremely complicated. Fortunately, there do exist plenty of more tentative approaches to project management that may provide much needed flexibility in these areas in order to accommodate certain risks that could arise in this project. A careful eye could be kept on project timelines and quality controls to ensure the successful and efficient completion of this Garage Apartment Project.

# **References**

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