

- Terminate: If the problem appears to be more than temporary, or a temporary problem persists, then the most prudent course of action may be to diligently pursue termination and nullify the ripple effects of a nonperforming subcontractor.

Again, if this is a bonded project, you must give the surety notice before supplementing forces, suspending or terminating to preserve your claim against the bond and obtain the assistance of the surety in completing the work. As always, confer with your legal counsel to make sure the action you take is the best route for your firm.

Failure to recognize and manage struggling subcontractors properly often leads to disputes, claims, project delays and poor-quality work. Most issues, however, can be resolved by working with the subcontractor, rather than taking drastic measures. If termination is the only option, follow the bond form's protocol and the conditions to the subcontract so you do not find yourself in dire circumstances.

There is no shortage of issues that occur on jobsites, and mistakes will happen. Your role as GC in this situation is to collect the information available, break the problem down into solvable solutions, effectively communicate with all parties and make informed, calculated decisions based upon facts. The key here is to improve upon the mistakes made in the past so that we do it better the next time around.



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