## Construction Projects and Partners, Advantages and Disadvantages

<table>
<thead>
<tr>
<th>Role</th>
<th>Advantages</th>
<th>Disadvantages</th>
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| **Subcontracting Free Labor Arrangement:** Provides supervised, trainee labor at no cost to the developer. | • No financial risk  
• No liability for missing deadlines  
• More flexibility in trainee schedule | • No income for work  
• May have little control over training environment or trainee assignments  
• May be dependent on others for YouthBuild schedule |
| **Subcontracting Paid Subcontractor Arrangement:** Completes a specific “scope of work” on a single or a few trades. Work is done for a fixed price to be completed by a pre-established deadline. | • Program receives some income  
• Less risk than construction management roles  
• Does not require complex construction management skills or logistics | • Liability of completing work within a specified deadline  
• Risk of not estimating materials cost correctly  
• May not provide for steady work for trainees throughout training year  
• Depending on subcontract, may not provide broad enough learning experience |
| **Construction Management** Works on behalf of the developer to coordinate all subcontractors on the project, in place of a general contractor. Developer assumes all risks and rewards. Coordination work is done for a fee. | • No financial risk or liability  
• Provides control over the pace of the job  
• Provides control over scope of work that trainees undertake  
• Provides leverage with other subcontractors on the job to use trainees effectively | • Requires highly experienced staff with construction management skills  
• Does not provide same potential for generating program income as general contracting  
• Hard to find willing development partner |
<table>
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<tr>
<th><strong>General Contracting</strong></th>
<th><strong>Development</strong></th>
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<tbody>
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<td>Coordinates all aspects of the actual construction work, including all subcontractors for a fixed price/lump sum. General contractor agrees to complete the job within a certain price, regardless of what the job ends up costing, and assumes all risks and rewards.</td>
<td>Obtains a site and oversees all aspects of the development of that site. Assumes the ultimate risk of ensuring that funds available match or exceed project costs. Often receives a developer’s fee for this role.</td>
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| • Provides control over scope of work that trainees undertake  
• Provides leverage with other subcontractors on the job to use trainees effectively  
• Potential to generate more income for program than Construction Management | • Provides maximum control over ensuring that projects are available on time for training  
• Maximizes control in balancing tension of “training vs. production”  
• Can maximize income generated for program |
| • Requires highly experienced staff with construction management and estimating skills  
• Can lose a substantial amount of money, if estimates are incorrect  
• Requires a sophisticated financial infrastructure  
• Requires cash reserves (working capital) or a line of credit | • Requires extensive organizational and staff capacity to fulfill all functions  
• Financial risk and liability are significant  
• Extra workload could cause housing development to overshadow mission of youth development |