



Unit Fourteen: Construction Company Organizations & Operations

Lesson #1: Company Organization Chart & Officers (2 days)

Objectives

Students will be able to...

- Identify the basic organization of a corporation, its officers, and their responsibilities.

Common Core Standards

LS 11-12.6

RSIT 11-12.2

WS 11-12.2

Communication 2.4 & 2.5

Career Planning and Management 3.1, 3.2, 3.3, 3.4, 3.5, 3.6, 3.7, 3.8, 3.9

Technical knowledge and skills 10.4

Problem Solving and Critical Thinking 5.3

Demonstration and Application 11.5

Residential and Commercial Construction Pathway D1.1, D1.2, D1.3

Materials

Officers and Organizational Flowchart

Business Organization Notes

Company Organizational positions notes

Power point Business Structures

<https://documentcloud.adobe.com/link/track?uri=urn%3Aaaid%3Ascds%3AUS%3A62dc66e4-873e-4be4-8b7d-eb1b6ecf71e2>

Lesson Sequence

- Using the PowerPoint <https://documentcloud.adobe.com/link/track?uri=urn%3Aaaid%3Ascds%3AUS%3A62dc66e4-873e-4be4-8b7d-eb1b6ecf71e2> introduce the basic organization of a corporation, its officers, and their responsibilities. Have students fill in *Business Organization Notes* while you are teaching them using the power point. Answer any questions.
- Pass out the *company organization position notes and flow chart*. Review these with class and have students highlight important information.

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- After students understand the organizational positions, discuss the requirements that students feel the employees in a company need to have to hold each of the organizational positions.

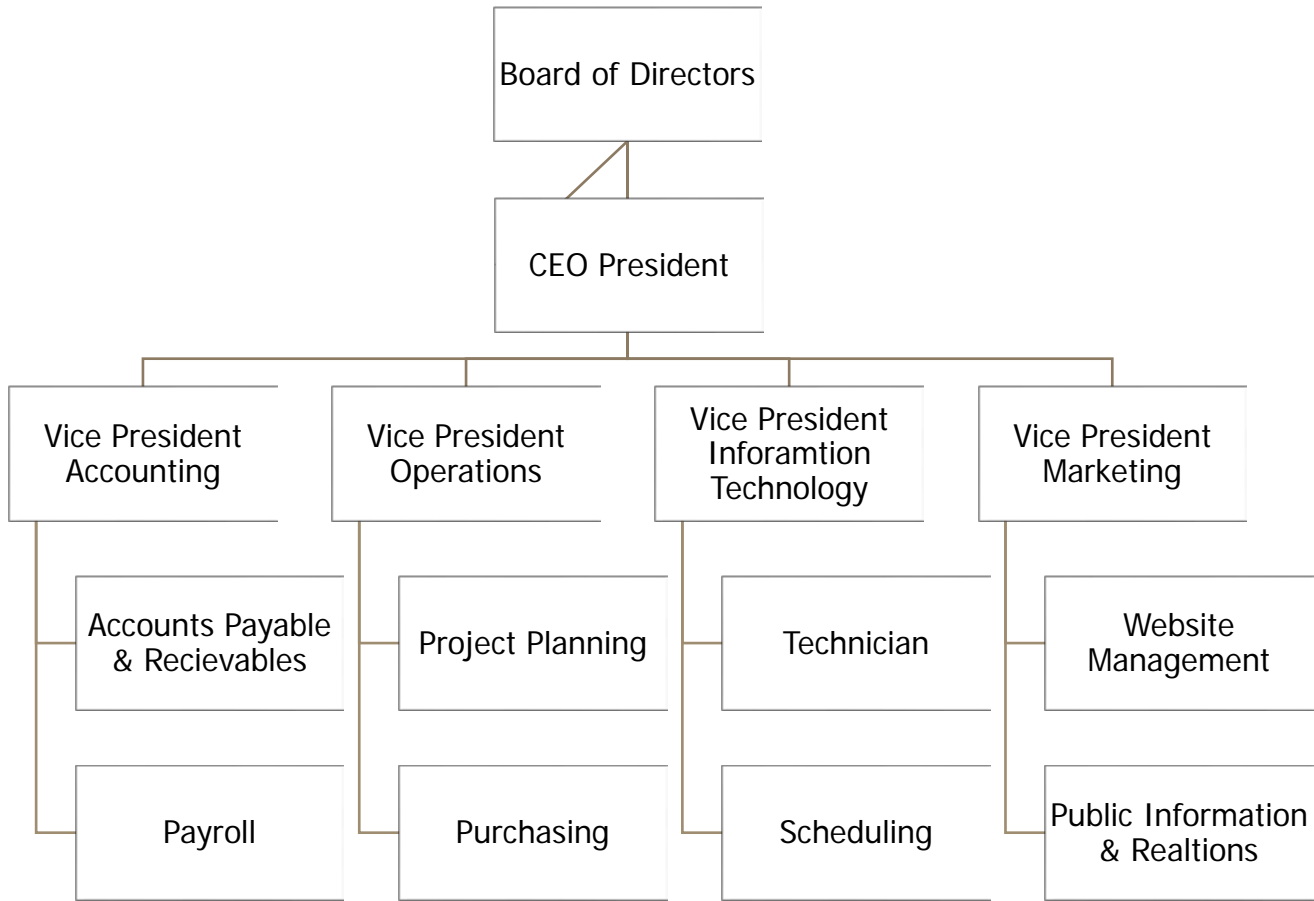
Assessment

Informal observations through whole class discussions. Check for understanding through questioning.

Accommodations/Modifications

One on One Support
Check for Understanding
Highlight Important Material Ahead of Time If Needed
Partner to Support with Notes

Officers and Organizational Flowchart



Business Organization Notes

Business Types:

1. Sole Proprietorship
 - Single owner
 - Simplest of all business structures
 - Can have employees – no limit
 - Usually small operation
 - All profits are personal income
 - All liability is the owners
 - Easy to start – very low cost
 - Business dies with the owner

2. _____
 - _____
 - A partnership agreement is needed
 - _____
 - Usually small operations
 - All profits are shared personal income
 - _____
 - A lawyer is suggested to start
 - Business ends on the death of any partner

3. _____
 - Shareholders are the owners
 - _____
 - Requires a minimum of two officers
 - Almost all large businesses are corporations
 - _____
 - Limited liability for owners
 - Legal fees are large to start

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President/CEO:

- _____
- CEO = Chief Executive Officer
- _____
- Rarely will a company have a CEO and a President

Corporate Secretary:

- Legally required in all corporations
- _____
- Keeps minutes of Board of Directors meetings
- _____
- Appointed by Board of Directors
- Position could be held by another officer

Chief Operating Officer:

- _____
- Answers to CEO and Board of Directors
- If no COO, often they will have an Executive, or Senior Vice President in charge of operations.

Chief Financial Officer:

- _____
- Answers to CEO and Board of Directors
- If no CFO they may have a Vice-President of Accounting or Finance

Chief Marketing Officer:

- CMO: Responsible for marketing
- _____
- Works closely with accounting

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Chief Information Officer:

- _____
- All computer systems in company
- _____
- Relatively new position in corporations
- Officer position because of access to info

Vice President:

- VP: Corporation can have several
- _____
- Executive Vice-President is second in command or (COO)

Director:

- Usually in charge of a specific department
- _____
- Also, can be a mid-level manger

Manager:

- _____
- Finance Manager, Advertising Manager

Project Manager:

- PM: Responsible for overseeing the many departments that collaborate on a given project
- In construction, a PM must coordinate the work of several internal departments, Developer, Architect as well as sub-contracts.
- _____

Field Superintendent:

- Also known as a super, or sup ("soup")
- Responsible for overseeing the activities of every contractor/sub-contractor on the jobsite
- _____
- They also call for, and "walk" inspections with the inspectors

General Superintendent:

- Ultimate superintendent
- All field supers answer to the general.
- The general reports to the COO, or Executive VP of Operations

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Foreman:

- _____
- In charge of a work crew
- _____

Purchasing Agent:

- Acquires all the pricing for the various components of a home's construction
- _____

Land Acquisitions:

- Responsible for identifying properties suitable for development
- _____
- Undeveloped land could contain archeological sites, environmental issues or hazardous wastes

Company Organizational Positions Notes

President/ Chief Executive Officer (CEO):

The highest-ranking individual within a company usually shares the combined title CEO/President. CEO stands for Chief Executive Officer. In other words, there is no one that outranks this person within the corporation; he or she answers only to the board of directors. In fact, the President of the United States is often referred to as the Chief Executive. As I just mentioned, the CEO usually carries the additional title of President of the corporation. I use the term 'usually' because there are those occasions where there is a CEO and a President, but this is more the exception than the rule.

Chief Operating Officer (COO):

The Chief Operating Officer makes sure that the day-to-day operations of the corporation are functioning as smoothly and productively as possible. Typically, the COO is second only to the CEO within a company. He or she answers only to the CEO and the Board of Directors. If a corporation does not have a COO, often they will have an Executive, or Senior Vice President who oversees Operations.

Chief Financial Officer (CFO):

The Chief Financial Officer oversees the company's finances, or money. If a company does not have a CFO, they may have a Vice-President of accounting. Below these are the managers, directors and others that make sure the day-to-day functioning of the corporation is carried out.

Chief Information Officer (CIO):

The executive position of Chief Information Officer has increased in importance tremendously in recent years. This is directly related to the fact that in the computer age, information and information technology have become a vital part of doing business. As head of information technology within an organization, they are responsible for the management of all information systems, and usually report directly to the company's CEO.

Chief Marketing Officer (CMO):

The Chief Marketing Officer has one of the more challenging jobs within the hierarchy of officers in a corporation. The CMO is responsible for marketing the company and the products it produces. This usually includes such things as advertising, public relations and product development. One of the reasons for the added challenge of being a CMO is that they not only have to manage the several departments under their direct supervision, but also must work with several others.

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Vice-President (VP):

A corporation can have several Vice-Presidents. These can have alternate titles to the other officers such as the COO (VP of Operations, VP of Finance, etc.) The second in command of a company or corporation is often referred to as the "Executive Vice-President."

Director:

A Director is usually in charge of a specific department, such as publications or promotion. A director can also be the title given to a mid-level manager.

Manager:

"Manager" is a title given to a person who is responsible for leading a group of people towards the accomplishment of specific goal within a corporation. For example, a finance manager is charged with ensuring that everyone in his or her department is doing their job in the pursuit of financial wellness for the company.

Project Manager (PM):

A project manager is responsible for overseeing the many departments that collaborate on a given project. In the construction world, this means that a PM must coordinate and oversee the work of others from several different departments. This includes maintaining communication and flow of project information between the various departments, field personnel, the site sales representatives, and the master developer. They must also oversee the development of the architectural and landscape drawings from the conceptual through the final details. They must obtain all required building permits and maintain comprehensive records of the project from conception to completion. Finally, they must coordinate the completion of each structures punch list, allowing it to be sold to the public.

Other members of a construction company include:

Superintendent:

A superintendent, also known as a super, or sup ("soup") represents the contractor or builder on the jobsite. Supers are responsible for overseeing the activities of every contractor/sub-contractor on the jobsite. There are two types of superintendents employed by construction companies:

Field Superintendent: The field super is always on site to ensure that the project progresses as planned. They also call for, and "walk" inspections with the inspectors. When a sub-contractor has a question or needs clarification, the super is the one they can get the answers from.

General Superintendent: A general super is the ultimate superintendent in that he or she is the superintendent of the superintendents. All field supers answer to the general. The general likewise reports to the COO, or Executive VP of Operations.

Foreman:

In construction, a foreman is a highly skilled tradesperson that oversees a work crew. For example, a framing foreman will usually oversee all the framers on a unit or site. Depending on the nature and scope of the work to be completed, the foreman will work right alongside his or her crew. They answer directly to the superintendent or company owner and ensure that all the trades/crafts persons working under them are lined-out and completing their assigned tasks satisfactorily. It has been said that good foremen are key to the success of any project.

Purchasing Agent:

A purchasing agent acquires all the pricing for the various components of a home's construction. From the cost of re-bar for the foundations, through the roofing materials, and everything in-between, the purchasing agents negotiate the prices their company will pay to acquire the materials. When all the purchase agent's numbers are combined with labor and the other costs inherent to a construction project, the cost per square foot of each structure built can be calculated.

Land Acquisitions:

A person involved in land acquisitions is responsible for identifying properties that are suitable for their company to purchase and develop. This includes researching the history of the property to make sure it doesn't possess any "skeletons;" literal or otherwise. Literally, it is not entirely uncommon to find native American burial sites when you begin to develop a property. You cannot simply desecrate a burial site in order to build a structure or structures. Likewise, a property may contain "skeletons" of an environmental nature, as it may be home to an endangered species, or be vital to an endangered species survival, or it may be part of a migration corridor. Depending on a properties previous use or its proximity to what is now considered hazardous materials production, storage, or worse, dumping, the soil may need to be entirely removed and replaced. These are just a few of the "skeletons" that a given piece of property might contain. If a Land Acquisitions person does not do their job to the best of their abilities, they could lead their company to purchase an expensive but unusable piece of land.