



INSIGHT BRIEF · CONSTRUCTION

Change Order Discipline: From Verbal Promise to Billable Paper

Why good companies still eat unbilled change orders, the one rule that protects margin, and how connected field tools make the disciplined path the easy path.

The conversation happens on every jobsite eventually. The owner wants something moved, it is not a big deal, and the crew is standing right there. Work proceeds. Paper does not.

Then the job closes, the invoice goes out, and everyone remembers the agreement differently.

The rule that protects margin

If it changes scope, it gets a number before it gets a crew. That is the whole rule. A change order number, even a provisional one, means the change exists in the system: it can be priced, approved, tracked against budget, and billed.

Work that starts without a number relies on human memory at close-out, and human memory at close-out favours whoever is not paying.

Why good companies break the rule

It is rarely laziness. It is friction. When issuing a change order means a round trip to the office, a form, and a signature chase, the fastest path on a live jobsite is a handshake. "Just take care of it" wins every time it is faster than the process.

You do not fix friction with a memo about discipline. You fix it by making the disciplined path faster than the handshake.

What low-friction discipline looks like

- A change order started from a phone at the jobsite, in minutes
- Photos attached to the record at creation, not emailed later
- Owner approval captured electronically with a timestamp
- The approved amount flowing to the job budget and the next progress bill automatically
- A visible log of pending changes so nothing waits in someone's head

The measure that matters

Count the change orders on your last five closed jobs, then count the changes your PMs remember happening. The gap between those two numbers, priced honestly, is what the current process costs.

Most contractors who run that exercise stop debating whether field-connected change orders are worth it.



Questions about any of this?

Summit Business Systems has been implementing ERP for Ontario businesses since 1991. We are an Acumatica Gold-Certified Partner based in Barrie, working with construction, field service, distribution, and professional services companies across the province. If you want a second opinion on anything in this insight brief, we give straight answers.

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