ABM

Construction to operations: Risks and opportunities

INDEPENDENT RESEARCH FINDINGS
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Construction to operations: Risks and opportunities

A survey of U.S. facility, property, construction, and project-management professionals indicates that the transition from capital construction to facility operations remains a vulnerable phase in project lifecycles.

Rather than surfacing late during closeout, operational friction originates upstream during equipment installation and commissioning, where schedule pressure and fragmented contractor communication routinely create downstream liabilities.



The four primary findings:

1. **TRANSITION RISK BEGINS DURING INSTALLATION AND COMPOUNDS AS THE PROJECT APPROACHES OPERATIONS**
2. **COORDINATION GAPS BECOME CLOSEOUT DELAYS**
3. **CONTACTOR EXPERIENCE, COST, AND PERFORMANCE OUTWEIGH COMPLIANCE**
4. **INTEGRATED DELIVERY MUST PRESERVE CHOICE AND CONFIDENCE**

Installation was the most frequently cited stage risk.

Cross-trade coordination bottlenecks—particularly between construction teams and testing entities, as well as among mechanical, electrical, and plumbing trades—frequently disrupt critical-path milestones. When alignment breaks down early, the closeout phase absorbs the impact, resulting in extensive rework, delayed testing, and incomplete documentation that hinder final certification and operational readiness.

To secure smooth handovers, facility leaders must integrate operational planning into early construction, establishing clear cross-trade accountability, standardized verification controls, and verified technical expertise to safeguard project performance through Day 1 operations.



Executive summary

Operational readiness starts before completion

The survey points out that installation risk, coordination gaps, and incomplete closeout controls compound as construction becomes operations. Earlier, more collaborative transition planning creates a controlled path to safe, documented, operations-ready performance.

INSTALLATION

36%

Most frequently cited phase risk

COORDINATION GAPS

86%

Affected milestones at least occasionally

VENDOR DEPENDENCE

61%

Top concern about consolidation

Industry implication

Begin transition planning during installation, name owners for each readiness task, and use shared checks for equipment, testing, documentation, and training through the transfer of responsibility.

FINDING 1

Transition risk begins during installation and compounds as the project approaches operations

Equipment installation was the most frequently cited phase risk (36%), followed by commissioning (29%). Supply chain and equipment readiness were cited by 29% as a threat to Day 1 performance.

These responses point to risk well before final closeout.

EQUIPMENT INSTALLATION

36%

Most cited phase risk

COMMISSIONING

29%

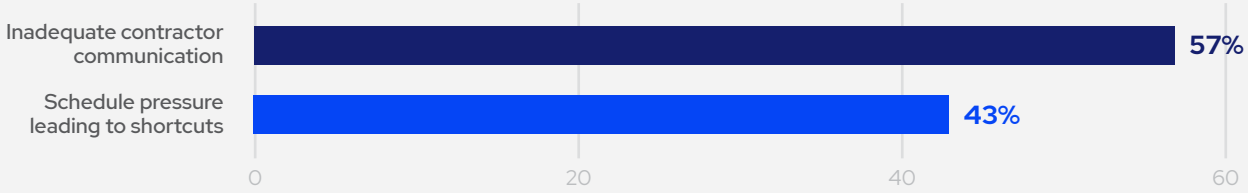
Second-highest phase risk

EQUIPMENT READINESS

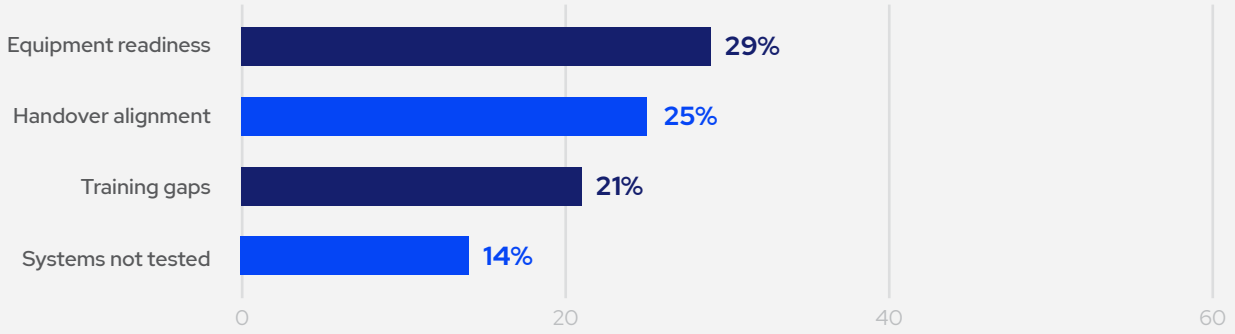
29%

Threat to Day 1 performance

Why projects stumble before handover



Greatest risks to Day 1 performance



Industry implication

Manage operational readiness as a shared workstream during installation. Track equipment status, testing, documentation, responsibility transfer, and workforce preparation against visible readiness milestones.

FINDING 2

Coordination gaps become closeout delays

Coordination gaps affected critical-path milestones at least occasionally for 86% of respondents. Friction was most visible between construction and commissioning or testing (29%) and across mechanical, electrical, and plumbing trades (25%).

MILESTONE IMPACT

86%

At least occasionally

CONSTRUCTION TO TESTING

29%

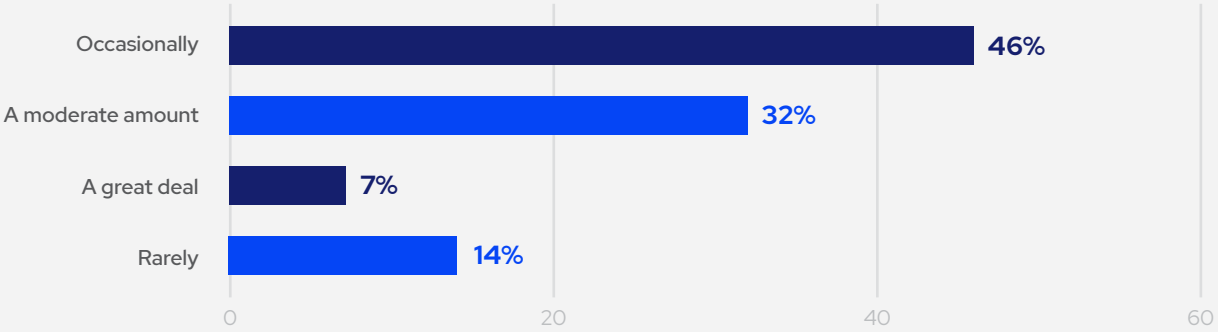
Most visible friction

ACROSS MEP TRADES

25%

Second-most visible friction

Frequency of milestone impact



Pressure on large-scale builds

Respondents cited poor cross-trade schedule alignment (46%), communication breakdowns across vendors (43%), and limited qualified labor (39%). These conditions can turn upstream coordination gaps into late testing and closeout problems.

Reading the figures

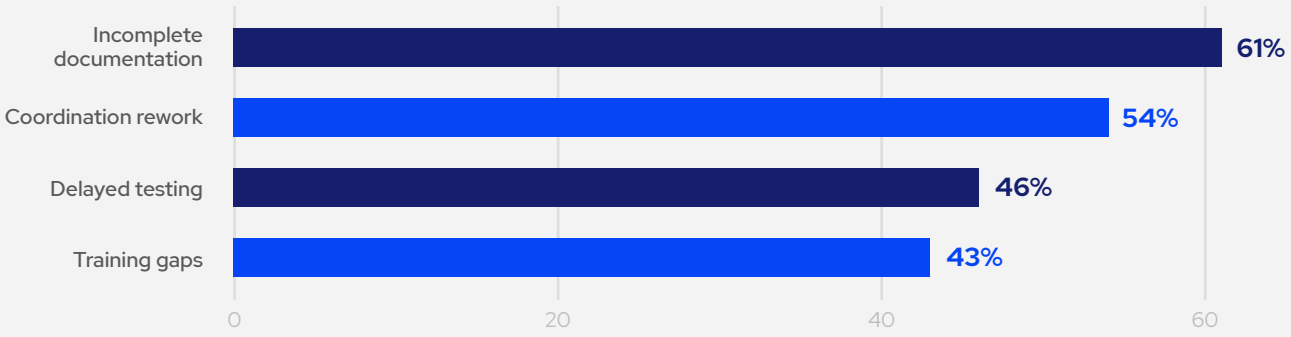
The frequency categories shown above sum to 99% because of rounding. Survey responses are directional because the sample includes fewer than 30 qualified professionals.

FINDING 2 | CLOSEOUT

Documentation and rework carry the delay

Incomplete documentation and coordination rework were the leading reported causes of closeout, approval, or certification delay. Testing and training gaps also remained significant.

Leading causes of closeout, approval, or certification delay



What the pattern suggests

Documentation, sequencing, inspections, and training can all suffer when coordination begins too late. The transfer to operations cannot resolve every unfinished task by itself; controls need to be established upstream and maintained across trades.

Industry implication

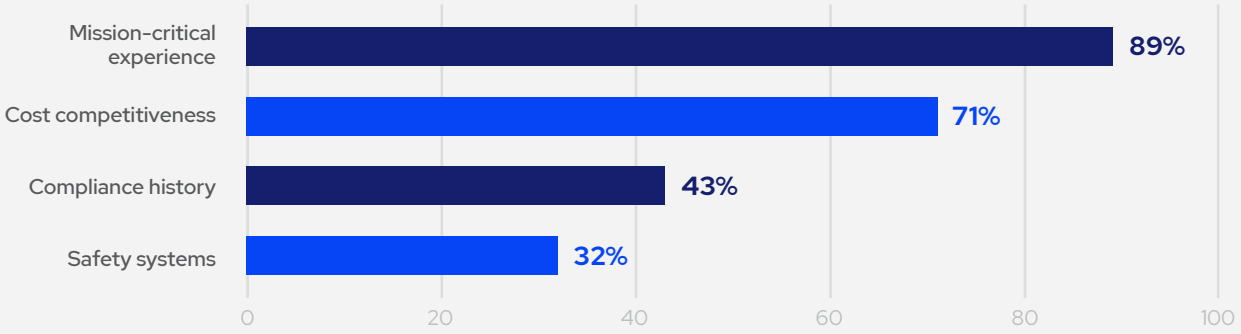
Establish a shared schedule, named issue ownership, and documentation controls early. Coordinate trade capacity, testing, inspections, and training throughout the transition, then confirm completion before responsibility transfers.

FINDING 3

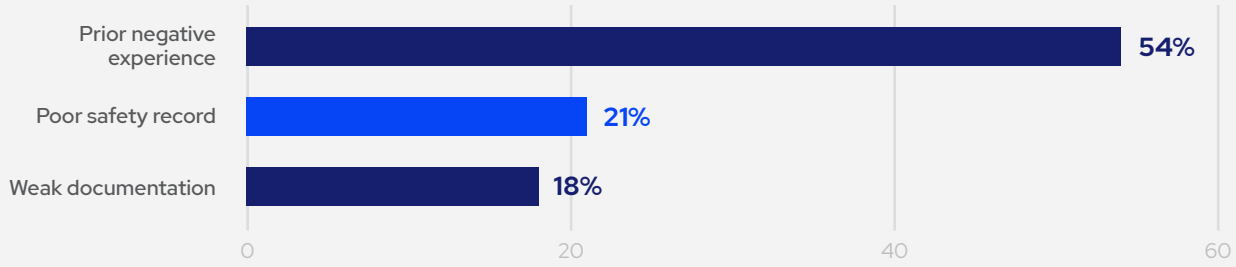
Experience, cost, and performance outweigh compliance

Respondents placed substantial weight on evidence of comparable work. Demonstrated performance on similar projects was cited by 57% as a way to judge schedule protection. A prior negative experience was the most frequently cited provider disqualifier (54%).

Top partner-selection criteria



Reported provider disqualifiers



Industry implication

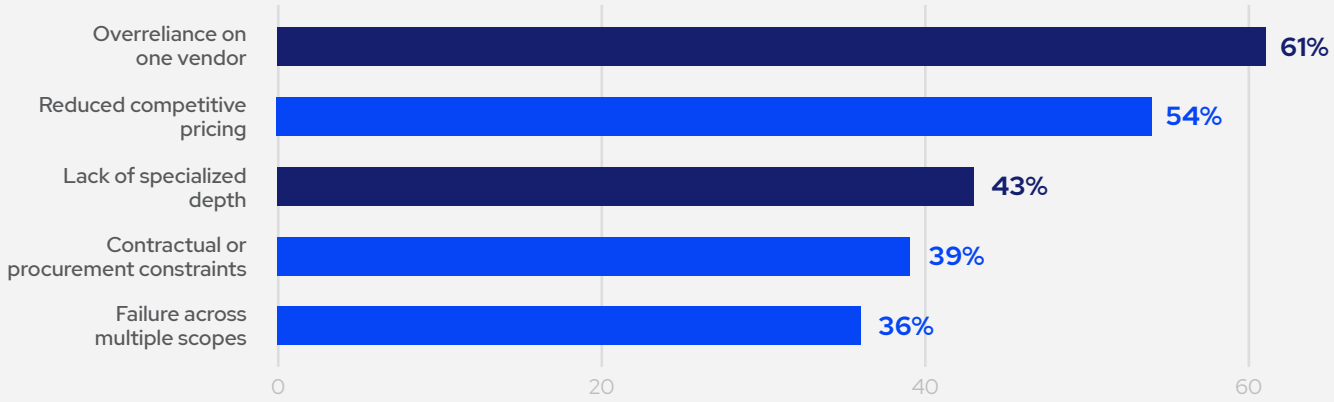
Evaluate partners with relevant case evidence, schedule outcomes, closeout discipline, pricing clarity, safety performance, and transparent reporting. Credentials matter, while experience and cost ranked higher in the listed criteria.

FINDING 4

Integrated delivery must preserve choice and confidence

Half of respondents (50%) were most likely to consolidate scopes on projects with aggressive schedules. Yet a broader contract also raised concerns about vendor dependence, pricing, specialized depth, and procurement.

Top concerns about scope consolidation



Industry implication

Assess integrated arrangements by their ability to deliver safe, documented, operations-ready performance while preserving competitive discipline, technical depth, and client leverage.

SUMMARY

A more controlled transition

Operational readiness must be managed earlier and more collaboratively. The survey points to equipment and communication risks during installation, coordination friction before testing, and documentation and training problems that surface at closeout.



Four practical actions

1. **PROTECT THE TRANSITION**

   Plan before commissioning; connect equipment readiness, testing, documentation, and training.

2. **MAKE OWNERSHIP VISIBLE**

   Maintain a shared schedule, regular governance, and named owners across scopes and trades.

3. **VERIFY SPECIALIZED DEPTH**

   Seek relevant case evidence and credible expertise in each required trade.

4. **PRESERVE COMMERCIAL CONFIDENCE**

   Define transparent pricing, performance reporting, escalation, and safeguards against excessive vendor dependence.

Bottom line

The opportunity is not consolidation for its own sake; it is a more controlled path from construction completion to safe, documented, operations-ready performance.

An integrated partner should pair clear accountability with transparent pricing, trade-level expertise, performance reporting, and defined escalation paths so clients gain speed without surrendering confidence or leverage.



For more information about this report or to speak with an expert, visit **ABM.com** or call **866.624.1520**.

All data collection, analysis, and conclusions were executed independently by Hanover Research.

Findings based on an independent online survey of 28 qualified U.S. facility, property, construction, and project-management professionals, fielded June-August 2026.
Findings should be interpreted directionally due to n<30.

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