



ASA POLICY BRIEF FOR GENERAL CONTRACTORS (“GCs”) Modernizing Prequalification to Reduce Risk, Protect Sensitive Subcontractor Data, and Increase Project Certainty

American Subcontractors Association (ASA) / August 2026

BACKGROUND

General contractors face increasing pressure to deliver projects on time and on budget while managing subcontractor risk, labor shortages, and rising administrative costs. Today’s fragmented prequalification environment—multiple forms, multiple platforms, opaque scoring and financial reporting —adds friction without materially improving outcomes. A more standardized, transparent, and reciprocal approach to prequalification strengthens risk management, improves subcontractor participation, and expands access to qualified trade partners.

ASA Perspective

ASA supports robust prequalification as a core risk-management function for GCs, provided the process is transparent, proportionate, secure and does not impose unreasonable cost or data-exposure burdens on subcontractors. Our position is not to weaken prequalification, but to improve it in ways that preserve risk screening while reducing unnecessary friction, duplication, and subcontractor-side burden. Subcontractors are more responsive, more accurate, and more competitive when the process is efficient, secure, and predictable. When prequalification is standardized and transparent, GCs receive better data, larger bid pools, and fewer downstream performance and payment disputes.

Shared Objectives: GCs and Subcontractors

- Reduce project risk through consistent, high-quality qualification data.
- Increase bid participation from qualified subcontractors.
- Lower administrative time spent chasing incomplete or inconsistent submissions.
- Improve predictability around capacity, financial health, and safety performance.
- Strengthen long-term trade partner relationships and repeat performance.

Practical Improvements That Benefit GCs

NOTE: ASA offers these recommendations as guidance only. Implementation should reflect each company’s independent judgment and applicable law.

- Standardized annual submissions: One core data set updated once per year reduces form fatigue and increases completion rates.
- Project-specific addenda only where needed: Focus reviews on true project risk, not re-collecting baseline information.
- Clear scoring logic: Transparent evaluation criteria improve trust in risk scores and reduce challenges to award decisions.
- Secure data governance: Strong security and permission controls protect both GC and subcontractor from data misuse or breaches.
- Reciprocal transparency: Basic, standardized disclosure of payment terms, retainage practices, and change-order administration improves subcontractor planning and performance without requiring disclosure of competitively-sensitive GC information or information restricted by law or contract.

Recommended Actions for GCs

- Accept an industry-standard core prequalification form supplemented by limited project-specific questions, while preserving flexibility for legitimate project-specific risk factors.
- Clearly communicate how prequalification data is evaluated and how capacity or risk limits are determined.
- Provide subcontractors with a defined process to correct data or address adverse qualification outcomes.
- Ensure prequalification platforms meet recognized data-security standards and maintain clear rules for access, retention, sharing and permitted secondary use of subcontractor data.
- Align prequalification expectations with realistic payment and retainage practices to support subcontractor performance, including timely review of payment applications and change-order requests where practicable.
- If financials are a prerequisite, then provide, where practical, a secure alternative financial review option outside the platform for especially sensitive financial information.

Conclusion

Modernized prequalification is a competitive advantage. GCs that streamline, standardize, and clarify their prequalification processes gain access to deeper subcontractor pools, receive higher-quality data, and reduce execution risk. ASA looks forward to working with general contractors to implement practical, scalable improvements that benefit the entire construction supply chain. ASA recognizes that qualified technology providers can help address long-standing inefficiencies in prequalification when their tools are transparent, secure, and balanced in their treatment of subcontractor data, review standards, and cost burdens.

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