

Delayed Payments Driving Construction Project Setbacks

As subcontractors face rising costs, 74-day payment waits, and project selection pressure, early payment programs help keep projects on track.

EL PASO, TX, UNITED STATES, July 31, 2025 /EINPresswire.com/ -- Leading [Construction Quick Pay company](#) Viva Capital says subcontractor cash flow challenges are leading to construction project delays, but early payment programs show promise in keeping things on track. Full coverage of the topic is available in ["How Subcontractor Early Payment Programs Build Relationships,"](#) now live on VivaCF.net.



The report echoes ConstructConnect's latest Project Stress Index Composite, a measure of delayed, on-hold, or abandoned projects, which shows an overall upward trajectory since Q4 2024. Analysts say ongoing challenges related to interest rates, tariffs, and the labor market are behind the challenges.

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*Armando Armendariz,
Director of Business
Development and Partner*

“Subcontractors are now forced to wait more than 70 days from the start of work to getting paid,” explains Armando Armendariz, Director of Business Development and Partner of Viva Capital. “These delays are becoming increasingly difficult to overcome, particularly as material costs rise and external capital remains in short supply.”

He says that, although subcontractors shoulder these burdens, their impacts radiate outward, causing

construction delays and ultimately resulting in project walk-outs or abandonment.

Whereas some general contractors (GCs) have historically funded early payments with their own capital, this is no longer feasible, particularly for small and mid-sized firms. However, third-party early payment programs for subcontractors are closing payment gaps, allowing GCs to keep projects on track and build stronger relationships with their subcontractors.



“Bridging the gap is the baseline,” Armendariz adds. “The real opportunity is in rethinking how we structure progress payments altogether, because when funding flows match the pace of work, the entire industry moves more efficiently.”

Armendariz notes this mindset is reflected in growing interest in Viva Capital’s Quick Pay Program, which enables general contractors to release funds to subcontractors faster, without taking on debt or paying interest, while retaining full control over approvals. He contends that, in an industry facing labor instability and a shrinking pool of reliable crews, tools like this help GCs reinforce key relationships and reward performance. “When timelines tighten and the labor supply shifts,” he adds, “the contractors with trusted, well-supported subcontractors will be the last ones standing.”

Businesses that want to learn more about Construction Quick Pay or kickstart process may do so by [visiting VivaCF.net](https://www.vivacf.net).

ABOUT VIVA

Founded in 1999, Viva helps B2B businesses of all types accelerate cash flow through specialized funding solutions like factoring, accounts receivable financing, and asset-based lending. Their simple qualification process makes it easy for small and mid-sized companies to get vital funding despite a lack of credit or time in business. Additional information is available at [VivaCF.net](https://www.vivacf.net).

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