COGENCE Alliance

Owners+Architects+Engineers+Contractors

Risky Business

13 January 2016

Welcome

COGENCE Alliance

Owners + Architects + Engineers + Contractors

Inspire. Educate. Unite.

Risk Drivers: Classification of Causes

XL CATLIN

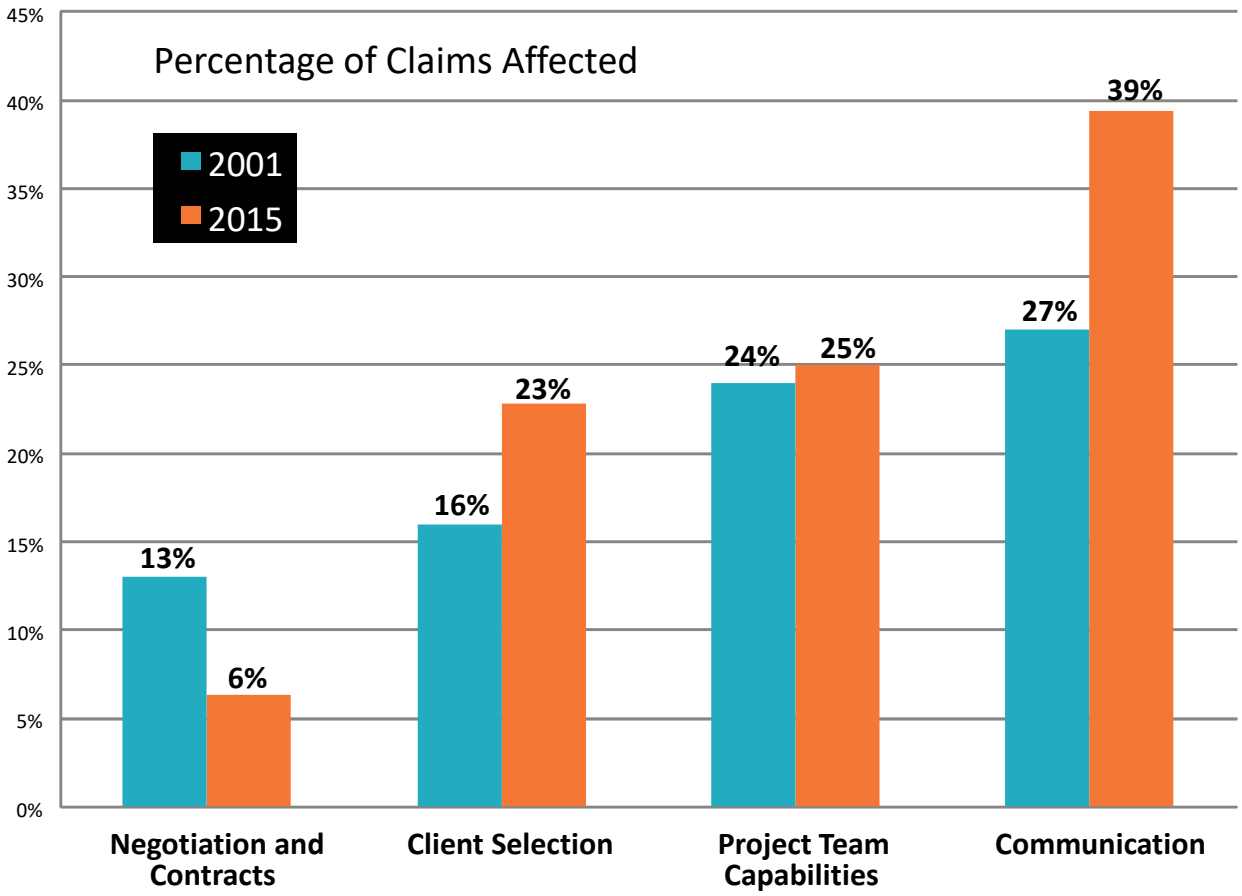
- **Technical – 30%**

Error and/or omission of a technical nature that results in a loss prevention file or claim

- **Non-Technical – 70%**

Breakdown in project management processes or business practices that leads or contributes to a loss prevention file or claim

Top 4 Non-Technical Risk Drivers



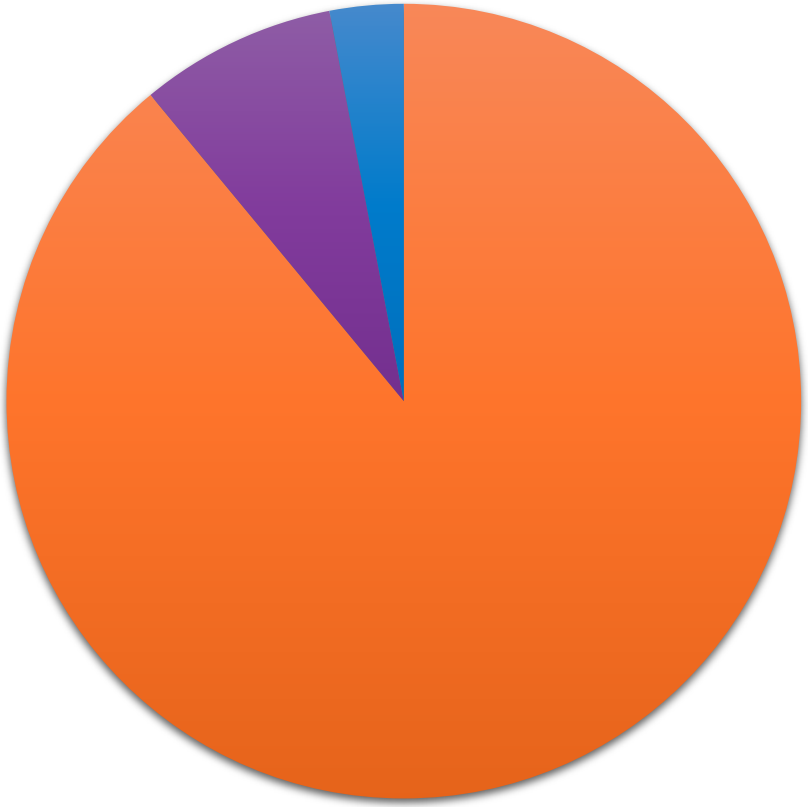
Negotiation and Contract Issues

- 46% - Unclear or inappropriate scope
- 26% - Contract not reviewed, executed, and/or understood by team
- 16% - No formal project evaluation
- 7% - Other
- 5% - No contingency fund

Client Selection Issues

- 44% - Client inexperienced
- 23% - Client has history of claims / litigation
- 24% - Client in Poor Financial Condition
- 9% - Other

Project Team Capabilities

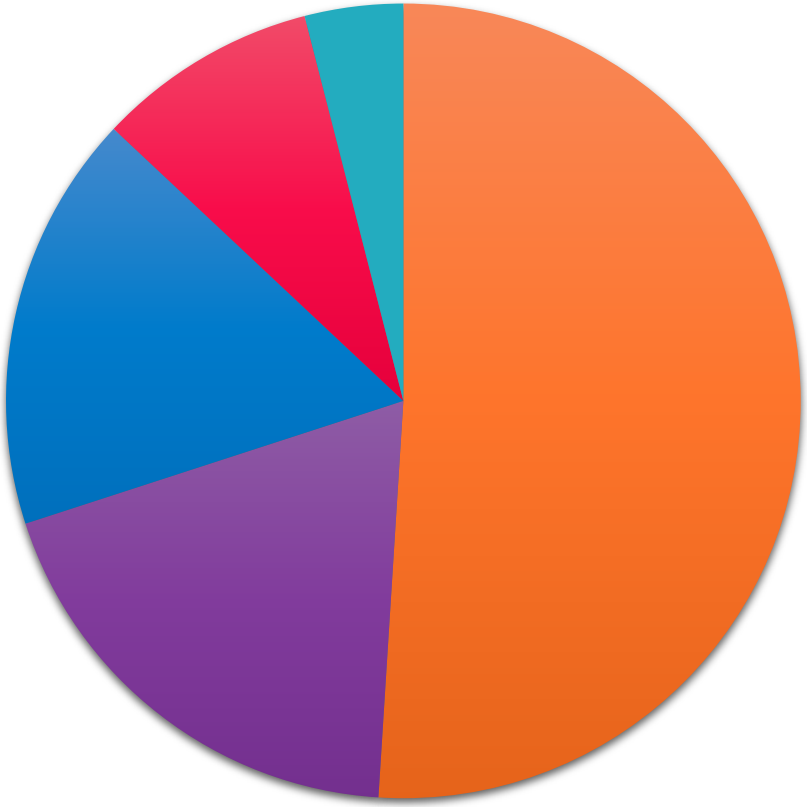


89% - Inexperienced personnel / project management

8% - Other

3% - Inexperienced in project type

Communication Issues



- 51% - Lack of procedures to identify conflicts
- 19% - Scope of services not detailed / understood
- 17% - Project issues and potential disputes not handled correctly
- 9% - Lack of documentation re: changes in scope, budget, etc.
- 4% - Other

Open Discussion

- Identify the major risks that your business encounters that can be managed or reduced via the project's delivery approach.

Partner Engagement

Please join one of our Committees:

- **Partnership – talk to Phil Kerber**
- **Program – talk to Robert Bostwick**
- **Communication – talk to Marge Zezulewicz or Armando Francisco**
- **Resource & Advocacy - talk to Pen Wolf**

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Next Meeting

9 March 2016 | 4:30

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