



BRIEF

How technology can help contractors prevent lawsuits

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Dive Brief:

- Adoption of project management and data collection technology will not only make contractors' operations more efficient but could reduce the risk of litigation as well, according to Resolution Management Consultants of Marlton, New Jersey.
- Three main construction technology categories that have the biggest potential to reduce the chances of contractors and owners fighting it out in court are scheduling software, 3D modeling tools and data collection devices.
- Though not foolproof, the use of these digital tools will help team members better plan and execute on their projects, which, in itself, is likely to reduce the number of disputes, the construction consulting firm said.

Dive Insight:

Resolution Management's take on the impact technology is having on construction disputes is backed up by a report from Arcadis, which found that more project teams are using digital tools such as project management information systems, BIM and digital data field collection to prevent and, if necessary, resolve conflicts.

Jim Gallagher, principal at Resolution Management, told Construction Dive that since it has taken the construction industry

longer to adopt the latest technologies, it has endured more disputes than other industries. And when clients are in the midst of mediation, arbitration or litigation, access to accurate and timely information will help contractors achieve more positive outcomes in their legal fights.

The proliferation of tech options, Gallagher said, has lowered the price point for many tools as well, so there's no longer an excuse for smaller contractors not to take advantage of them.

Still, technology can't solve all issues, no matter how good the technology.

"The problem still is people know how to collect the data, but they don't know what to do with the data, or they wait until it's too late to use the data," he said. "There has to be a plan to use the data and to make it available."

For example, new apps and software make it easy for superintendents and foremen to complete and maintain daily activity logs, Gallagher said, but oftentimes the paperwork is filed away only to be taken out again in the event of a dispute. Those reports would be more useful if management took the time to review them and look for potential claims before they become a problem, he added.

And there's another compelling reason to use technology, Gallagher said: the capacity of human memory. Someone's honest recollection of events can change significantly in just a few months.

In fact, according to attorney Quinn Murphy with Sandberg Phoenix in St. Louis, systems that require people to interact will never be perfect. "Any time you involve human input and interpretation, there is room for disagreement and misunderstandings," he said.

So, what technology can help contractors avoid disputes?

"I think BIM is really the one that has the most potential," Murphy said. "Not only is it based on objective data, but also it stops disputes before they even start because everyone has real-time access to the information ... on the spot."