

Dispute Resolution



Strategies to successfully resolve conflicts and
disputes.

Keys to avoid disputes



- ❧ Communication- Most disputes can be avoided with good communication. Weekly meetings with minutes.
- ❧ Trust- Establish partnering relationships.
- ❧ Respect
- ❧ Compromise
- ❧ Achieving Common Goals- Both parties vs the project
- ❧ Timely response-Escalate the issue if it cannot be resolved at your level.

RIGHT OR WRONG? MAKE A DECISION

**THE ROAD OF LIFE IF COVERED
IN FLAT SQUIRRELS THAT DIDN'T**

Get it in Writing



- ❧ Verbal agreements are mostly unenforceable.
- ❧ Change Orders or contract amendments are the sure way to solidify an agreement.
- ❧ This clarifies to both parties what is being agreed to.
- ❧ Helps avoid misunderstandings.
- ❧ Email and texting caution: One way communication. Derogatory statements will haunt you later.

Delays are Deadly



- ☞ Delay costs are very costly, especially on projects that have high traffic impacts.
- ☞ Timely decisions and resolutions will pay huge dividends. Escalate!
- ☞ If there is a delay, make sure a change order or contract amendment adjusting the completion date is processed as soon as the delay is determined.

Retaliation Trap



- ❧ Do not retaliate!
- ❧ Often someone will retaliate for a wrong or perceived wrong.
- ❧ When the issue gets escalated it will be stand alone.
- ❧ Find the root cause of the problem.

Pay What You Owe!



- ❧ If you cannot agree on a total amount but know you owe a portion of that, pay that amount.
- ❧ Withholding payment reflects poorly to a judge or jury. It appears you are holding the owed amount hostage until the other party agrees to your full demand.
- ❧ Interest on prompt pay is 1.5% per month. This interest can approach the amount of difference in dispute quickly.

Risk



- ❧ You cannot assign risk to someone who cannot manage that risk.
- ❧ Example: An owner cannot hold a contractor responsible for a plan error.

Litigation



- ⌘ Expensive and **Time** consuming
- ⌘ Emotional decisions trump business decisions, win at all cost
- ⌘ Look at alternative dispute resolution processes

Basic Concepts



- ❧ Get it in Writing
- ❧ DO NOT delay the job!
- ❧ Don't retaliate
- ❧ Pay what you owe
- ❧ Find the root cause of the problem, provide data
- ❧ Delay Damages as a negotiation
- ❧ Don't be intimidated by threat of claim or lawsuit
- ❧ What would a jury rule
- ❧ Don't hide behind specifications and contracts.