

The Most Common Ways Contractors Misinterpret Construction Contracts Leading To Disputes & Litigation

Although advising about reading a contract may seem rudimentary, as the pace of the job increases & site conditions evolve, the terms are often neglected.

MARLTON, NJ, UNITED STATES, November 19, 2024 /EINPresswire.com/ -- According to the American Bar Association, one of the leading causes of construction disputes occurs when the parties misinterpret their contract. This can include misunderstanding the terms, goals and timing, as well as the role they have in fulfilling their contractual obligations.

“

Disputes are common in construction. But they can often be alleviated if they are addressed from the start. Many disputes start small & can be minimized or avoided if handled earlier in the process.”

Brian Luke, PMI-SP, Managing Director of Resolution Management Consultants

Brian Luke, PMI-SP, Managing Director of Resolution Management Consultants, said, “Our experience has shown that most often, disputes and litigation arise because people don’t pay enough attention to their contract as it relates to their work. Often, there is a breakdown where either of the parties aren’t mindful of the specifics, definitions or nuances, or the wording relating to their activities is vague.”

Although advising about reading a contract may seem rudimentary, Luke points out that often in one’s zeal to get the deal done, contractors just skim the document and miss key elements, ultimately leading to disputes. As well, as the pace of the job increases and the site conditions evolve, the terms of the contract are often neglected. Over Luke’s decades-long career, he has observed that this contract disconnect is arguably the leading causes of disputes.

Luke has identified a number of the most common construction contract pitfalls that trigger disputes:

- Assuming anything.

Assuming is not a prudent practice in contract law nor in construction. If, in a construction contract, the term or detail isn’t clear, the parties need to communicate so it can be clarified . . .

and in writing.

- Not managing and tracking updates and approvals in writing.

Undocumented changes are one of the leading cause of disputes. Today's construction projects are so complex, they can't help but create many changes. Those changes that are not tracked in writing are virtually an open invitation to start a dispute.

- Evolving deadlines and timelines.

Timing expectations must be defined as tightly as possible and then adjusted as site conditions change. Timing issues in contracts often start out vague, but need to be updated in writing as the project progresses and site conditions change so as to continue to properly manage expectations.

- Managing the effects of 3rd party influences.

In today's volatile, economic environment, one must be wary of and account for the potential changing influences of inflation, price increases, supply chain issues, materials availability, workforce availability and other factors on a contract.

- Managing unrealistic expectations.

Unrealistic expectations need to be brought to light, negotiated, and revised in writing, as soon as they are identified, so they can be made realistic.

- Dealing with vagueness.

It will be valuable to look at the contract from all sides to determine issues that may be vaguely worded, in order to more realistically define terms and expectations.

Luke also notes that should the principals have surrogates negotiating the contracts, they themselves should revisit their final form with their teams prior to engaging in the project to insure understanding and compliance.

Said Luke, "Disputes are common in construction. But many disputes don't have to occur if they are addressed from the start. Many disputes start small and can easily be minimized or avoided if handled earlier in the process."



Brian Luke, PMI-SP, Managing Director of Resolution Management Consultants

About Resolution Management Consultants, Inc.

Resolution Management Consultants, Inc. (RMC) is a nationally recognized consulting firm headquartered in Marlton, NJ. There are two sides to the business: the construction planning and management aspect – helping clients build more successful projects – and the litigation aspect – should matters go to court, providing analysis and testimony as expert witnesses. Founded in 1993 by veterans in the construction, contracting and engineering professions, RMC has assisted numerous private owners, public agencies and contractors in either achieving project goals or resolving cost and time disputes between the contracting parties.

Website: <https://resmgt.com>

LinkedIn: <https://www.linkedin.com/company/ResolutionMgt>

Twitter: <https://www.x.com/ResolutionMgt>

Facebook: <https://www.facebook.com/ResolutionMgt> # # #

Leo Levinson

GroupLevinson Public Relations

+1 215-545-4600

[email us here](#)

Visit us on social media:

[Facebook](#)

[X](#)

[LinkedIn](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/761728861>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2024 Newsmatics Inc. All Right Reserved.