

CONSTRUCTION PROJECT ADVISORY SERVICES



As a construction project evolves, a myriad of factors can diminish the value of a stakeholder's investment. The financial implications from common risks such as excessive change orders or cost and schedule overruns can wreak havoc on a financial portfolio. A construction project team needs a well-conceived strategy to effectively navigate and manage such risks associated with a complex collaborative effort. Marsh Risk Consulting's (MRC) Construction Consulting Practice is comprised of construction experts who understand the dynamic risks that project team members face. Our project advisory services focus on the processes required to effectively and efficiently plan and manage projects, improve transparency and accountability among stakeholders, control cost, and avoid, minimize, or resolve disputes during the construction project lifecycle.

SERVICE HIGHLIGHTS

Our comprehensive experience in the construction sector drives our service philosophy—helping further the success of project stakeholders as they work toward common cost, schedule, and quality objectives. We consult on project planning and implementation throughout different levels of an organization to help

clients achieve superior project returns and minimize the risk of disputes.

GOVERNANCE ASSESSMENT

Project governance success can be measured by management's ability to

Who it's for

- Public and private owners
- Authorities
- Contractors and subcontractors
- Architects and engineers
- Manufacturers, suppliers, and vendors

What you get

- Integral experience in every type of infrastructure, industrial, institutional, and commercial project type, including formation, engineering, construction, and operation
- Customized screening tools and management systems to provide executive management the means to employ timely and efficient risk intervention on projects during the planning/bidding stage throughout execution
- Expert professionals with extensive experience performing construction cost and schedule audits, as well as claims strategy development, process management, and claims resolution

have a positive influence on the outcome of a project. Returns below expectations, chronic disputes, and surprise results to important projects are all indicators of underpowered risk management programs and uncontrolled variability in program inputs and/or project processes.

MRC's Construction Consulting Practice provides tools and techniques to help executive management achieve effective project governance. Although other consulting firms may offer project risk management services, our solutions are distinct because they are customized specifically to meet the individual needs of each client. MRC's Construction Consulting Practice provides assessments of project procedures and recommendations to facilitate the client's effort to close the gap between its current processes and industry best practices, which help determine the likely cause of chronic problems in projects. Our unique and systematic tools identify high-risk projects during planning and execution to elevate management's awareness of these "special needs" projects. Through project-integration, MRC incorporates current project data directly into its risk management system which can reduce the system's periodic update effort by up to 90 percent. Our repeatable and trainable solutions are structured around methods which identify and calculate risks based on the same project control metrics used to measure and forecast schedules, progress, and cost.

PERFORMANCE AUDIT

Whether conducted before construction commences, periodically during the performance of construction, or at close-out, MRC's performance auditing services can help clients increase their return on capital project expenditures. Our services include:

- reviewing contracts for potential risk exposures;
- evaluating the reasonableness of estimates and budgets;
- assessing project controls in place;
- validating schedule duration and logic;
- verifying that bonds and insurance policies are updated and in place;

For more information on MRC's Construction Consulting Practice, please call us at 866-9AtRisk (866-928-7475) or contact us via e-mail (At.Risk@marsh.com).

For more information on these and other solutions from Marsh Risk Consulting, visit www.marshriskconsulting.com or contact your local MRC or Marsh representative.

Marsh is one of the Marsh & McLennan Companies, together with Guy Carpenter, Mercer, and Oliver Wyman.

This document is not intended to be taken as advice regarding any individual situation and should not be relied upon as such. The information contained herein is based on sources we believe reliable, but we make no representation or warranty as to its accuracy. Marsh shall have no obligation to update this publication and shall have no liability to you or any other party arising out of this publication or any matter contained herein.

Any statements concerning actuarial, tax, accounting, or legal matters are based solely on our experience as insurance brokers and risk consultants and are not to be relied upon as actuarial, accounting, tax, or legal advice, for which you should consult your own professional advisors.

Any modeling, analytics, or projections are subject to inherent uncertainty, and the Marsh Analysis could be materially affected if any underlying assumptions, conditions, information, or factors are inaccurate or incomplete or should change.

Marsh makes no representation or warranty concerning the application of policy wordings or the financial condition or solvency of insurers or re-insurers. Marsh makes no assurances regarding the availability, cost, or terms of insurance coverage.

- tracking project expenditures and approving payment applications;
- monitoring scope change and reviewing change order requests;
- providing independent project updates;
- preparing cost forecasts and cash-flow analyses; and
- recommending performance solutions to protect project budget and schedule.

MRC's Construction Consulting Practice can also assist with evaluating the economy, efficiency, and effectiveness of the management structure, policies and procedures, and project controls of your organization or department.

PROJECT CONTROLS AND MANAGEMENT SERVICES

MRC's Construction Consulting Practice can help develop Critical Path Methodology (CPM) schedules, project cost accounting systems, change order processes, and other controls. We can assess the reasonableness of existing controls at any point during the project lifecycle against industry best practices. Our professionals provide ongoing project management support, including time and cost management, Earned Value Management Systems (EVMS) implementation, and other state-of-the-art project controls services.

DISPUTE PREVENTION

Claims are, by nature, a means to recover additional costs stemming from changes or damages which were not anticipated within the terms and conditions of the contract. If left unmanaged, these claims can evolve into costly disputes, often leading to profit-draining litigation. Our professionals support our clients in an effort to prevent further escalation with services including:

- claims strategy development;
- costs and schedule monitoring and auditing;
- technical analyses;