

Construction Risk Monitoring

Monitoring the
risks associated
with a large
construction
project

RiskTech (Aust) Pty Ltd

Suite 2, Level 1, Building C, 1 Homebush Bay Drive, Rhodes NSW 2138
Phone: (02) 8745 2000 Fax: (02) 8745 2099

Offices in Brisbane and Melbourne

www.risktech.com.au

Construction Projects

Large construction projects, by nature, carry with them a range of risks which are likely to vary significantly depending on the nature of the construction project, its size, location and various other risks. Many of these risks are transferred to insurers via Contract Works type insurance covers. Other risks are carried by the client, the Principal, the Contractor and Sub-contractors.

The effective management and monitoring of the risks associated with a project can provide benefit for all parties. Quite obviously, insurers will be keen to ensure risks are adequately managed, the benefits for the client, designers, contractors, and sub-contractors can be overlooked.

The RiskTech Solution

RiskTech have developed expertise in the monitoring of risks associated with large construction projects for the benefit of all involved. There are a number of ways in which RiskTech can provide assistance.

Risk Monitoring

Many clients see benefit in engaging an independent organisation to manage the potential risk associated with a large project. The key to successfully managing a variety of risks across an entire project is to ensure buy-in from all involved. With support from all stakeholders it is possible to identify risks and develop risk management plans that are much more likely to be accepted and therefore successful.

RiskTech's technique is based on well known risk assessment methodology as defined in AS/NZS ISO 31000:2009 *Risk Management*. This process is summarised as follows:-

- Development of a risk register for the project using the Risk Assessment process defined in AS/NZS ISO 31000:2009 via a facilitated workshop involving all parties;
- Development of risk management plans for major hazards identified;
- Identification of key project milestones based on the prioritised risk register; and
- Ongoing monitoring and reporting of project progress against the identified risk milestones.

Insurance Reporting

Insurers can particularly benefit from having an independent organisation engaged for this risk monitoring role. Many large projects will be insured via a panel of insurers and all insurers will wish to be kept informed of project progress and performance.

Design Review

RiskTech's consultants have considerable technical knowledge in relation to various risk related issues. By involving us in the design stage of a project, we may be able to identify potential improvements or modifications to the design which are likely to have favourable impacts on the completed project. Involvement in this regard may include:-

- Involvement in development of Fire Engineered Solution Brief where alternatives to the BCA are being considered; and
- Consideration of materials to be used in construction, proposed layout and proposed protection methods and their impact on the insurability of a building.

How it Works

Every construction project is different. RiskTech recognise that a flexible approach will be more beneficial to our clients in helping them manage their risks.

RiskTech, in conjunction with key staff members of your organisation, will define objectives and develop an action plan. For your organisation to get the most out of such an exercise it is critical that we receive support from all stakeholders if possible and that the necessary resources are made available during the test scenario to adequately assess performance.

The Benefits

Successful risk management consulting services and programmes offer substantial benefit to an organisation. These can be summarised as:-

- Reduced uncertainty;
- Improved organisational focus;
- Improved efficiency;
- Good Corporate Governance;
- Quantifiable objectives/targets;
- Independent advice;
- Defined action plans for improvement;
- Comprehensive reports.

We are committed to assisting our clients to gain and maintain a competitive edge. We have a simple business philosophy; one which is fundamental to the way we conduct our consulting services:-

To provide professional and unbiased service to our clients based on best practice in the field of risk management.

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