

NATIONAL INSURANCE CARRIER

THE CHALLENGE

A National Insurance Carrier was looking for a solution that would help them review and respond to an \$18M Damages for Delay Claim submitted by a Large GC on a \$350M Multi-use facility development project. The GC had alleged that the delays were caused by a poor Design. The insurance company needed a way to accurately determine which activities caused the delay, who was responsible, and what could be done to make things right.

ABOUT INSURANCE DELAY CLAIMS

To investigate a claim, loss adjusters will review the project schedule and seek to determine the causes of delay and the parties responsible.

Delay Start Up claims are convoluted, because insurers have to establish:

- That the project has in fact been delayed (by a damage event);
- The financial impact of that delay;
- The extent to which the delay can be attributed to a physical damage event or events covered by the policy, and the extent to which it has been caused by other factors not covered by the policy.

THE SMART SOLUTION

After researching several options, SmartPM™ was selected to help with mediation. SmartPM™ was utilized to perform a separate analysis in tandem with and in addition to an analysis performed by a multi-national construction consultant. The SmartPM™ system was able to analyze 50% more schedules than the consulting firm, in addition to running several “what if” scenarios - all in a single day. Meanwhile, the consulting firm required more than two months to perform the same analysis.



SmartPM™



THE SMART OUTCOME

According to the insurance company, the team was much more confident in the analytics provided by the SmartPM™ system than those provided by the consultant.

The SmartPM™ findings ended up being exactly the same as those of the consulting firm, but for 1/6 the price of the Consultants – and all in a day's work.

ABOUT SMARTPM™

SmartPM™ is a full-cycle project-based, analytics solution, which provides owners with a 360-degree-view of every project within their portfolio. At its core, SmartPM™ leverages the powerful data contained in construction project schedules as the foundation to managing cost & schedule risk, calculating delays & cost overruns, and predicting & addressing future risk issues.

SmartPM™ was founded by Construction Industry Professionals who saw the need to solve a chronic problem in the construction industry; too many projects suffer from delays & budget overruns and often end in dispute. After years of R&D, case studies, customer interaction and testing, the SmartPM™ team developed an automated project controls technology that gives owners/investors a level of control they've never had before. The SmartPM™ system is proving its worth over and over on commercial construction projects of all types and sizes.

