

# **Case Study - Dispute Resolution**

### **Client Challenges**

Our client, a UK Specialist Main Contractor, had been through a number of Adjudications relating to various multi-million pound complex engineering projects throughout the UK. The situation needed to be turned around in order for the business to survive. At this point, the Client's relationship with the Employer was in jeopardy, which could affect the short term profitability of their regional business. They needed to break this negative cycle and get their business back on track and into profit.

Our Client lacked the capability to resolve the issues in-house. They didn't have any staff who possessed the necessary gravitas and professional experience required at such a senior level to enable them to unpick the knots in the situation. They required CPUK to provide clear solutions to get the project - and their business - back on track.

#### The Solution

CPUK identified that the original contract price was critically misaligned from the client's expectations. As a result, the contractor (our Client) was haemorrhaging cash in order to keep up with an ever-changing project scope.

We realised that boundaries needed to be put into place, and we developed a clear strategy to ensure that all staff members were aware of every aspect of the scope. By understanding what was included or excluded from the scope, they were better able to charge appropriately where needed. As a result, we created an opportunity for change control of approximately £3million.

CPUK further identified an additional £1.3million in sales through contract entitlement. By following Yosof's advice and as a result prevented over £1.5million in losses through poor supply chain management, project management failures and general issues caused as a result of the breakdown of relationships on the project.

"CPUK was recommended as a company that could assist us in determining the extent of our claim and perhaps help negotiate an agreed settlement. Yosof Ewing assisted by quantifying our claim and, in fact, due to his in-depth knowledge, he identified significant other legitimate sums that we had not claimed. He then acted as an independent negotiator between the two parties, in an effort to try and seek a resolution and avoid legal action." - Project Manager, **UK Main Contractor.** 

Furthermore, CPUK provided strategic contractual, operational and commercial advice to all levels of the business on a moving target job. Through identifying key strategic risks and opportunities, staff were now able to quantify these issues. We provided advice and strategies on how to avoid certain issues, and how to take advantage of opportunities when presented.

Yosof identified that the client needed ways in which to manage the supply chain better, so we designed and implemented a range of new electronic commercial processes. We also showed staff how to better deal with conflict situations and to push back on challenging suppliers. We also created a dispute strategy blueprint to provide senior staff with the necessary techniques to help resolve any potential disputes and to establish the other party's intent. With the intent revealed, we were able to develop a new strategy to escalate disputes.

"I would recommend the use of CPUK to any firm who feels that they have a justifiable claim, but wish to avoid the time and expense of having to pursue their client via the courts, not to mention losing a client." - Project Manager, UK Main Contractor.

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#### The Result

CPUK established a position of power from which the operational and commercial staff, many of whom were relatively inexperienced at using NEC3, could push back. Much of this was achieved by CPUK effectively using negotiation against a very demanding and awkward client, with whom there had already been a number of adjudications.

Unfortunately, it was too late to restore balance to the relationship, but the client was left in a much stronger position. From this position of power, they were able to extract themselves and work on the profitability of their business. "CPUK was recommended as a company that could assist us in determining the extent of our claim and perhaps help negotiate an agreed settlement. Yosof Ewing assisted by quantifying our claim and, in fact, due to his in-depth knowledge, he identified significant other legitimate sums that we had not claimed. He then acted as an independent negotiator between the two parties, in an effort to try and seek a resolution and avoid legal action."

- Project Manager, UK Main Contractor.

The client saw a commercial benefit of somewhere in the region of £5million thanks to CPUK's involvement. Staff from all levels in the business now had a much deeper understanding of how to operate the contract effectively and efficiently and the company had much more control over the operations and the general management of the project.

## CPUK - Restoring Balance

CPUK Restore Balance in contract relationships at any stage in the project life cycle.

There's a better way of doing business in the construction industry and you've just found it. In the world of construction and infrastructure projects, disputes are often the norm. Relationships between once trusted partners often become soured through the confusion of complex contracts and heightened emotions. But it doesn't have to be this way....

Uniquely, dispute prevention is at the heart of CPUK's service. Their cutting-edge process is specifically designed to bring clarity and simplicity to complex projects.

Because prevention is better than cure....

When you, like many other construction and infrastructure businesses already have, engage the services of CPUK, you are engaging with a company whose core values are embodied by its' owner and founder, Yosof Ewing.

### Get In Touch

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