

BUILDING YOUR BUSINESS FOR SUCCESS

Construction

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➔ Managing Construction Defect Risks: 6 Basic Steps

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The rapid advancement of industry practices and the threat of litigation give contractors little choice but to approach construction projects with valuable strategies to limit risk. With the right insurer on your side, you can help minimize construction defect pitfalls.

Here are six important steps to follow.

1. Be proactive about avoiding construction defects.
2. Keep up with current building codes, standards and best practices. Understand the building materials you use. Always follow manufacturer guidelines to ensure proper product performance. (This includes studying product warranties and knowing the limitations of new materials and systems, as well as compatibility issues.)
3. Be rigorous in your selection of subcontractors. Pre-qualify those you hire so you can be sure they have the proper credentials, experience and skills to deliver the kind of work you expect.
4. Take advantage of risk transfer opportunities. Rely on legal counsel to ensure you are protected against errors by others and limit your obligations to those operations that are controlled by you.
5. Document every step in the construction process. Make sure project documentation is available when construction defect allegations arise, sometimes several years after a project is completed.
6. Have an effective Quality Assurance/Quality Control (QA/QC) program. Develop a systematic approach to ensure that a project is built correctly and performs as designed.

Minimize Your Risk. Maximize Your Protection with Kapnick.

It's simple. What you don't know can hurt your business. That's why it's so important you have a trusted insurer on your side. Contact an experienced Kapnick insurance agent today!