

**IMPORTANCE OF DISPUTE AVOIDANCE
STRATEGIES FOR LARGE SCALE BUILDING
CONSTRUCTION PROJECTS IN SRI LANKA**

Kurukulasuriya Vihangika Madushani Fernando

(189538C)

Degree of Master of Science

Department of Building Economics

University of Moratuwa

Sri Lanka

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Dissertation Submitted in Partial Fulfillment of the Requirements for the
Master of Science in Construction Law and Dispute Resolution

Department of Building Economics

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Sri Lanka

April 2024

DECLARATION

I declare that this is my own work and this thesis does not incorporate without acknowledgement any material previously submitted for a Degree or Diploma in any other University or Institute of higher learning and to the best of my knowledge and belief it does not contain any material previously published or written by another person except where the acknowledgement is made in the text.

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Abstract

Dispute avoidance is a concept that has been addressed over the years within the construction industry, based on the basic maxim that ‘prevention is better than cure’. Thus, avoidance of potential dispute occurrence is more efficient than rectifying issues after they occurred. In essence, disputes in the construction industry are not merely inconveniences; they have the potential to be highly destructive, undermining the project's success and resulting in financial and reputational losses for all parties involved. This underscores the importance of proactive dispute management and avoidance strategies in the construction sector. Thus, the research focused on a comprehensive investigation of what factors in a construction project that has led to create disputes among parties, their effects and what are the improvements and strategies that can be taken to avoid disputes.

Through the literature, it was identified causative factors and effects of disputes, available dispute avoidance strategies, benefits of dispute avoidance strategies, barriers to implement and strategies to overcome such barriers, accomplishing the research objectives partially. A questionnaire survey was conducted to identify the applicability of them to the Sri Lankan context. Fifty-six individuals were selected who possess experience in the construction field and knowledge on dispute avoidance and data was collected through questionnaire survey.

The data revealed variations/ design changes and excessive extra works and financial failure of the owner as highest significant dispute causes among twenty causes. Further, the data highlighted the importance of new technological involvement such as digital documentation and Building information modeling (BIM) for the dispute avoidance.

Key Words: *Conflicts, Dispute causes, Dispute avoidance strategies, Construction industry Sri Lanka*

DEDICATION

I dedicate this piece of research to
My Beloved Parents and Husband
who encouraged me
Providing emotional and spiritual effort
in this endeavor....

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LIST OF ABBREVIATIONS

BIM - Building Information Modeling

DFS - Dispute Forecasting Sessions

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