

**MITIGATING CONSTRUCTION DISPUTES THROUGH
EFFECTIVE CLAIM MANAGEMENT IN LARGE
SCALE CONSTRUCTION PROJECTS IN SRI LANKA**

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Degree of Master of Science in Construction Law and Dispute Resolution

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DECLARATION

I declare that this is my own work and this dissertation 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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The supervisor/s should certify the dissertation with the following declaration.

The above candidate has carried out research for the Masters Dissertation under my supervision.

Name of the supervisor: Dr. M. Thayaparan

Signature of the supervisor:

Date : 24.06.2024

Mitigating Construction Disputes Through Effective Claim Management in Large Scale Construction Projects in Sri Lanka

Given its diverse work disciplines, numerous stakeholders, and complex procedures, disputes are frequently encountered in large scale construction projects (LSCPs). Disputes significantly impact the project success, both in terms of time and cost when not properly managed. Therefore, it is prudent to identify the most common claims based on past experiences and their underlying causes for effective claim management. This study aims to investigate ways to improve the claim management process to mitigate disputes in LSCPs. In achieving the aim this study intended to review the causes of disputable claims, assess the impacts of such claims, investigate the challenges in effective claim management and proposes suitable strategies. Adopting a qualitative research approach, semi structured interviews were conducted with experts who have experience in LSCPs, thereby eleven (11) semi structured interviews were carried out. The collected data was analysed in terms of manual content analysis.

Findings of the study revealed that, “variation orders” are the most frequent cause of claim. “Delay in completion of work”, “poorly written contracts”, “poor communication” and “unclear risk allocation” were also identified as significant causes of claim. “Poor record keeping system”, “queries due to the ambiguities of notices”, “poor presentation of facts” and “disagreements arising during negotiations” were the main challenges faced in management of claims. Thus, the analysis revealed the need of “concise and unambiguous contract documents”, “maintain proper documentation system” “proper communication” and “minimum variations” as the main strategies to mitigate construction disputes.

Keywords: Causes of claim, Challenges, Claim management, Disputes, Impact, Large scale construction projects, Strategies

DEDICATION

“To my beloved family for their unconditional love that motivates me to set higher targets...”

ACKNOWLEDGEMENT

This research is a result of much dedication and admiration of many people and organisations who have contributed in different ways. Thus, it is a privilege to honour and acknowledge each and every person who has invested their precious time and effort, as well as those who have shared their immense knowledge to ensure the success of this study.

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LIST OF ABBREVIATIONS

Abbreviation	Description
ADB	Asian Development Bank
ADR	Alternative Dispute Resolution
BOQ	Bill of Quantities
CBSL	Central Bank of Sri Lanka
DAB	Dispute Adjudication Board
EIA	Environmental Impact Assessment
EOT	Extension of Time
GOSL	Government of Sri Lanka
ICE	Institution of Civil Engineers
IFC	International Financial Corporation
LSCPS	Large Scale Construction Projects
PMI	Project Management Institute
SIA	Social Impact Assessment
USFHA	United States Federal Highway Administration

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