Why Construction Claims Management is Ripe for Al-Driven Process Optimisation

Initiated by Paul Njonga MB MCIOB

Paul Njonga is an experienced construction claims specialist, forensic quantum expert, and AI innovator with a deep understanding of contract law, dispute resolution, and project management. With a career spanning over a decade, Paul has successfully managed and resolved high-value claims across complex infrastructure, commercial, and residential projects.

Construction claims are complex, requiring precise analysis and extensive documentation. Yet, many claims professionals spend more time searching for records and compiling data than on substantive analysis.

Al-driven process optimisation can change this automating tedious tasks, structuring vast amounts of data, and providing deeper analytical insights.

Below, I explore the key challenges in claims management and how AI can streamline the process.

THE CHALLENGES IN CONSTRUCTION CLAIMS MANAGEMENT

1. Data overload and fragmentation

Construction claims rely on a massive volume of unstructured data—emails, site diaries, change orders, RFIs, schedules, payment records, and more. The challenge lies in locating and extracting relevant information efficiently.

Example

A contractor disputing a delay claim may spend weeks manually searching emails and notes for evidence of unforeseen site conditions. Al-powered processing can scan, categorise, and extract key details in seconds, streamlining case preparation.

Best Practice

Firms should implement AI-powered document management systems that tag and index records automatically, making them easily searchable. This ensures critical data is retrievable within seconds, rather than hours.

2. Manual, repetitive work slowing down experts

Quantum and delay experts often spend considerable time reviewing spreadsheets, manually compiling cost analyses, and aligning schedules with contract records. These tasks, while necessary, are not the best use of an expert's time.

Example

A construction consultant preparing a quantum report can use AI-driven tools to quickly detect anomalies, flag duplicates, and highlight discrepancies across subcontractor cost breakdowns, eliminating manual cross-referencing.

Best Practice

Using AI-powered cost analysis tools, experts can automate repetitive calculations, allowing them to focus on strategic evaluation and risk assessment rather than data entry.

3. Subjectivity and inconsistencies in claim assessments

Traditional claims management relies heavily on expert judgment, which can sometimes introduce inconsistencies due to human bias or differing



methodologies. Al provides a data-driven approach that enhances objectivity and standardisation.

Example

Two different experts analysing a delay claim may arrive at different conclusions due to varying interpretations of progress reports. Al-based delay analysis tools can apply forensic techniques to objectively measure project progress, identifying periods of inactivity and correlating them with reported disruptions.

Best Practice

Firms should integrate AI-based delay analysis tools that assess construction schedules with objective algorithms, reducing reliance on subjective interpretations.

4. Legal and compliance risks

Missing or misinterpreting key records can lead to costly legal disputes. Al can help mitigate these risks by ensuring documentation is complete, accurate, and aligned with contract requirements.

Example

A developer facing a dispute over liquidated damages may struggle to prove that delays were due to contractor performance rather than external factors. Al-driven contract analysis can automatically extract relevant clauses and compare them against recorded project events to build a more defensible claim position.

Best Practice

Al-powered contract review tools should be used to flag key contractual obligations and compare them against actual project performance, helping firms avoid costly disputes.

5. The rising complexity of construction disputes

As construction projects grow in scale, the complexity of claims also increases. Al can assist in forensic analysis, modelling different claim scenarios, and supporting experts with data-backed insights.

Example

A contractor in adjudication can use Al-driven analytics to predict claim outcomes from past cases, guiding smarter settlement decisions.

Best Practice

Firms should leverage AI-powered predictive analytics to assess claim risks and determine the most effective resolution strategies.

THE CASE FOR AI IN CONSTRUCTION CLAIMS

The goal of AI in claims management is not to replace human expertise but to enhance it. By addressing inefficiencies in data discovery, analysis, and documentation, AI allows claims professionals to:

- Spend more time on high-value expert analysis rather than administrative tasks.
- Improve accuracy and consistency in claims assessments.
- Reduce legal and compliance risks through better documentation and contract alignment.
- Make data-driven decisions to optimise claim strategies.

With the construction industry facing increasing pressure to resolve disputes faster and more efficiently, firms that embrace AI-driven process optimisation will gain a competitive advantage.

Are you seeing similar challenges in claims management? Have you explored AI-driven approaches to streamline the process? I'd be interested in hearing your thoughts.

Email me: <u>paul.njonga@claimmaster.ai</u> Or find out more: <u>www.claimmaster.ai</u>