

# Why Agentic AI Is Doomed in Construction Claims and Dispute Resolution (For Now)

Initiated by Paul Njonga MBA 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.

## Aim of this study

The purpose of this study is to evaluate the feasibility of Agentic AI as a fully autonomous artificial intelligence capable of managing construction claims and dispute resolution.

The research aims to determine whether AI can operate independently in legal and contractual contexts or whether its role is better suited as an assistive tool rather than a decision-maker.

## Objectives

This study investigates the limitations of AI in construction claims, particularly its inability to navigate contractual complexity, evidentiary gaps, and legal accountability without human oversight.

It also explores the barriers to AI adoption in the construction and legal sectors, where trust, transparency, and professional liability remain central concerns.

By testing AI-driven tools in real-world claims management scenarios, particularly through the iterative development of **ClaimMaster.ai**, this study identifies the most effective role AI can play in assisting construction professionals.

Ultimately, the research seeks to propose a realistic approach for AI integration that enhances, rather than replaces, human expertise.

## THE REALITY OF CONSTRUCTION CLAIMS & AGENTIC AI'S FAILURES

### 1. Legal complexity requires contextual judgment

Construction claims operate within complex legal and contractual frameworks, where terms, conditions, and dispute mechanisms vary significantly between FIDIC, NEC, JCT, and bespoke agreements.

The complexity of these contracts means that claims are not simply about identifying breaches but require careful interpretation of contractual language, procedural requirements, and legal principles. AI, when left to operate autonomously, struggles to account for these nuances.

While AI can extract clauses and match them against predefined legal principles, it fails to apply context-based reasoning necessary for understanding terms like "reasonable skill and care" or adjudicating cases of concurrent delay.

### Findings from ClaimMaster.ai Testing

Testing with ClaimMaster.ai's Contract Assistant demonstrated that while AI can efficiently retrieve contract clauses and structure entitlement arguments, it lacks the ability to assess risks, interpret legal ambiguities, or adapt its reasoning to case-specific circumstances.

The reliance on strict pattern recognition rather than genuine legal reasoning means that an AI-driven claims process would remain fundamentally flawed without human oversight.

## **2. Evidence gaps make AI decision-making unreliable**

Construction disputes are often characterised by incomplete or missing records, fragmented communication trails, and the loss of critical project knowledge as project personnel move on.

Claims are rarely built on perfectly preserved documentation; rather, they require careful reconstruction of timelines, verification of site instructions, and interpretation of verbal agreements that were never formally recorded.

AI, when left to function autonomously, cannot fill these evidentiary gaps. If crucial documents or records are missing, AI cannot generate them or infer their content with any degree of legal reliability.

### **Findings from ClaimMaster.ai testing**

Through practical testing, ClaimMaster.ai's Case Analyst Assistant showed efficiency in organising and categorising claim documents. However, its effectiveness declined significantly when dealing with incomplete records or vague references in project correspondence.

AI cannot infer intent from ambiguous meeting minutes or reconstruct missing site instructions. The ability to evaluate evidence gaps and address missing documentation remains a function that requires human expertise.

## **3. The adversarial nature of disputes blocks AI autonomy**

Construction claims do not operate in a neutral environment where facts speak for themselves. Every claim is met with counterarguments, challenges, and strategic manoeuvring.

Disputes often involve legal positioning, negotiation tactics, and procedural strategy that go beyond

factual analysis. AI, despite its computational capabilities, lacks the ability to frame arguments in a persuasive manner or anticipate the counterstrategies of opposing parties.

While AI can extract precedents or identify potential weaknesses in a claim, it cannot assess the strength of an argument in a real-world negotiation or litigation setting.

### **Findings from ClaimMaster.ai testing**

Testing with ClaimMaster.ai's Case Analysis Assistant revealed that AI is capable of identifying missing elements in a claim, but it struggles to navigate the subtleties of legal argumentation.

Unlike a seasoned claims professional, AI does not understand the tactical dimensions of dispute resolution, such as the value of settling early, the impact of procedural deadlines, or the negotiation of without-prejudice discussions.

The inability to strategically manoeuvre within an adversarial dispute makes Agentic AI fundamentally unsuited to autonomous claims management.

## **4. Legal and regulatory barriers prevent AI-only claims management**

Across most jurisdictions, legal and regulatory frameworks require human accountability in construction claims and disputes. Adjudications, arbitrations, and court proceedings demand expert witness testimony, sworn statements, and human-authored legal submissions.

Currently, no regulatory framework permits AI to take legal responsibility for contractual advice or expert opinions. Even in legal research, AI-generated content is not admissible as expert evidence unless validated and signed off by a qualified professional.

### **Findings from ClaimMaster.ai testing**

Testing with ClaimMaster.ai's Legal Research Assistant demonstrated that AI can efficiently summarise case law, extract legal principles, and compare contract clauses. However, it cannot produce expert witness statements or provide legally binding opinions.

The lack of regulatory acceptance of AI-driven claims submissions further confirms that fully autonomous AI decision-making in disputes remains impractical.

### **ClaimMaster.ai: AI AS AN ASSISTANT, NOT AN AGENT**

While fully autonomous AI is impractical for construction claims, augmented intelligence, where AI supports professionals rather than replaces them is proving to be the real game-changer. This is the foundation on which **ClaimMaster.ai** is built.

ClaimMaster.ai is designed to enhance construction professionals' workflows, ensuring efficiency without sacrificing legal rigour. Through extensive testing and iterations, the platform has been developed with bespoke AI assistants tailored for different aspects of claims and disputes.

- The **Claim Writing Assistant** structures claims using the CEESM framework (Cause, Effect, Entitlement, Substantiation, and Mitigation) to ensure clarity and completeness.
- The **Case Analysis AI** evaluates the strength of claims, identifying gaps and inconsistencies that require further attention.
- For contract-specific guidance, **FIDIC and NEC Assistants** provide structured support, ensuring compliance with their unique procedural and notification requirements.
- Additionally, **Quantum & Delay Analysis Tools** assist in calculating cost and time impacts, while still requiring human validation.

Beyond claim preparation, ClaimMaster.ai is designed as a complete claims management system, incorporating **AI-driven event recording workflows** to improve document preservation and ensure legal compliance.

One of the biggest risks in construction claims is the loss or degradation of critical evidence due to poor document management practices. Missing emails, verbal site instructions, and incomplete project records make it difficult to reconstruct timelines,

increasing legal exposure and dispute resolution costs.

To mitigate this, ClaimMaster.ai includes an advanced event recording system with built-in legal safeguards, ensuring that all project events are properly documented and preserved. The system provides:

- **Automated document preservation**, reducing the risk of missing or altered records.
- **Chain of custody tracking**, ensuring that every document and data point remains verifiable from creation to submission.
- **Legal holds enforcement**, automatically securing relevant documents when a claim or dispute arises.
- **Timestamped records**, ensuring that all instructions, variations, and communications are preserved in a tamper-proof format.

This AI-enhanced but human-verified approach ensures transparency and better project control while significantly reducing the burden of forensic reconstruction in disputes.

To further strengthen compliance and accountability, ClaimMaster.ai **integrates a step-approval workflow**, ensuring that every critical document or claim submission is reviewed by the appropriate stakeholders before finalisation.

This system prevents unauthorised changes, improves internal oversight, and ensures that claims are prepared with accuracy and consistency.

Rather than replacing expert judgment, ClaimMaster.ai acts as a force multiplier—providing structured analysis, improving efficiency, and ensuring that claims are better substantiated.

The iterative development of ClaimMaster.ai has repeatedly demonstrated that AI's role in construction claims is to augment, not replace, human decision-making.

By combining AI-powered claim structuring, legal compliance tools, and transparent approval workflows, ClaimMaster.ai stands as the most complete claims management system available—efficient, compliant, and built for real-world disputes.

## CONCLUSION

The findings of this study confirm that fully autonomous AI remains unworkable in construction claims. The industry's complex legal landscape, the prevalence of fragmented data, and the adversarial nature of disputes prevent AI from operating independently without human oversight.

AI lacks the ability to make contextual legal judgments, reconstruct missing evidence, or strategically frame arguments in adversarial disputes.

However, AI is not without value. Testing with ClaimMaster.ai has shown that AI can significantly enhance claims management by improving contract analysis, structuring claims, and streamlining evidence organisation.

The future of AI in construction claims lies in intelligent assistance, not autonomous decision-making. AI can help claims professionals work faster, structure stronger arguments, and manage data more effectively—but it cannot, and should not, be left to handle disputes alone.

Until the construction industry embraces standardised contract frameworks, improved data preservation, and regulatory acceptance of AI-driven reasoning, fully autonomous AI in claims and disputes will remain impractical.

But with tools like ClaimMaster.ai, professionals can bridge the gap between inefficiency and expertise, ensuring claims are managed with greater precision, speed, and accountability.

Do you think Agentic AI is applicable in claims management? Have you experienced Agentic AI in other industries?

I'd be interested in hearing your thoughts.

Email me: [paul.njonga@claimmaster.ai](mailto:paul.njonga@claimmaster.ai)

Or find out more: [www.claimmaster.ai](http://www.claimmaster.ai)