

# **WORKSHOP PRESENTATION ON MANAGING CONSTRUCTION PROJECT RISKS IN TURBULENT TIMES**

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# OVERVIEW

**Construction Industry  
uncertainties in turbulent times  
gives rise to several risks**

**This paper addresses**

How stakeholders can achieve more gains through the opportunity in turbulent times

Identified impeding factors for the adoption and implementation of Risk Management

Proffered initiatives to increase the integration of Risk Management

Offered a comprehensive analysis of potential construction project impacts to mitigate increased delays, costs, and interferences

identified tools and techniques for managing construction project risks in the Nigerian construction industry

# PAPER OVERVIEW cont'd



# INTRODUCTION

The construction industry is key to global infrastructural development and a major contributor to many countries' social and economic growth (Bogue, 2018).

The industry has experience series of shocks in recent times resulting to several risks affecting construction projects' quality, cost, time, performance and overall sustainability especially when not well managed (Ebekozen and Aigbavboa, 2021).

This paper is to address how to manage construction project risk excellently for construction projects from start to completion within approved budget to attain sustainable development practices.

## 21<sup>st</sup> Century Shocks

Global Fragilities  
Geometric Inflation  
Kidnapping/Bandits  
Currency Redesign Crisis  
Floating of the Naira  
Fuel Subsidy Removal  
COVID-19 Pandemic

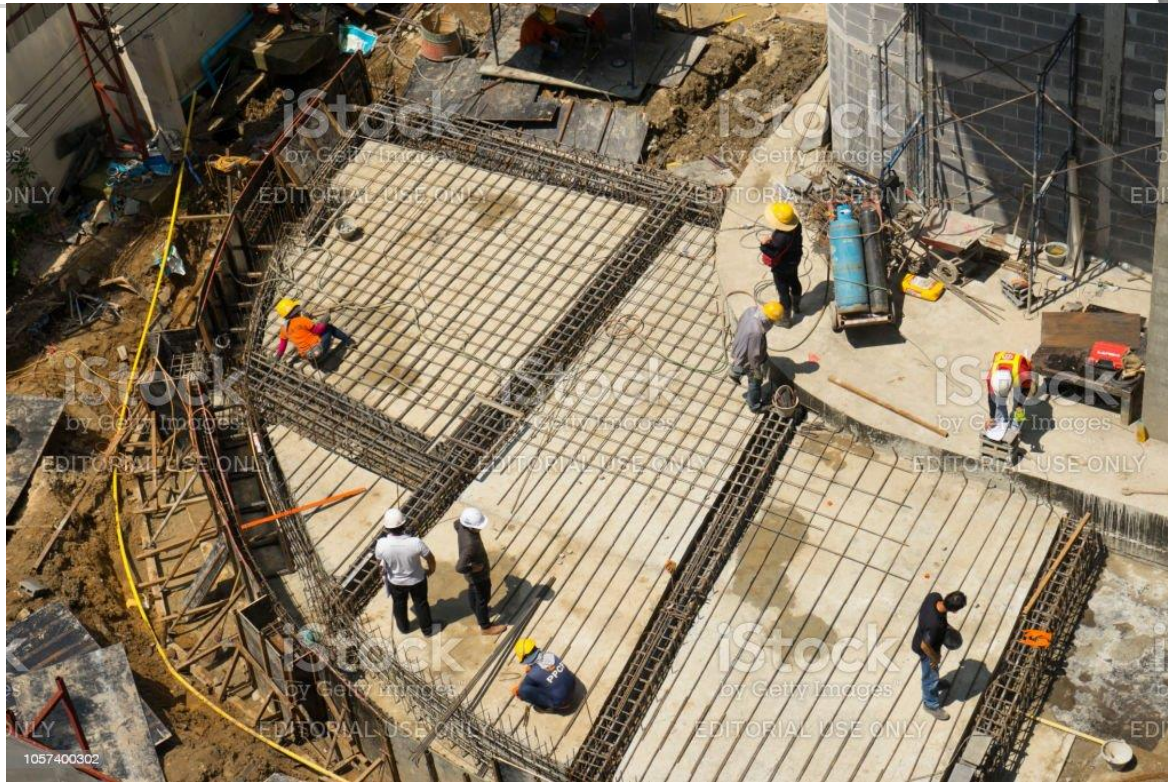


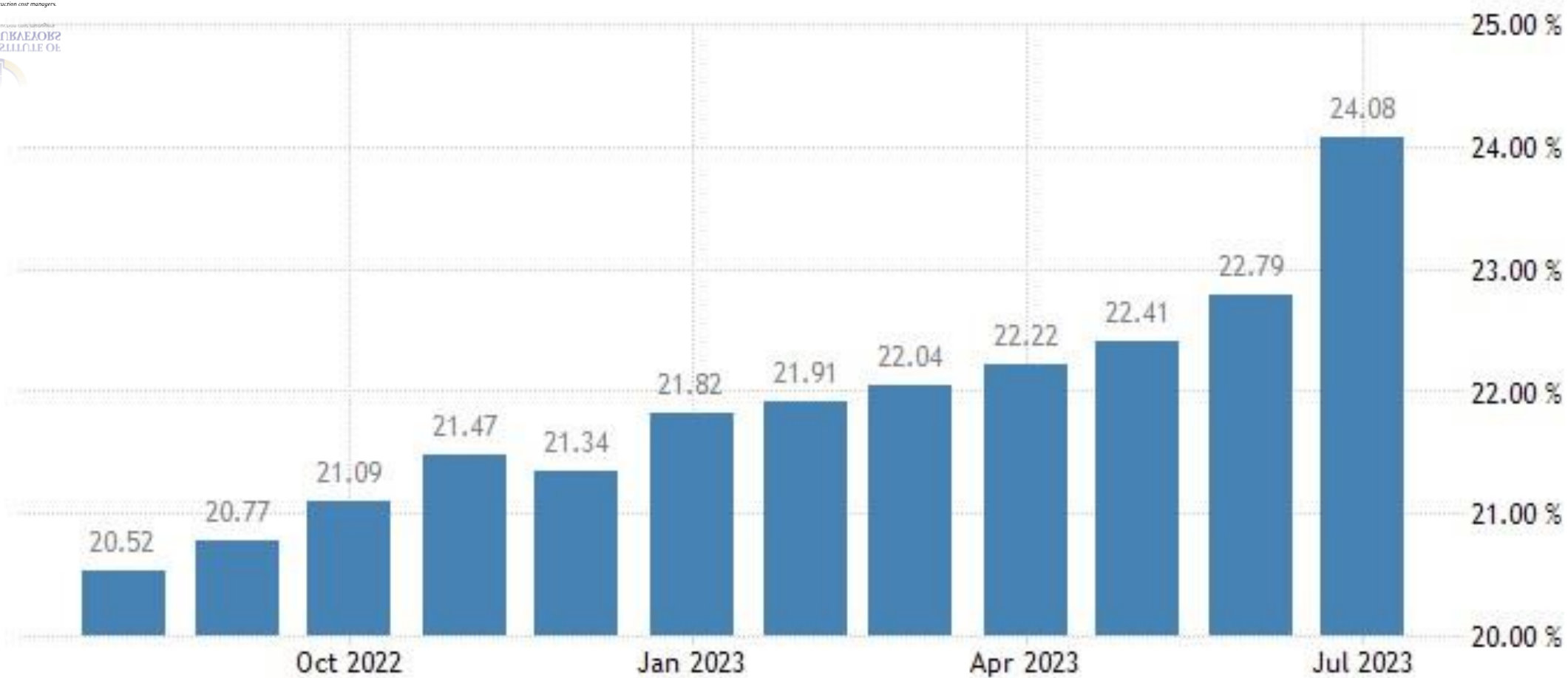
**Construction  
Industry and  
Projects**

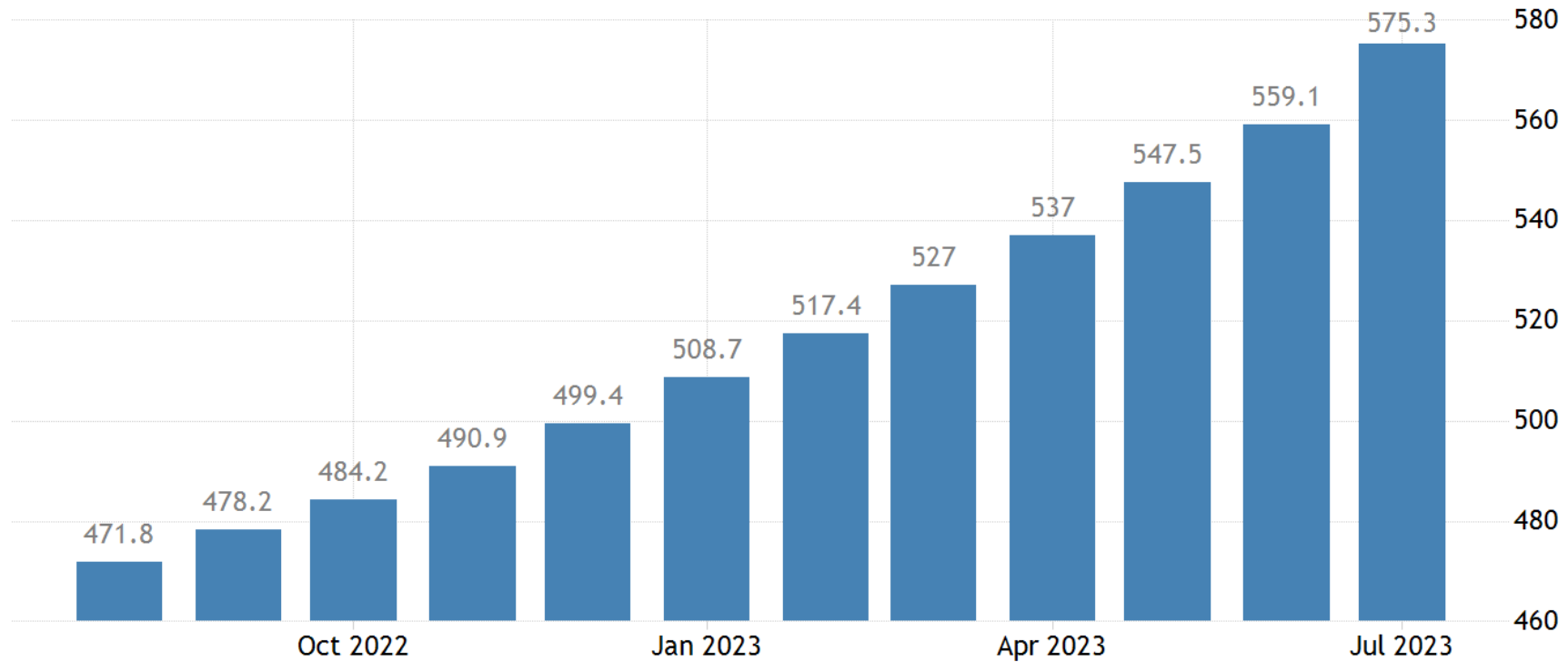
**NO ENTRY TO SITE**

**CONSTRUCTION ENTRANCE**

**TEMPORARY CLOSED DUE TO  
CORONAVIRUS**







# Major Benefits of Risk Management



Contribution to construction project success



Reducing overhead and time waste



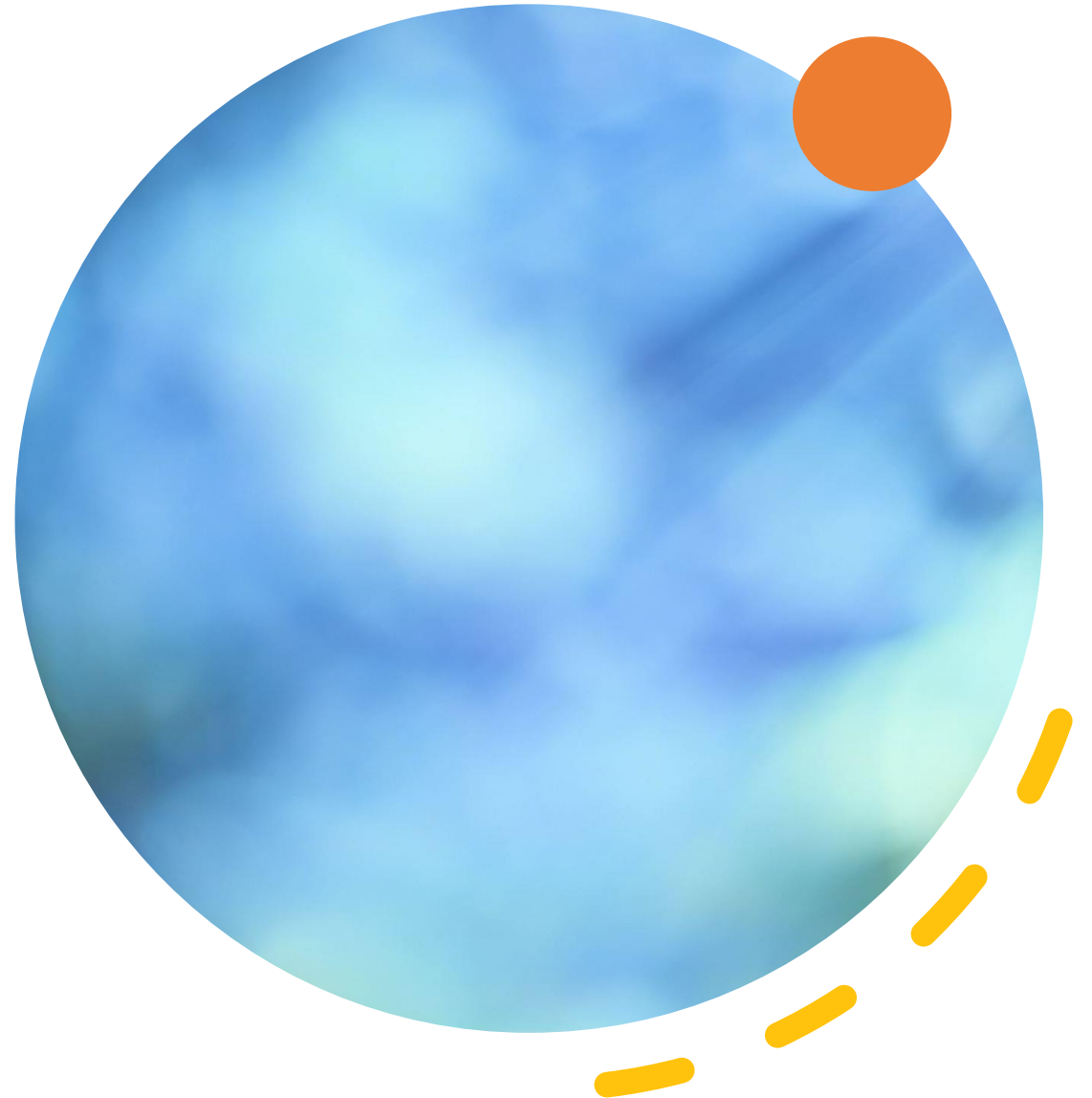
Producing better business outcomes through more informed decision-making



Enhance creative thinking



Promoting innovation



# Risk Mitigation Strategies

**Avoidance** – when a risk is not accepted, and other lower-risk options are accessible from many alternatives.

**Retention/Acceptance** – when a mindful decision is made to receive the penalties should the event happen.

**Control/Reduction** – when a process of constantly monitoring and revising the condition of the project is employed.

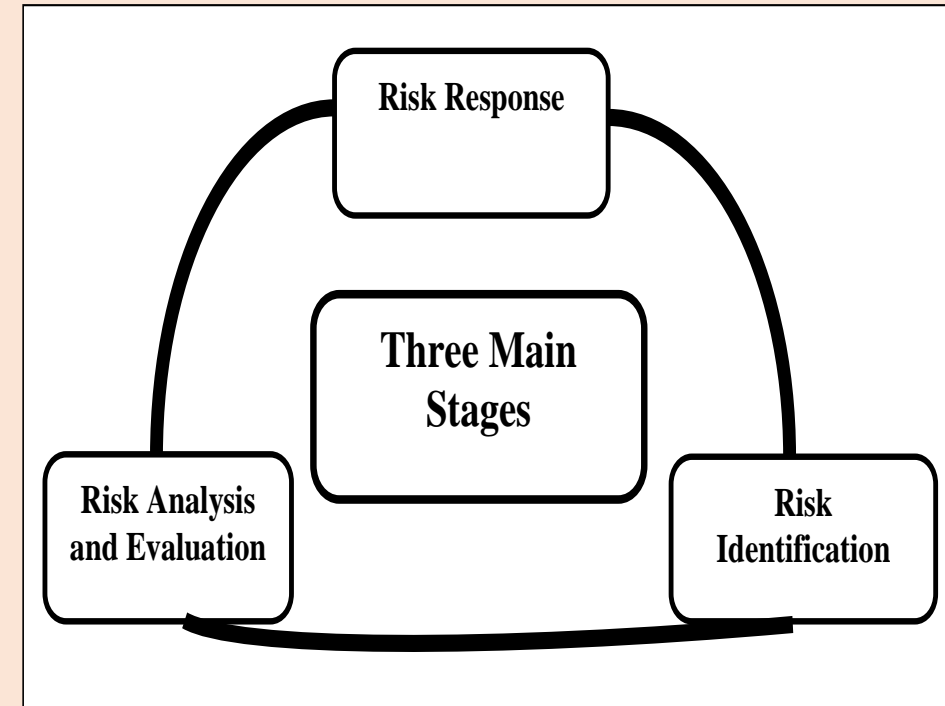
**Transfer/Deflect** – when the risk is shared. Examples include bonds, warranties, performance incentives, and contractual shifting.

# Risk Management Process

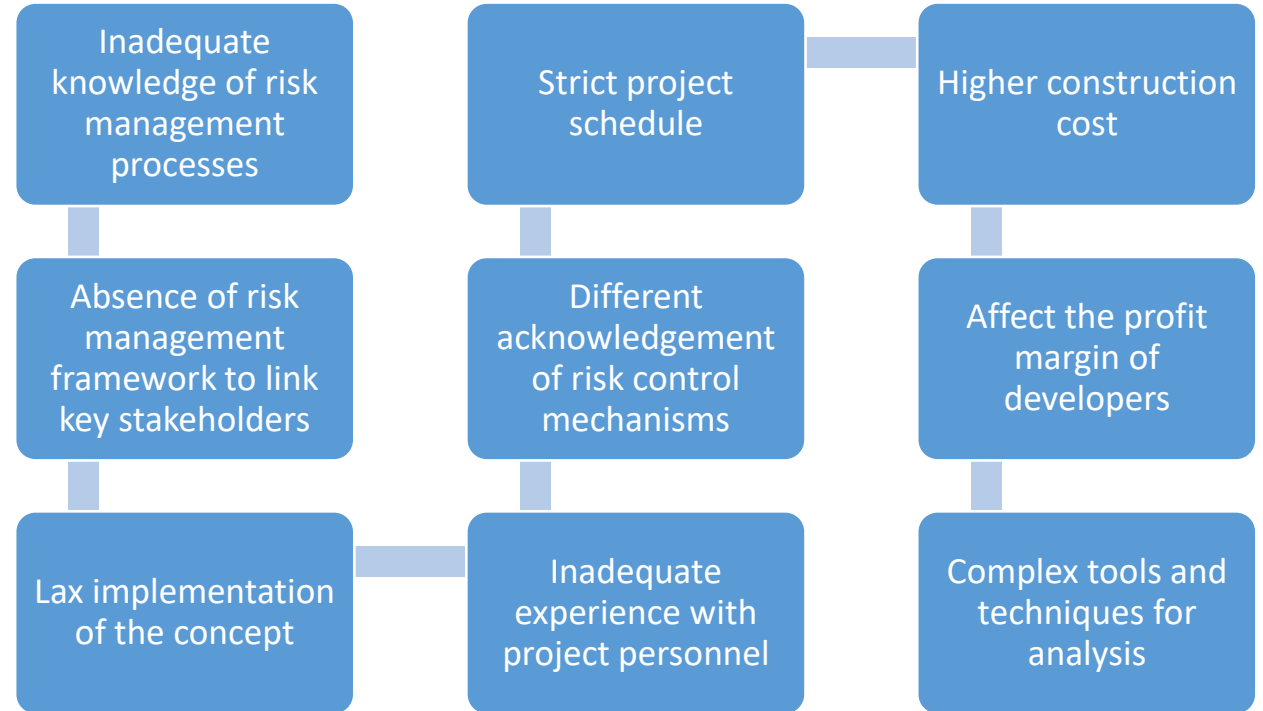
Belel and Mahmood (2012) and Oke *et al.* (2023) highlighted the processes involved in risk management

- **Risk Identification:** This is the first phase in the risk management process; determining which risks will likely influence the construction project.
- **Risk Evaluation/Analysis:** At this stage, possible risks are categorised based on significance, and attention is given to essential risks.

**Risk Response:** At this stage, a suitable risk mitigation mechanism should be engaged once the project risks are identified and analysed.



# Issues Impeding Adoption and Implementation of Risk Management in Construction Projects



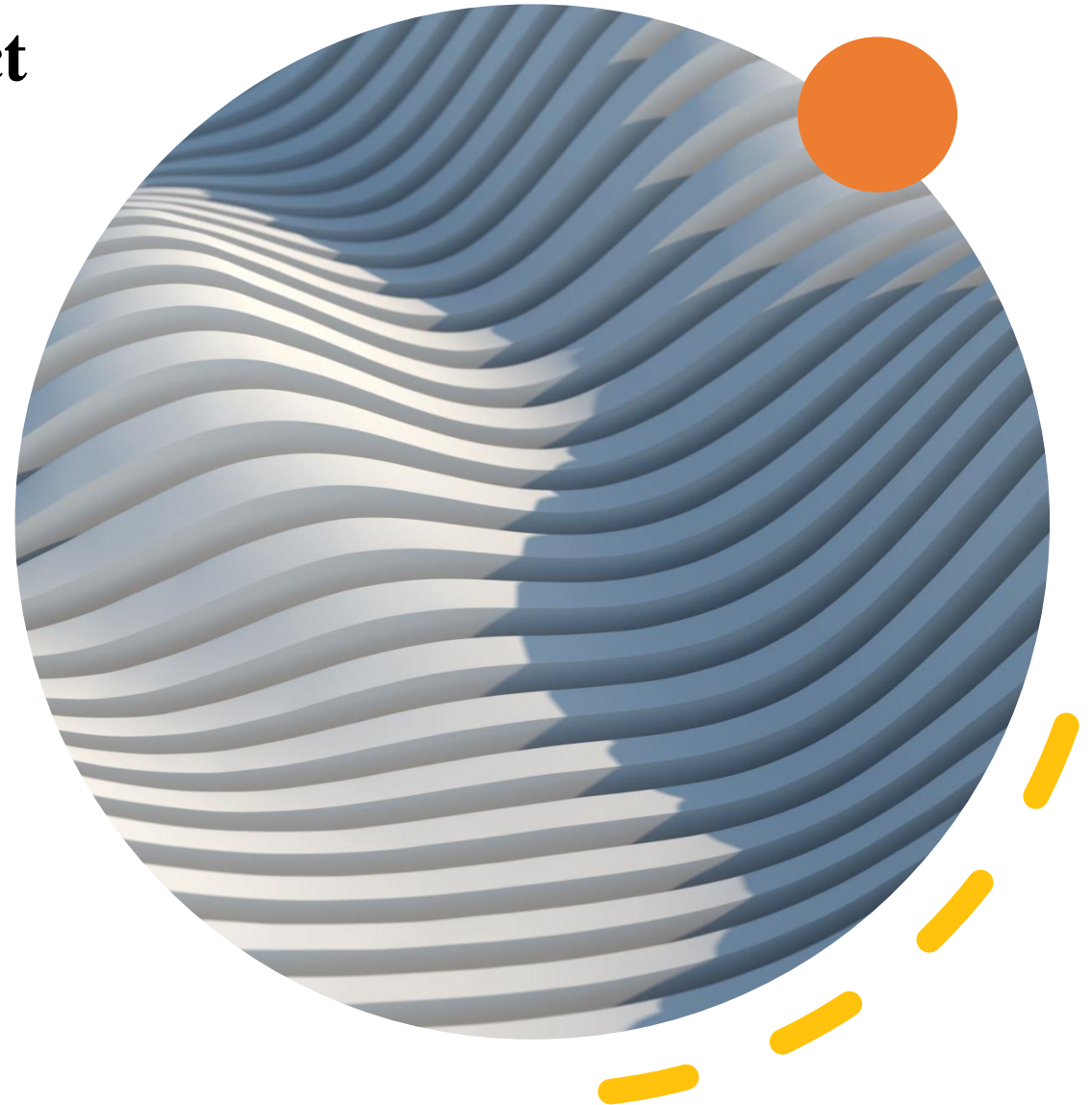
# Tools and Techniques Used in Managing Construction Project Risk (Examples):

## Checklists analysis:

This is one of the common techniques used in managing construction project risk. The technique ensures the creation of a risk identification checklist

## Brainstorming:

The approach allows the facilitator to permit parties to the construction project to list possible risks that might be detrimental to the project without determining the possibility of their occurrence or effects of such risks



# Way Forward

- Risk management awareness still needs to improve in the current Nigerian construction industry.
- Sustainable institutional framework regarding construction risk management via policies and programmes should be encouraged and embedded in the building code.
- Construction firms should evaluate project risks correctly and establish the most economical initiative to prevent or mitigate them.
- Upskilling and reskilling of construction practitioners, especially contracting staffers, regarding knowledge and procedures on managing construction project risks in turbulent times cannot be over-stated.
- The Nigerian construction industry, especially contracting firms, can do well by embracing the risk management process into their contract administration from the pre- to the post-construction phase.



# Summary and Conclusions

- Discussing risk management practices especially in turbulent times has become more germane than ever before, for infrastructure development.

## **The paper has revealed that:**

- Risks occur throughout the life cycle of a construction project. It is more visible at the construction stage and during turbulent times.
- Construction risk management, adoption and implementation awareness improve it awareness among construction practitioners and policymakers in Nigeria, thus, increase growth, profit, and sustainability.
- Issues impeding the adoption and implementation of risk management are threats to sustainable development and project performance if not curtailed.
- Identified tools and techniques used in managing construction project risks would enhance construction productivity.
- Proffered initiatives that would increase the integration of managing construction project risks during turbulent times.
- Offered a comprehensive analysis of potential construction project impacts to mitigate increased delays, costs, and interferences, especially in turbulent times.

## THANKS FOR YOUR ATTENTION

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### For Publications links:

#### Google Scholar:

<https://scholar.google.com/citations?user=WkeUpSoAAAAJ&hl=en>;

#### Scopus:

<https://www.scopus.com/authid/detail.uri?authorId=57208104712>;

#### ResearchGate:

<https://www.researchgate.net/profile/Andrew-Ebekozien-2>



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