

ARE YOUR OFFICE PRACTICES PUTTING YOU AT RISK FOR A PROFESSIONAL LIABILITY LAWSUIT?

While it's impossible to completely eliminate the risk of a professional liability lawsuit, it is possible to greatly diminish your chances by implementing proactive measures.

Take this 20-point quiz to determine where you are most vulnerable, and whether you and your practice have a high, medium, or low risk of being involved in a lawsuit.

Does your firm use written contracts or agreements, signed by both parties, for every project?	<input type="radio"/> YES <input type="radio"/> NO
Does your firm use the Engineers Joint Contract Documents Committee (EJCDC) contract documents, identifying your client by name, whenever possible?	<input type="radio"/> YES <input type="radio"/> NO
Are client-generated contracts or revised contract provisions reviewed by a third party?	<input type="radio"/> YES <input type="radio"/> NO
Does your firm document in writing every project communication, including phone calls, text messages, meetings, etc. through a formalized process?	<input type="radio"/> YES <input type="radio"/> NO
Do you avoid providing informal advice, and do you avoid accepting assignments outside your area of expertise and/or geographic region?	<input type="radio"/> YES <input type="radio"/> NO
Do you observe each project at various phases of completion to track progress to see if it is in accordance with the contract documents?	<input type="radio"/> YES <input type="radio"/> NO
Does your firm have a formalized training program for new hires and current employees that includes a risk management plan or guide?	<input type="radio"/> YES <input type="radio"/> NO
Are training sessions conducted at least twice per year, and do they include business practices, quality control procedures, and risk management topics?	<input type="radio"/> YES <input type="radio"/> NO
Do you verify that each project team member is bonded, licensed, insured, and has capabilities that align with the project requirements before they are hired? (e.g., project-specific experience, claim activity, reputation, etc.)	<input type="radio"/> YES <input type="radio"/> NO
Do you stay current with the newest technology and educate your employees and clients on using this technology?	<input type="radio"/> YES <input type="radio"/> NO
Do you ensure compliance with the Personal Information Protection and Electronic Documents Act (PIPEDA) by securing transmission, receipt, and storage of data related to any consumer, non-public personal information?	<input type="radio"/> YES <input type="radio"/> NO
Do you watch for warning signs of potential problems, including clients who undergo management changes or are reluctant to provide information, as well as missed deadlines, complaints, or errors?	<input type="radio"/> YES <input type="radio"/> NO
Does your firm have a formalized "Go/No-Go" process for evaluating prospective clients and projects? (e.g., financial capability, project experience, project success, claim history, etc.)	<input type="radio"/> YES <input type="radio"/> NO
Does your firm have a standardized quality assurance/quality control process for the development and review of design documents?	<input type="radio"/> YES <input type="radio"/> NO
Does a senior member of the firm conduct a peer review of plans prior to delivery to the client?	<input type="radio"/> YES <input type="radio"/> NO
Does your firm require the client or client representative to review and approve plans at each project phase?	<input type="radio"/> YES <input type="radio"/> NO
Does your communication and documentation program include methods for developing progress reports to clients? (e.g., errors, conflicts, changes in site conditions, changes in scope, changes in schedule, etc.)	<input type="radio"/> YES <input type="radio"/> NO
Does your firm have a formalized process for handling change orders and requests for information (RFI)?	<input type="radio"/> YES <input type="radio"/> NO
Does your firm have a formalized project close-out process including a client evaluation of services upon completion?	<input type="radio"/> YES <input type="radio"/> NO
Does your firm have a standard process for handling licensing board inquiries or investigations that involve reporting to your insurance carrier?	<input type="radio"/> YES <input type="radio"/> NO

TOTAL OF "YES" AND "NO" RESPONSES

NUMBER OF "YES" ANSWERS	YOUR PROFESSIONAL LIABILITY LAWSUIT RISK
1-6	High Risk – You're presently at high risk of professional exposure leading to a lawsuit against you and your professional services. This aspect of your professional services warrants your immediate attention and action.
7-13	Medium Risk – You should consider making some process improvements to manage your risk exposure and lower the potential for a liability lawsuit.
14-20	Lower Risk – You're doing an excellent job of managing your services, and on this aspect, your risk is relatively low. However, keep in mind that running a tight ship will not prevent a lawsuit from an unhappy client or other involved party.