



XL Insurance

Education Pays



Design Professional

Professional Liability
Education Program Catalog

Updated December 2025

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General Information

AXA XL's Design Professional unit offers risk management education courses, claim case studies, and workshops designed to increase your knowledge of liability issues and give you tools to avoid claims and mitigate losses.

Premium Credit – US: Each policy year, firms that successfully complete an approved program can earn up to 10% credit toward their renewal premium—up to the first \$5 million of coverage.

Premium Credit – Canada: Each policy year, firms that successfully complete an approved program can earn up to a 10% premium credit—up to a maximum of \$10,000 on the first \$5 million of coverage.

Annual Policies: To qualify for a premium credit, all required staff must complete and pass the program before you submit your renewal application so that the credit can be reflected on your policy binder. Premium credit is given only at renewal. It is your responsibility to ensure that the program is completed prior to renewal and that the credit is reflected on your policy binder. It's important to remember that no mid-term education premium credits will be processed.

Multi-Year Policies: To qualify for a premium credit, firms with multi-year policies need only satisfy the completion requirement once, serving as a “banked” credit for the multi-year term.

Continuing Education Credits: Programs are registered with the national AIA, and units earned by architects are directly reported to the AIA by AXA XL's Design Professional unit. Engineers may use certificates of completion to self-report learning units. Not all states and licensing boards accept these programs for learning units, and some do not recognize the HSW qualification.

Repeated Programs: To earn continuing education credits and/or premium credit for repeating a program, there must be three full calendar years between completions.

Not-for-Premium-Credit Participation: Individuals can enroll in programs on a not-for-premium-credit basis. That means enrolled participants who complete the program will receive certificates and earn learning units, but the firm will not qualify for premium credit. This is useful for new employees who need to catch up on course content, or for those employees that wish to earn learning units.

Questions: Please contact your agent or broker with any specific questions about our programs.

HSW Learning Units

Due to evolving AIA criteria regarding HSW program qualification, agents and brokers can verify learning unit status on AMOS, and AXA XL policyholders by contacting us to find out if a course or workshop qualifies.

Questions?

edge@axaxl.com

About our Courses

eLearning Courses

eLearning Courses are system-guided courses that the participant may navigate at their own pace.

- **Available on the EDGE**, our Learning Management System (LMS), an exclusive online platform.
- **Completion requirement:** Each required participant must pass with a score of 80% or higher. One retake is allowed.
- **Notes:** You can take the 60-minute eLearning course in 15-minute segments or complete it in one session.

Webinars (Recorded)

Webinars are recorded videos of presentations featuring one or more speakers.

- **Available on the EDGE**, our Learning Management System (LMS), an exclusive online platform.
- **Attendance requirements for premium credit:** 50% of the principals/partners and professional staff.
- **Completion requirement:** Each required participant must pass with a score of 80% or higher. One retake is allowed.
- Some of the webinars were developed in conjunction with PSMJ. Because these were originally delivered live, you will see references to special PSMJ offers. While PSMJ no longer issues learning certificates for these webinars, AXA XL issues learning certificates from our Learning Management System.
- **Notes:** If the participant leaves the recording before its conclusion and returns later, it will commence at the beginning when the participant returns.

Workshops

Workshops are interactive education sessions tailored to promote collaborative discussion and learning.

- **Workshops are presented by your AXA XL Agent/Broker.** Please contact your Agent to discuss scheduling a workshop for your firm.
- **Attendance requirements for premium credit:** 50% of the principals/partners and professional staff.
- **Completion requirement:** Within 30 days of the workshop, the firm must submit a Seminar Data Sheet (provided by your Agent/Broker) to edge@axaxl.com demonstrating attendance by required participants.

Claim Case Studies

Case studies combine individual exercises and group discussions that examine an actual claim.

- **Case Studies are presented by your AXA XL Agent/Broker.** Please contact your Agent to discuss scheduling a workshop for your firm.
- **Attendance requirements for premium credit:** 50% of the principals/partners and professional staff.
- **Completion requirement:** Within 30 days of the workshop, the firm must submit a Seminar Data Sheet (provided by your Agent/Broker) to edge@axaxl.com demonstrating attendance by required participants.

eLearning Courses, Webinars, and Workshops

8 Key Contract Provisions

Workshop: 1.5 AIA/CES LU | PDH

This 90-minute program begins with an overview of the importance of clear and effective contracts and how poor contract terms can negatively impact a claim. The program discusses the rules for creating effective contracts and general principles for contract interpretation and takes a deep dive into some of the most important clauses in professional services agreements.

Highlights:

- Learn how onerous contract terms can exceed the protections of professional liability insurance coverage, creating contractual liabilities for firms.
- Explore eight key contract terms by looking at the contractual concept behind the clause, examine an example of the proper language to use, hear how deviations in the contract language can create risks, and review some talking points you can use for contract negotiation.

AI Ethics in Design: Safeguarding Standards in a Digital Era

Webinar and Workshop: 1 AIA/CES LU | PDH

This program explores the transformative impact of artificial intelligence (AI) on design professionals, particularly within the engineering sector. The topics explored assist in understanding both the potential benefits and ethical responsibilities that accompany the use of AI technologies.

Highlights:

- Learn how internal governance and the establishment of effective protocols can identify key risks associated with AI usage, including operational risks, public safety concerns, and cybersecurity threats, and prepare to mitigate them through strategic planning and ongoing education.
- Examine the NSPE Code of Ethics & Professional Conduct and the National Ethics Council's Decisions & Advisory Opinions to appreciate the factual distinctions in ethical conduct and how the use of AI can implicate ethical risks.
- Understand AI terminology and the use of AI in design practices, while adhering to ethical guidelines.

Artificial Intelligence and the Design Industry

Webinar: 1 AIA/CES LU | PDH

In this program, a leader in artificial intelligence (AI) shares insights into the rapidly evolving field of AI and its impact on design practices. Discover how AI is transforming the way A/E/C firms operate and explore organizational changes that help take advantage of AI's full potential.

Highlights:

- Understand the scope of "Artificial Intelligence," including machine learning and generative AI as key components.
- Explore how AI introduces new forms of enterprise risk and how failing to adapt to emerging technologies can expose firms to professional liability.

Applied Ethics for Engineers

Webinar and Workshop: 1 AIA/CES LU | PDH

This course explores common ethical challenges that engineers face in their daily work. Topics include identifying and addressing issues related to public safety, understanding the extent of obligations to maintain client confidences, and strategies for avoiding perceived impropriety, including the handling of solicitations and gifts to clients and public officials.

Highlights:

- Understand ethical "gray areas" and develop contractual safeguards to better manage client expectations.
- Explore several NSPE Board of Ethical Review case studies to understand the factual distinctions that differentiate ethical conduct.
- Manage ethical decisions in the context of public safety, the limits of client confidences, and how to best handle gifts or hospitality to avoid the appearance of impropriety.

Code of Ethics & Professional Conduct (Architects)

eLearning Course: 1 AIA/CES LU | PDH | HSW Qualified

Architects have certain fundamental obligations to society, clients, the profession, and to peers and colleagues. Members of the American Institute of Architects (AIA) are expected to adhere to a Code of Ethics and Professional Conduct intended to assure clients, the public, and colleagues of an architect's dedication to standards in professional practices. The course provides practical tools to help with ethical decision-making.

Highlights:

- Understand the definition of ethics and its significance in the architecture profession, emphasizing its impact on decision-making and professional conduct.
- Explore the ethical guidelines established by the AIA that govern architects' behavior.
- Learn about the role of the National Ethics Council in addressing ethical dilemmas within the architecture community.

Code of Ethics & Professional Conduct (Engineers)

eLearning Course: 1 AIA/CES LU | PDH | HSW Qualified

Engineers bear certain fundamental obligations to society, clients, their profession, and peers. This course examines the concept of ethics and its role within the engineering profession. It introduces the National Society of Professional Engineers (NSPE) Code of Ethics, comprising of canons, Rules of Practice, and Professional Obligations, and explains the role of the Board of Ethical Review. The course provides practical tools to help with ethical decision-making.

Highlights:

- Understand the definition of ethics and its significance in the engineering profession, emphasizing its impact on decision-making and professional conduct.
- Explore the ethical guidelines established by the NSPE to govern engineers' behavior.
- Learn about the role of the Board of Ethical Review in addressing ethical dilemmas within the engineering community.

Communication & Design Professionals

eLearning Course: 1.5 AIA/CES LU | PDH

Enhance your communication skills. This dynamic eLearning course focuses on the vital role of communication in project cycles for design professionals.

Highlights:

- Understand the impact of poor communication on business.
- Hear how to identify and address common communication breakdowns and challenges.
- Learn how to spot problems on a project and how to respond.
- Plan how to implement effective communication techniques within your firm.

Contract Basics for Design Professionals

eLearning Course: 1 AIA/CES LU | PDH

This one-hour course is based on AXA XL's *Contract Guide for Design Professionals*, an authoritative guide to issues, contract trends, claims, and practice management. Learn why it's important to have a written agreement and get tips on developing fair and solid professional services agreements.

Highlights:

- Get an overview of basic concepts about contracts.
- Learn the fundamentals of how to review client-drafted agreements.
- Practice identifying and correcting key problem clauses in client-written contracts.

Contract Management: Risk Allocation by Design

Workshop: 2 AIA/CES LU | PDH | HSW Qualified

Based on AXA XL's Risk Drivers research, this workshop demonstrates how poor project evaluation/selection, scope of services problems, and breakdowns in contract protocols can lead to disputes and claims. Participants acquire tools and tactics to address these issues, review key contract clauses, and develop an action plan.

Highlights:

- Learn the importance of project evaluation prior to entering a professional services agreement.
- Explore the role a full and clear scope of services plays in a successful project.
- Acquire tools to help manage the critical process of contract negotiation and administration.
- Review key contract terms.

Contract Review: Focus on Liability

eLearning Course: 1 AIA/CES LU | PDH

Even the simplest project can carry significant risk if your contract transfers inordinate amounts of project liability onto your shoulders, jeopardizes your insurance, or makes demands that you cannot reasonably fulfill. At the same time, there are contractual provisions that can help reduce your risk and maintain the protection of your professional liability insurance.

Highlights:

- Practice identifying important “good” and “bad” clauses in client-written contracts.
- Get practical tips for negotiating appropriate terms and conditions in your contracts.

Contract Review: Key Provisions – Raising the Bar

eLearning Course: 1 AIA/CES LU | PDH

Learn how to review professional services agreements so that you can understand your obligations and rights under the terms of the contract and how to revise the contract, if necessary. This course takes a closer look at a few important contract clauses, some of which raise the bar for architects and engineers.

Highlights:

- Learn to recognize unfair, one-sided contracts.
- Become aware of important clauses that may be missing.
- Examine the key steps to reviewing professional services agreements with our Contract Review Checklist.

Cyber Risk and Design Professionals

Webinar: 1.5 AIA/CES LU | PDH

Learn about types of cyber threats that can jeopardize your reputation and your financial stability. Find out about the duties and associated risks you take on when handling client or employee-related data, including Personally Identifiable Information (PII), Protected Health Information (PHI), or contracts containing confidential or proprietary information.

Highlights:

- Learn what to do in the event of a cybersecurity breach.
- Understand the scope of cyber-related liabilities.

Design Professional Project and Discipline Risks

Workshop: 1 AIA/CES LU | PDH | HSW Qualified

This program is a detailed examination of closed claims by practice, project, and market area. It provides an overview of risk by percent of claims and total severity by profession, as well as the average cost of a claim for these disciplines, followed by a detailed examination of the highest reported claims triggers, types of damages, and percent of claims and total severity by the project and market type.

Highlights:

- Explore each practice area to see who is most likely to sue the A/E, what triggered the claims, the top types of damages, the project types most commonly involved, and the most common specific elements of these project claims.
- Understand how to assess and determine risks in design processes that may impact the safety and welfare of others.

Developing Your Project Management Plan

Webinar: 1.5 AIA/CES LU | PDH

A project management plan is a concise planning document used for consistently managing all your projects. The plan should be flexible and reflect the project size, complexity, project type, and client type. In this webinar, learn how project planning should not only anticipate design challenges, but should anticipate risk, potential mid-project changes, and schedule upsets.

Highlights:

- Understand how creating a project plan before the project begins allows a firm to think through the potential alternatives and map out a plan of action.
- Examine the different components (goals, scope, budget, schedule, quality and risk management, communication, project controls, and change management) of an effective project management plan.

Document Retention: Keys to Maintaining Files and Minimizing Risk

eLearning Course: 2 AIA/CES LU | PDH

A well-written and consistently applied Document Retention Policy is a valuable tool for avoiding or defending against claims. This engaging course has three 10–15-minute bite-sized lessons with interactive video clips that illustrate valuable tips and recommended best practices.

Highlights:

- See how a consistently applied Document Retention Policy can help protect you in the event of a claim and save your firm time and money.
- Discover a road map for developing and implementing a customized Document Retention Policy.

Dynamic Delegation & Feedback- Empowering Your Staff & your Firm

Webinar: 2 AIA/CES LU | PDH

Effective delegation is essential for the growth and success of a design firm. This program explores how delegating provides an opportunity to identify high-value activities and establish a proactive framework for successful task management.

Highlights:

- Identify high-value versus low-value activities in the work environment and prioritize accordingly.
- Learn how to create a constructive feedback process that encourages staff development.
- Acquire tools to efficiently delegate tasks within a clear, well-defined framework.

Dynamic Sealing: How Technology Can Solve Common Pitfalls and Misuse

Webinar: 1 AIA/CES LU | PDH

Dynamic sealing is an innovative solution intended to help design professionals manage sealed deliverables more effectively, improving project outcomes. This program offers an overview of what it means to seal a deliverable, common mistakes associated with this practice, and how dynamic sealing can help to improve communication and reduce liability.

Highlights:

- Understand the legal significance of a design professional's seal and how misuse can impact liability.
- Explore how technological developments can streamline communication over plan revisions.
- Learn how dynamic seals can decrease confusion and the risk of fraud.

Email: The Seven Deadly Sins

Workshop: 2 AIA/CES LU | PDH

Emails are a consistent part of our daily professional lives. They are a primary path of communication, and we use them to get things done. We must give this common form of communication the attention it needs and think very carefully about what we write and how we write it. This three-part program presents examples of self-implicating and subsequently weaponized emails and guidelines for writing appropriate, shorter, clearer messages.

Highlights:

- Learn the Seven Deadly Email Sins.
- See real-life email excerpts from AXA XL claims cases and disputes.
- Study best practices for writing appropriate, shorter, clearer messages.
- Apply what you've learned by walking through a case study.

Emerging Cyber Threats: What Every Designer Should Know

Webinar: 1 AIA/CES LU | PDH

Cyber threats continue to transform the design landscape in ways we are only beginning to appreciate. This program delves into the new and unique cyber risks that have the potential to impact design firms, as well as what firms can do to better prepare themselves for future threats and minimize the impact of a cyber incident.

Highlights:

- Learn about the cyber incident response framework for developing an incident response plan.
- Understand how third-party vendors assist in responding to an incident.
- Develop best practices to safeguard against cyber risks.

Engineering with Nature for a More Resilient and Sustainable Future

Webinar: 1 AIA/CES LU | PDH | HSW Qualified

This webinar explores the importance of nature-based solutions in addressing aging infrastructure, hazards, and climate change. Discover how these approaches can enhance public health, safety, and welfare, while promoting community resilience.

Highlights:

- Learn why design professionals must shift away from historical models and embrace nature-based design to protect against extreme weather events and climate change.
- Understand why traditional methods of controlling nature are less effective in today's changing climate and how nature-based solutions offer a more cost-effective and reliable alternative.
- Explore real-life examples where nature-based solutions have been successfully integrated into community and infrastructure designs, increasing resilience, and promoting public safety.
- Gain insights into the framework for implementing nature-based solutions, enabling design professionals to create safer and more resilient communities.

ESG and Carbon 101: Navigating Risks and Opportunities

Webinar: 1 AIA/CES LU | PDH

Understanding Environmental, Social, and Governance (ESG) is crucial in today's business landscape, especially for design professionals. Failing to integrate ESG into their strategies can bring substantial risks and missed opportunities. This course also looks at the world of low-carbon building design, including the carbon management hierarchy, considerations for embodied-carbon life cycles, and the impact of differing building components.

Highlights:

- Explore the influential forces of regulators, customers, investors, and employees. Anticipate ESG trends and get insights into relevant regulations and reporting frameworks.
- Learn how ESG is reshaping building design and codes. Discover strategies to effectively handle liability risks and create opportunities to serve clients.
- Look at climate disclosures within ESG. Find out how to navigate this risk while complying with evolving regulatory landscapes, which increasingly emphasize performance-based metrics.

Ethics and Resilient Design

Webinar: 1 AIA/CES LU | PDH

With extreme weather events becoming more frequent, design professionals must consider whether they have a duty to discuss with clients how such events may impact a project and related resilient design options. Adhering to applicable ethical codes, maintaining clear communication, and implementing contractual safeguards will help professionals navigate challenging conversations with clients while ensuring projects meet ethical obligations, achieve positive outcomes, and minimize liability risks.

Highlights:

- Develop a greater understanding of resilient design and how extreme weather events are driving the need for more robust project designs.
- Explore how various ethical codes inform design decisions and client conversations around sustainability, project success, and health, safety, and welfare.
- Understand the value of contractual safeguards that can help manage client expectations and safeguard the design professional from increased liability exposures.

It's a Matter of Ethics: Making the Right Decision for the Right Reason

Workshop: 2 AIA/CES LU | PDH | HSW Qualified

Participants in this workshop will review the ethical canons that apply to engineers and discuss some of the obligations that fall under each of the canons. After looking at the subjects of the most complaints made against engineers, attendees will examine fact patterns, issues, and decisions of the Board of Ethical Review, focusing on where ethical issues may—or may not—be involved.

Highlights:

- Review ethical canons.
- Look at the areas of the most common ethical complaints against engineers.
- Discuss decisions by the Board of Ethical Review.

Keeping Projects Under Budget & On Schedule

Webinar: 1 AIA/CES LU | PDH

It's bad enough that project budget problems can cost your firm big bucks. They can also create serious liability concerns. The key to successful financial management of projects is the consistent use of earned value analysis (EVA). David Burstein, P.E. and AXA XL Design Professional staff discuss the EVA, how it can help you keep your projects on course, and how to decide if emerging analysis techniques are right for your projects.

Highlights:

- Learn why failing to manage budget and schedule become liability concerns, and how budget and schedule risk cut across all disciplines and projects.
- Understand how EVA can manage these risks and keep your firm out of trouble.
- Learn a simplified approach to EVA.

Lessons in Professional Liability

eLearning Course: 4 AIA/CES LU | PDH

Architects and engineers face the very real threat of claims on every project they undertake. Given the small profit margin of the typical firm, a single claim can mean the difference between profit and loss on a project—and a large claim can spell disaster. This foundational course helps design professionals understand how to avoid claims and mitigate exposure.

Highlights:

- Improve your “Liability IQ” by learning to identify and manage common risks design professionals face.
- Learn strategies that can improve your business communications, project evaluation, client selection, contract and scope development, shop drawing review, and accounts receivable practices.

NOTE: The four (4) continuing education units for this course are based on the average time it takes to read the 150-page textbook. Participants should be prepared to download the textbook and read it before taking the online test.

Loss Prevention Through Better Communications

Workshop: 2 AIA/CES LU | PDH

This workshop explores how poor communications can hurt your business. In fact, it is the single biggest non-technical risk factor that gives rise to or exacerbates a claim.

Highlights:

- Learn common communication breakdowns and challenges.
- Review the basics of effective communication.
- Recognize project-specific communication problems and solutions.
- Know how to respond if there's a problem.

Managing Construction Phase Risks: When Your Design Becomes a Reality

eLearning Course and Webinar: 2 AIA/CES LU | PDH | HSW Qualified

By approaching the construction phase proactively, A/E's can exercise greater control over the interpretation of the final design, address questions and problems as they arise, and support the client's objectives more effectively. But the process also has plenty of traps for the unwary that can leave firms open to a professional liability claim.

Highlights:

- Get an overview of AXA XL's Risk Drivers research, examining how many factors are linked or related to construction administration (CA) services.
- Review the purpose and importance of CA services, typical activities, and best practices.
- Identify how to spot and manage disputes.

Managing in Times of Uncertainty

Workshop: 1 AIA/CES LU | PDH

Times of unprecedented crisis and disruption will force A/E firm leaders to manage the immediate and ongoing changes impacting clients, staff, and projects. This 2-part workshop is for firm leaders who must see to their organization's basic short- and long-term needs during uncertain times and as they progress to the "next normal."

Highlights:

- Discuss your firm's strategic and contractual needs during and after turbulent events.
- Ask questions and share your insights.

Managing Scope Creep & Other Project Changes

Webinar: 1 AIA/CES LU | PDH

Many designers seem to believe that once they have finished their design, the project execution is simply a matter of following the check sheets. Yet, change orders appear from all sides, owner and contractor personnel are rotated out, schedules creep, budgets grow—all everyday changes in the design and construction world. This joint webinar by PSMJ and AXA XL's Design Professional group discusses change in the project environment, and how you can anticipate it and manage the change process.

Highlights:

- Understand how to plan for change.
- Learn how to recognize and deal with changes during the project, including small incremental changes.
- Understand how a change can turn into a liability claim.

Managing Your Risk and the Contractual Duty to Defend

Webinar: 1.25 AIA/CES LU | PDH

This 75-minute program provides a primer on contractual defense and indemnity and explains how the contractual liability exclusion in a professional liability policy can create an uninsured exposure for design firms. This course examines a variety of contractual indemnity clauses, emphasizing the competing theories governing the duty to defend in design professional contracts.

Highlights:

- See how the contractual liability exclusion in professional liability insurance policies can create an uninsured exposure when design professionals contractually agree to defend a third party.
- Learn strategies to help negotiate insurable indemnity clauses and contractual safeguards to help avoid or mitigate the impact of an uninsurable indemnity obligation.
- Focus on additional risk management strategies you can employ to help mitigate the impact of an uninsurable indemnity clause.

More to a Contract than Terms & Conditions

Webinar: 1 AIA/CES LU | PDH

A contract with an unclear or inappropriate scope of services is a demonstrated risk for design professional firms. In addition to failing to manage client expectations and project success, a poorly drafted scope of services can exacerbate other non-technical causes of loss.

Highlights:

- Explore the consequences of a poorly defined or inappropriate scope of work, potentially leading to significant claims.
- See examples of contract language that is unsuitable for defining the scope of work.
- Learn the fundamental elements of crafting and executing a clear and appropriate scope of work. We'll guide you from the initial proposal stage to project completion, ensuring that your scopes are robust and effective.

Negotiations: Strategies for Better Client Agreements

eLearning Course and Workshop: 2 AIA/CES LU | PDH

Negotiations can be a great opportunity to forge client relationships, manage risk, and set the stage for project delivery. Using knowledge checks and unique exercise scenarios, this course outlines varying negotiating styles and looks at how these styles engage with each other.

Highlights:

- Learn strategies and tactics that can improve negotiation outcomes.
- Walk away with an action plan to put what you've learned to use in your firm.

Our Proposal Said What? Stop Over-Promising and Start Managing Risk

Webinar: 1 AIA/CES LU | PDH

A proposal is a design firm's chance to stand out, impress the client, and win the work. This program delves into the potential dangers associated with using "sales" language in proposals and how generic "boilerplate" proposals create risk. We'll also look at strategies to craft winning proposals that not only impress but also safeguard the design firm's interests.

Highlights:

- Examine the pitfalls that can arise when proposals lack the necessary level of review and consideration.
- Look at real-life examples where risks are written into proposals by the client and design firm's proposal teams.
- Gain valuable insights into the steps to take to avoid or mitigate these risks effectively.

Planning for the Inevitable: Why You Need a Crisis Communication Plan

Webinar: 1 AIA/CES LU | PDH | HSW Qualified

This program offers a practical guide for creating and implementing a crisis communication plan to guide firms when a crisis impacts a project they've designed. The program also underscores how a crisis management plan can help safeguard the health and welfare of those impacted by emergency events.

Highlights:

- Understand the importance of having a crisis management plan in place.
- Discover how a crisis management plan enables firms to respond effectively.
- Learn how supplemental coverage in professional liability policies can provide crucial support to firms.

Practicing Within the Standard of Care

Webinar: 1 AIA/CES LU | PDH

The professional standard of care for design professionals is both dynamic and evolving. This course examines the standard of care within the context of insurability and early reporting while discussing various issues that can change the standard of care for design professionals.

Highlights:

- Gain a deeper understanding of the common law standard of care for design professionals.
- Learn how a variety of risk factors can compound and worsen the impact of a poor standard of care clause.
- Identify warning signs of a breach of the standard of care and understand its impact on the claims process.

Project Risk Analysis

Webinar and Workshop: 1.25 AIA/CES LU | PDH | HSW Qualified

An introduction to the reasoning, methods, and tools required to create a systematic and proactive strategy for identifying, analyzing, and reducing or mitigating risks in your projects. Gain the skills to reduce project uncertainty while safeguarding the health, safety, and well-being of end-users and project stakeholders. The course includes easy-to-understand explanations and real-life examples of risk analysis, along with templates to help you align project outcomes with clients and stakeholders on all your projects.

Highlights:

- Learn to identify and evaluate project risks, and how to reduce their impact.
- Understand the importance of exploring alternative materials and methods (for example) to mitigate risks affecting the project's design and/or health and safety impacts of a building, site, or occupants and users.
- Master the use of risk management tools to ensure safety in your design choices.

Project Team Capabilities: Building a Team for Success

Workshop: 2 AIA/CES LU | PDH

In this practical and interactive workshop, you'll learn how project team capabilities can impact claims and how to successfully choose projects based on your team's capabilities.

Highlights:

- Acquire tools and techniques to help you select the best project manager and team members.
- Gain an understanding of the phases of team development.
- Develop an action plan for your firm.

Recognizing and Evaluating Contractual Risk: A Disciplined Review Approach

Webinar: 1 AIA/CES LU | PDH

Your contract is the foundation of your risk management program. In this 60-minute program, we explain how the terms and conditions you agree to affect the pressure points that your firm might experience in a dispute and how a disciplined approach to contract review can directly impact how a claim is ultimately resolved.

Highlights:

- Develop awareness around uninsured and business risks.
- Learn how to conduct a thorough and structured contract review.

Resilient Design and the Evolving Standard of Care

Webinar and Workshop: 1.25 AIA/CES LU | PDH | HSW Qualified

This webinar provides an overview of resilient design and how this concept has been shaped by human and natural events, with a focus on climate-driven change. We explain how the standard of care is evolving in resilient design, and how catastrophic events can create additional liability exposures for design firms. The webinar offers solutions and best practices that firms can implement to help communicate program requirements to owners while safeguarding infrastructure and public health, safety, and welfare.

Highlights:

- Understand the need for alternative design approaches to account for more dynamic weather and climate-related events by identifying likely hazards and project site-specific exposures.
- See how the standard of care for design professionals is changing as extreme weather and climate-related events pose a greater risk.
- Identify ways to help clients adopt more progressive resilient design approaches by focusing on the long-term impacts on human health as well as project life-cycle costs.

Risk Drivers 4: Understanding the Dynamics of Risk in the Design Industry

Webinar and Workshop: 1 AIA/CES LU | PDH | HSW Qualified

Discover the factors that lead to risks in designing projects. This program focuses on spotting breakdowns in project and practice management that can create risks for your firm and undermine project success. AXA XL's Design Professional group has identified six categories of non-technical risk drivers and breaks them down, providing practical risk management advice to address each one.

Highlights:

- Examine non-technical risk drivers from closed claims that incurred a loss or expense over a recent 5-year period.
- Delve into the elements of risk within each risk driver, examining non-technical actions, behaviors, or management lapses that have led to Loss Prevention files or claims.
- Get actionable suggestions to avoid claims and improve practice and project management.

Scope & Change Management

Webinar: 1 AIA/CES LU | PDH

All architects, designers, and engineers struggle with change management. Identifying, communicating, and obtaining budget approval for providing additional services is a key to successful project performance. Intended for A/Es who manage projects, this program provides the insight, tools, and templates to ensure greater success in obtaining client approval for your additional services.

Highlights:

- Understand the importance of defining the project, having a work breakdown structure, and project kick-off meetings.
- Learn about change management: defining change, understanding internal vs. external change, recognizing and identifying change, and obtaining approvals for changes.
- See how to use tools to document change: change order requests, change order logs, and weekly progress reports.

Selecting and Cultivating Strategic Clients

Workshop: 1.25 AIA/CES LU | PDH

This 75-minute program focuses on choosing the proper clients by developing objective selection criteria and employing practices to strengthen the client relationship. Learn the importance of client selection by analyzing AXA XL's proprietary Risk Driver research to see how client selection impacts both the frequency and severity of claims. Explore the components of client selection that drive an effective selection process. Also look at cultivating strategic clients that can help design firms prosper, and how to foster those clients through daily interactions and cross-selling efforts.

Highlights:

- Learn how to evaluate existing clients to cultivate clients that fit within the firm's strategic model, and jettison those that are not quality clients.
- Understand how every employee in your firm can help to cultivate strategic clients.

Seller-Doer to Indispensable: The 101 of Business Development

Workshop: 1 AIA/CES LU | PDH

Project managers and young professionals need to understand their role in supporting and growing new and additional work for their firms. This program highlights these business development responsibilities and actions that all staff, particularly project managers, can take to contribute to the growth and sustainability of their firms. It also explains the concept of being a Seller-Doer, focusing on how to develop existing clients into repeat clients.

Highlights:

- Learn responsibility for growing new and additional work for the firm and recognize the importance of developing and integrating business development into your portfolio of career skills and knowledge.
- Plan to improve skills in client management and grow new and additional work for your firm.
- Acquire two tools to help evaluate and determine if new client opportunities or new project opportunities are appropriate for your firm.

Site Visit Guidelines Do's and Don'ts

Webinar and Workshop: 1.25 AIA/CES LU | PDH

This webinar focuses on best practices for performing construction site observation duties. It also talks about using virtual site visits as an option when there's a health crisis and how to document them properly to avoid additional legal risks for your firm. Lastly, it explores how to spot situations that could turn into problems and why it's crucial to report them to your professional liability insurance carrier.

Highlights:

- Learn how to effectively prepare for and conduct site visits.
- Recognize what to do when there are unsafe conditions on a construction project.
- Understand how to keep employees safe, especially when performing site visits during a public health crisis.

Subconsultants and Primes: The Good, The Necessary, The Needed

Webinar: 1 AIA/CES LU | PDH

This 60-minute program presents an overview of the mutual benefits of prime/subconsultant relationships. However, these relationships also present risks. A significant number of claims made against prime consultants arise from the actions of their subconsultants.

Highlights:

- Discuss the value of taking a strategic approach to your prime/subconsulting relationships that can help resolve disputes more quickly, encourage better cooperation, and lead to better project outcomes.
- Learn why both the prime and subconsultant need to carefully vet the firms they are working with.
- Understand the importance of clearly written subconsulting agreements.

Swipe Right: Pursuing the Best Work vs. Any Work

Webinar: 1 AIA/CES LU | PDH

A Go/No-Go project checklist evaluation process allows firms to make better decisions about which projects they should pursue, enables them to focus on the right opportunities versus *any* opportunity, saves the firm time and money, reduces fundamental project risks, protects project outcomes for clients and stakeholders, and increases the likelihood of a successful project outcome.

Highlights:

- Learn how to determine the cost to pursue a project, including staff time and other firm resources, as well as the potential costs to existing projects and clients.
- Discuss the difference between two kinds of risks in a project: threshold and fundamental risks.
- Working with a sample Go/No-Go checklist, learn to recognize and objectively assess seven areas of project risk, including client experience, client relationship, firm's suitability for the project, project risks, competition risks, subconsultant risk, and contract risks.

The Ethics Question

Workshop: 1 AIA/CES LU | PDH

For design professionals, ethics are a part of everyday decisions. Because unclear ethical boundaries can lead to major consequences, understanding the core principles is essential. This interactive workshop discusses ethics using examples taken from real world examples.

Highlights:

- Review the professional codes of ethics with attention to recent changes to the code.
- Learn how challenges to our codes present themselves.
- Review sample contractual provisions that may or may not directly challenge your professional code of ethics. Determine if a conflict to the code exists.

The Fight Before “The Fight”

Webinar: 1 AIA/CES LU | PDH

Learn to position your firm to deal with problems or claims *before* they come up. Presenters discuss a variety of risk assessment and risk management issues that can have long-term impacts during the project and in any related claims. You'll learn about negotiation, setting realistic expectations, and making sure your team knows how to spot and deal with risks and potential issues.

Highlights:

- Learn about the important stages in contract negotiations and project planning. Understand how these relate to managing risks and how to reduce potential liability and exposure.
- Find out how to build and maintain a strong team approach for your projects, including better ways to choose projects, negotiate contracts, and communicate.
- Hear how to train and prepare your staff to anticipate issues and deal with them quickly and appropriately.

The Power of Positive Thinking and How to Manage It

Webinar: 1 AIA/CES LU | PDH | HSW Qualified

The belief that we can succeed is what allows design firms to assume risks, innovate, and grow while delivering successful project outcomes. But this belief can hinder the ability to properly identify and assess project risk. This 60-minute program explores some of the common cognitive biases that can lull firms into a false sense of security and create liability blind spots resulting in unmet client expectations and claims.

Highlights:

- Understand how common cognitive biases can undermine project evaluation and entice firms to unwittingly take on unanticipated liability for project delays or jobsite injuries.
- Learn how to balance optimism with risk assessment so you can offer clients, owners, and stakeholders a realistic view of project risk that results in successful outcomes while protecting public safety.

Understanding Ethics for the Design Professional

Workshop: 2 AIA/CES LU | PDH | HSW Qualified

Learn about ethics as it relates to the design professions. This program defines ethical behavior, reviews professional association ethical canons, explores models for ethical decision-making and develops strategies for ethical responsiveness. A case study workshop, materials from professional associations, and an excerpt from the *Contract Guide* are included.

Highlights:

- Review the ethical canons of design professionals as prescribed by the major A/E professional societies.
- Consider some of the primary models for ethical behavior, and discuss the ethical issues involved.
- Examine one structural engineer's ethical choices in the "Tower Power" case study workshop, based on a real-life potentially catastrophic failure of the Citicorp Center.
- Develop strategies for ethical responsiveness to take back to your firm.

Value Pricing: The Easiest Path to Profitability

Webinar: 1.5 AIA/CES LU | PDH

A typical mid-size A/E firm can increase its profits by about \$300,000 per year if it can raise its prices by just 5%—it's not easy but consider the alternative! This webinar will show you how to add more value so your clients won't resist your price increases.

Highlights:

- Measure the impact of different pricing strategies and determine which most benefits your portfolio of clients.
- See how cost-plus pricing may underprice the value you add to design projects and short-change the firm.
- View the sources of client value as pricing triggers, allowing you to better price the true value you bring to your clients' projects.

Warning Signs of a Claim

Webinar: 1 AIA/CES LU | PDH

By recognizing the warning signs of a claim early, design professionals can proactively address challenges sooner and increase the chances of a successful project outcome while minimizing the number of claims. This program is designed to increase your situational awareness to better forecast and identify problems before they arise.

Highlights:

- Learn crucial warning signs that a claim may be coming.
- Examine a range of challenges during design and construction that can increase your liability risk, especially onerous contract terms.
- Gain a better understanding of how differences in professional liability insurance for A/Es and general liability insurance for contractors can increase your exposure.
- Recognize the importance of early reporting to brokers and how to make the most of your insurance carrier's loss prevention support.

We are Not a Non-Profit Organization

Webinar and Workshop: 2 AIA/CES LU | PDH

High-performing firms educate their employees on financial metrics and how their routine actions directly impact these metrics. The Workshop version is designed as a PowerPoint template to be used by firm principals/owners to define, remind, and update staff on the financial status of your firm. Employees who have attended this program have said they finally "get it" when it comes to understanding why they should care about financial "how are we doing" information.

Highlights:

- Learn the six metrics that all employees impact every day.
- Discover the definitions and detailed examples of these metrics, why they are important, what they tell us about firm performance, and what staff can do (every day) to support positive outcomes for these metrics.

Winding Down: Managing Liability Before and After Retiring

eLearning Course and Webinar: 1 AIA/CES LU | PDH

Winding down a small or solo design practice in preparation for retirement can be daunting. This online course examines strategies and best practices for managing liability exposures, creating a more seamless transition into retirement.

Highlights:

- Understand the importance of consulting with their broker and a competent lawyer to guide planning and safeguard assets in case any unforeseen claims arise after retirement.
- Develop more awareness around the importance of project and client selection to mitigate risks as a practice winds down.
- Learn a more detailed recognition of strategies to manage liability exposures through effective documentation and communication with existing clients.

Your Proposal is Not Your Plan

Workshop: 2 AIA/CES LU | PDH | HSW Qualified

A successful proposal is not a project plan. This program offers a streamlined approach to successfully execute the project by preparing a project management plan (PMP) that restates and supports the design professional's role in the delivery of building systems and confirms the required integrity of these systems. Additionally, the PMP provides a tool to identify and manage project risks.

Highlights:

- Learn how PMPs provide the details to execute the project and set forth clear measures of success.
- Learn how to prepare a PMP that confirms the users' needs for the project are being met.
- Recognize how to tailor PMPs for small and large projects.
- Acquire a tool that helps identify and measure project risk.

Claim Case Studies

A Line in the Sand

2 AIA/CES LU | PDH

Discipline: Civil engineer

Project Type: Public school storm-water retention system

When a rain-tank storm-water retention system failed due to construction issues, the contractor claimed it was a product failure and that the civil engineer should have independently verified the product manufacturer's representations. The case study shows the importance of making it clear to the client (and in the contract) that A/Es cannot be expected to verify manufacturers' claims. In this case, the A/E's risk management efforts helped salvage a difficult situation.

Key points:

- A trend where plaintiff's attorneys are claiming that A/Es should be held to a heightened standard of care.
- The importance of having a protocol to document decisions.
- The importance of getting help immediately from the insurer and legal counsel.

(The) Alma Mater

2 AIA/CES LU | PDH

Disciplines: Architect, civil engineer

Project Type: Private school roadway

An architect retained a civil engineer to design a roadway/slope embankment as part of a renovation/addition to a prestigious private school. When the roadway failed, the engineer verbally accepted responsibility but later recanted. The engineer also pointed to a limitation of liability in its contract that the architect had failed to spot during contract formation, leaving the architect with a \$500,000 exposure.

Key points:

- The risks of failing to adequately review a subconsulting agreement.
- The risks of agreeing to a limitation of liability in a subconsultant's contract while not having one in the prime-client agreement.
- The consequences when the architect failed to document a key discussion with the subconsultant.
- The sometimes-contentious issue of *betterment*.

Arch Enemies (formerly Brown/Watson)

2 AIA/CES LU | PDH

Disciplines: Architect & structural engineer

Project Type: Renovation of an old structure into mixed-use building

An architectural firm and its structural engineering subconsultant were involved in the renovation of 110-year-old building into a mixed-use building (with a restaurant on the main floor, and apartments upstairs). During the renovation, an arch collapsed, and a restaurant patron was injured when a moose head fell during the collapse. The collapse was due to the failure to notice that the redesign of the upper floor compromised a load-bearing wall.

Key Points:

- The risks of failing to get a written agreement without clear work scope, risk allocation, and dispute resolution mechanisms.
- Properly observing and documenting the work would have prevented the collapse, an injury, and condemnation of the building.
- Breakdowns in communication can result in incorrect assumptions regarding the parties' responsibilities on the project.

Bench Design Associates

3 AIA/CES LU | PDH

Disciplines: Multi-discipline A/E firm

Project Type: Structural collapse of steel framing

This three-hour seminar delves into a tragic incident during the construction of a courthouse. It involved the structural failure of steel framing, leading to a worker's fatality and causing severe injuries to four others. While the design firm implemented various commendable practices, such as having quality control and crisis management plans, they made a critical error by showing a temporary erection device on their design documents.

Key Points:

- The value of having a robust crisis management plan in place.
- The importance of having a good contract and a well-defined scope of services.
- Submittal review and site-visit procedures.

Bon Temps

2 AIA/CES LU | PDH

Discipline: Civil engineer

Project Type: Renovation of a 105-year-old municipal building

A civil engineer firm was hired by a city to replace the existing construction manager. The project was in crisis with poor construction quality from a low-bid contractor. The civil firm assigned a new employee as project manager, who was shocked by the shoddy work and so consumed with trying to figure out what went wrong, that he did not effectively communicate with the client or firm management. The frustrated city manager gives an ultimatum to the construction management firm, and accusations fly.

Key Points:

- Poor project evaluation can lead to projects with serious problems.
- The risks of using a client-generated contract.
- The risks of using inexperienced staff on a project site and failure by management to oversee staff.
- Breakdowns in communication with the client and failure to document project progress can lead to claims.

Capital Architects

2 AIA/CES LU | PDH

Discipline: Architect

Project Type: Remodel and expansion of a 25-year-old school

Unrealistic client expectations and a fundamental lack of risk management on the part of the architect paved the way for inevitable claims. The architect also neglected to vet a subconsultant, who submitted a 100-page addendum to their MEP after the bids had gone out. Moreover, there was a serious lack of oversight in monitoring the replacement M/E subconsultant, who issued hundreds of change orders, ultimately leading to claims amounting to \$2.5 million.

Key Points:

- Reporting a potential claim earlier could have helped mitigate damage.
- Poor contract negotiation and onerous contract clauses (including unlimited free redesign) can lead to or exacerbate claims.
- The importance of documenting objections and concerns of client decisions and contractor spending.
- The risks of assuming liability or admitting fault.

Confronting a Crisis

2 AIA/CES LU | PDH | HSW Qualified

Discipline: Architect

Project Type: Science/tech museum renovation

An architect was hired to design a major renovation of a publicly owned science/tech museum. After construction was complete, an information kiosk fell and killed a teacher and injured children, causing a media frenzy. While it appeared that the architect had little responsibility for the accident, the plaintiffs' lawyer was determined to assign liability to all parties involved in the design of the kiosk, and joint-and-several liability laws in the state made for a terrifying exposure for the architect. But the architect had a plan in place to manage crises, a plan that helped them confront the situation and mitigate the damages.

Key points:

- The risks of high-profile public projects.
- The danger of failing to adequately document a decision (not closing a key "email loop").
- The basics of a crisis management plan, including appointing a crisis management team, hiring a public relations firm, and handling staff and communications during a crisis.

Cow County Fairgrounds

2 AIA/CES LU | PDH

Discipline: Structural engineer

Project Type: Fairgrounds complex

An out-of-state architect engaged a local SE to design the structural foundations for the complex's pre-engineered metal buildings. The SE began work after submitting a letter proposal. Snow-load calculations were made for the foundations based on the type of building occupancy. Four years later, the roof on one building deflected after a massive blizzard, and the calculations for the structures came into question. The county asserted a claim for \$27 million to make things right.

Key Points:

- The hazards of high-profile public projects, unsophisticated owners, inexperienced staffing, and low-bid contractors.
- The risks of failing to get a written agreement without clear work scope, risk allocation, and dispute resolution mechanisms.
- The failure to document conversations, decisions, and changes.

Desert City

2 AIA/CES LU | PDH

Discipline: Multi-discipline

Project Type: A prototype big-box store

A multidiscipline firm engaged by a long-time client to design a big-box store learned that a subsidiary entity of the client would actually hold the design and construction contracts, and the store was to be ultimately handed off to a franchisee. The project timeline was aggressive, there were permitting difficulties, mysterious consultants were brought in by the subsidiary entity, and communication issues abounded. The claim itself involved the HVAC system, although built as specified by the client, was dubbed ineffective by the franchisee. A key contract clause "saved the day," however, as did terrific project documentation.

Key Points:

- The lack of project and client evaluation.
- The perils of an aggressive schedule.
- Risks of not proactively dealing with issues and potential disputes and the failure to seek help.

Design-Build-Sue

2 AIA/CES LU | PDH | HSW Qualified

Disciplines: Architect and mechanical engineer

Project Type: Chemical research lab

An architect and contractor formed a joint venture to deliver a research facility for federal agency. The JV hired an MEP firm to design the highly specialized mechanical systems. The MEP agrees to a reduced scope and fee, but shortly before the 95% set of MEP drawings was due, the MEP was told they must take responsibility for a more robust scope of work with no increase in fee. After the lab opened, the contractor sued their architect JV partner for \$1,000,000; the architect in turn sued the MEP for \$1,500,000. Let the finger pointing begin.

Key Points:

- The importance of a well-drafted agreement with a clear scope of service.
- The risks and complexities of joint venture relationships.
- The importance of managing and documenting decisions and changes.
- The importance of listening to counsel should a claim arise.

Eleven Years Before the Courts

2 AIA/CES LU | PDH

Discipline: Engineer

Project Type: Property condition assessment (PCA) / condominium conversion

An out-of-state engineering firm conducted a PCA for a client who was purchasing an apartment complex to convert to condominiums. The sale went through, but several defects came to light, resulting in more than a decade of litigation. A poorly drafted work scope, the failure to get legal advice about the risks of the project, and an unvetted, uninsured local subconsultant added up to major liability for the engineering firm.

Key points:

- Small-fee projects demand the same level of risk management as larger projects, even for valued clients.
- PCAs can carry significant risk, particularly in condo-conversion projects.
- Design consultants from out of state/province may not be familiar with local laws and regulations concerning PCAs.
- The importance of conducting due diligence when selecting subconsultants.

Express Engineering

2 AIA/CES LU | PDH

Discipline: Electrical & mechanical engineer

Project Type: Review of the HVAC system

The M/E review of a year-old mixed-use building was assigned to an inexperienced engineer, who was given no supervision. There was a miscommunication regarding the cost to repair the HVAC system, which resulted in a substantial claim.

Key Points:

- The risks of failing to supervise inexperienced staff.
- The lack of communication and the failure to document conversations can increase project risk.
- Small-fee projects demand the same level of risk management as larger projects, even for valued clients...or old friends.
- The risks of failing to get a written agreement without clear work scope, risk allocation, and dispute resolution mechanisms.

Field of Bad Dreams

2 AIA/CES LU PDH

Discipline: Architect

Project Type: Stadium

This program focuses on the challenges faced by an architect on a fast-track stadium project that experienced problems with the chilled water-cooling system, resulting in a \$20 million claim. We explore project team capabilities and the legal significance of stamping submittals, and problems with quality management, contract administration, site observation and photographic documentation by the architect of non-conforming work. Insurance and contracts feature in this claim case study, as well as some unique challenges in dealing with quasi-governmental entities.

Key Points:

- The risks of assigning inexperienced junior staff with no supervision or follow-up.
- How to deal with substitution requests and the legal significance of stamping submittals.
- The problems with agreeing to limited site observation.
- The importance of quality management.

Green Acres

2 AIA/CES LU | PDH

Discipline: Civil engineer

Project Type: Residential subdivision

A civil firm was hired by a developer (and its secret partner) to perform surveying and engineering services for a project site; the civil engineering firm hired a geotechnical engineer. The civil engineer advised the developer that three of the lots would require unique structures because of their slope. The civil engineering firm loosely observed the site preparation and moved on to the next project. The houses went up and the claims started rolling in: two of the houses on the unique lots were showing signs of cracking and settlement problems.

Key Points:

- The lack of a formal project selection process, ignoring prior history with client, and a “secret” partner increased project risks.
- Problems with using a letter agreement and agreeing to a too-high limitation of liability.
- The importance of managing and documenting decisions and recommendations.
- Recognition of the “soft” costs that can result from litigation.

Holy Smokes

2 AIA/CES LU | PDH | HSW Qualified

Discipline: Architect & structural engineer

Project Type: Church renovation and expansion

Poor coordination between the architect’s project manager and structural engineer results in a design that can’t be constructed. The contractor retains another engineer to move the project forward. When the contractor removes the shoring from the free-span ceiling, the roof drops several inches and causes an outward deflection on the beams. Accusations fly and lawyer fees mount.

Key Points:

- The architect’s project manager, as well as the structural engineer subconsultant, lacked necessary experience for the project.
- Failure to ensure that the structural engineer had adequate insurance.
- Breakdown in communication within the architecture firm and with the structural engineer.
- Failure to respond promptly to problems and to report to the insurance company.

(The) Incredible Shrinking Dorm

2 AIA/CES LU | PDH | HSW Qualified

Discipline: Architect

Project Type: Public university student housing

A university retained an architect to design wood-frame student housing. The construction manager had no experience in wood-frame construction. The contractor proposed substituting conventional sawn-lumber framing with a patented wall system and employed a separate design firm with specialized knowledge in wood structures to provide design calculations. There were problems during construction, however, and when the completed structures showed significant shrinkage, the finger-pointing began.

Key points:

- Construction manager had no experience in wood-frame construction.
- The lack of coordination on a design-delegation issue and vague specifications by the design team.
- Inadequate documentation of key decisions and meetings.
- The failure to anticipate issues with a crucial product substitution.

Interstate Engineering

2 AIA/CES LU | PDH | HSW Qualified

Discipline: Highway design engineer

Project Type: Design of an overpass and associated ramps

During design, the engineering firm hired a traffic safety engineer to develop a temporary traffic safety plan. This plan included diverting traffic away from the edge of the deceleration lane during construction. The “routine” project was handed over to a recently hired engineering school graduate. During construction, the cones marking the deceleration lane were not placed as specified in the traffic safety plan, but the engineer did not notice this during construction observation. A motorist, surprised by the cones, flipped his car, and ended up a paraplegic. The driver sued everyone involved.

Key Points:

- The use of unqualified on-site staff.
- The failure to check insurance certificates for a subconsultant.
- The highway design engineer’s scope of services did not include construction site observation services.

It’s All Downhill

2 AIA/CES LU | PDH

Discipline: Landscape architect

Project Type: Street design adjacent to an upscale pedestrian mall

An out-of-state landscape architecture (LA) firm won an RFP to redesign the mass transit route to bring more shoppers to a mall. The project called for snowmelt technology and easy access to subsurface utilities. The LA retained a mechanical engineer subconsultant for the snow removal system design/technology. To save money, the mechanical engineer recommended an innovative use of a product. Construction was completed, the mall opened as scheduled and everyone was happy...until the concrete pavers on the roadways started to shift. An expert opined that it was the result of the “innovative” use of materials. The city sued the design team for \$4 million.

Key Points:

- Use of new and unproven technology.
- Failure to document conversations, delay concerns, and assurances.
- The client-written agreement had only limited construction phase services and no Limitation of Liability.
- Risks of accepting projects beyond capabilities and outside of geographical familiarity.

(The) Lobster Trap

2 AIA/CES LU | PDH

Disciplines: Architect

Project Type: Restaurant renovation

This claim case study involves a restaurant renovation that fell under the authority of a coastal zoning agency. The architect failed to properly vet the client, who purchased an oceanfront restaurant with the intention of redeveloping the property into a trendy eatery. The architect verbally hired an uninsured solo structural engineer whose technical error delayed the project. The architect didn't educate the client as to strict zoning requirements and neglected to memorialize the client's attempts to circumvent agency review. Neither design professional kept adequate records of the project, an issue that became apparent after the architect was replaced by another architect and the renovation exceeded the permit restrictions, resulting in additional delays and litigation.

Key Points:

- Poor client selection and a failure to educate the client as to strict zoning requirements.
- Poor communication and documentation of key decisions and project changes.
- Letter proposal included a prevailing party fee clause and a badly worded limitation of liability.
- Uninsured subconsultant hired without a contract.

Longhorn Engineering

2 AIA/CES LU | PDH

Discipline: Civil engineer

Project Type: Property survey and design of a sanitary sewer system

This out-of-state project included a property survey and design of a sanitary sewer system, water treatment plant, site drainage/retention system, and grading/street plans. Lack of communication with the subconsultant, the failure to tell the client about major delays and other problems, and numerous survey errors led to an \$11 million claim.

Key Points:

- Risks of accepting projects beyond capabilities, with a too-tight schedule, and outside of geographical familiarity.
- Unqualified and uninsured subconsultant left unsupervised.
- The lack of technical procedures, plan checking, and review.
- The failure to confront—and address—problems as they arose.

Mesa Architects

2 AIA/CES LU | PDH | HSW Qualified

Discipline: Architect

Project Type: Design and construction of a public library

The final installation of newspaper and magazine racks in a library was delayed by the city project manager as he considered positioning them elsewhere. Once their positions were finalized, the racks were never affixed to the walls. A claim arose when a rack toppled onto a library patron. Missteps by the architecture firm increased their liability exposure.

Key Points:

- Signing certificates of final completion without a walkthrough.
- Risks of using an uninsured subconsultant.
- Incautious or vague wording on the plans and specifications.
- Lack of documentation.

Muddy Waters

2 AIA/CES LU | PDH

Discipline: Civil engineer

Project Type: Sewage treatment plant for a waterpark and hotel resort

This complex project involves a developer, multi-prime agreements, a sensitive permit application for wastewater treatment, major program changes that took place after permits were issued, value engineering, plant operation problems and, ultimately, citations for the illegal discharge of untreated sewage into a local stream. The developer claimed \$20 million in damages.

Key Points:

- Epic lack of communication about unique project requirements, permitting restrictions, and changes to the owner's program.
- Multiple primes and a lack of coordination between disciplines.
- Contract issues, including binding arbitration, no waiver of consequential damages, no limitation of liability, and the choice of governing law.

Nast Engineering

2 AIA/CES LU | PDH

Discipline: Civil engineer

Project Type: Project to design a waterline

This project involved designing a five-mile waterline, and duties to inspect the work of a low-bid contractor. A year after project completion, the waterline burst, causing portions of a street to collapse, partially flooding the surrounding area. The city sued for over \$1 million.

Key Points:

- Contract issues: the engineer agreed to inspection services and stop work authority.
- Inexperienced and overworked field staff.
- Risks of issuing contract payment certificates.

Rainy Day Blues

1 AIA/CES LU | PDH

Disciplines: Architect

Project Type: Roof and drainage system for an industrial warehouse

This project involved designing a roof and drainage system for a large, industrial warehouse as part of a design-build arrangement. Before completion of the interior work on the warehouse, after a severe storm event, a 35-foot section of exterior wall collapsed inward and caved in part of the roof. The initial damage assessment exceeded \$1 million.

Key Points:

- Lack of quality assurance oversight and use of inexperienced staff.
- Good client selection procedures and the importance of clear communication channels.
- The value of a written contract with terms that benefit the designer.

Rising Tides

2 AIA/CES LU | PDH | HSW Qualified

Disciplines: Civil engineer/surveyor

Project Type: Survey for a residential community and individual homeowner

When surveying and developing plans for a waterside residential community, a partner in a small civil engineering firm relied on out-of-date FEMA flood zone maps, later siting a home in a high-risk flood zone. Although the engineer provided additional services for the homeowner over the years—all without a written contract—he missed several opportunities to use the current maps. Only when the homeowner tried to change flood insurers did she learn her home was in a high-risk zone and worth far less than previously thought. When the homeowner sued, it was learned the engineer had kept no documentation for the project.

Key Points:

- Lack of signed contracts.
- Lack of QA/QC procedures, relying on out-of-date flood-zone maps.
- Complete lack of project documentation.

Rocking Chair Senior Living

2 AIA/CES LU | PDH | HSW Qualified

Disciplines: Multidiscipline design firm, mechanical engineer

Project Type: Senior living center

The ink on the contract for the new nursing home design had barely dried before the project changed dramatically. Rather than asking for a revised budget and schedule, the design firm's management agreed to the public client's demands for aggressive cost-cutting and "value engineering" even as the firm's own staff voiced concerns. The client directed the design firm to scrap a plan for a central HVAC and replace it with small mechanical rooms in each "pod" using weaker air-handling units. When the air handlers were started up, problems became apparent.

Key Points:

- The risks of working for an unsophisticated public client on a high-profile project and being an out-of-town team.
- Reluctance to renegotiate terms when the material conditions of the project changed.
- Compromising design standards and product specifications to fit budgetary constraints.
- Failure to adequately document objections to the client's value engineering decisions.

Rockridge Elementary School

2 AIA/CES LU | PDH | HSW Qualified

Discipline: Architect

Project Type: Elementary school design

Under a tight schedule and budget, the architecture firm designed a 600-student elementary school. The school district insisted on the lowest-bidding contractor and cut construction observation services to save money. The district insisted on changes during construction and substitutions were approved on other items to cover the increased costs. The school opened on time, but six years later, cracks in the roof trusses were discovered along with construction defects and poorly performing substituted materials. In this highly publicized case, the initial demand against the architecture firm was \$5 million.

Key Points:

- Client and project selection issues: an inexperienced client, a high-profile and under-budgeted project on a tight schedule with a low-bid contractor.
- Failure to offer a comprehensive scope of services and to obtain a signed contract.
- Failure to ensure that subconsultant carried adequate insurance.
- Failure to cooperate with insurance company.

(The) Shops at Galilean

2 AIA/CES LU | PDH

Discipline: Architect

Project Type: Retail complex

A developer engaged an architecture firm to design a shopping complex and required the firm execute a purchase order agreement. Construction bids came in over budget. To cut costs—and without consulting the architect or the contractor—the developer went to a metal building manufacturer for an alternative roof system. The contractor, architect, and (uninsured) subconsultant structural all disavowed responsibility for checking the roof manufacturer's shop drawings. The complex was completed behind schedule, but the real problems began when the shops began to leak. Forced into arbitration by the purchase order, the architect and the structural were dragged into a \$2.25 million claim.

Key Points:

- Use of a purchase order form that called for binding arbitration and had few protections for the architect.
- Client's lender demanded architect's certification that the project had been designed and built in complete compliance to plans, laws, and codes.
- Failure to document concerns.
- Failure to adhere to normal shop drawing review procedures.

This Dam Project

2 AIA/CES LU | PDH

Discipline: Civil engineer

Project Type: Dam/water impoundment

This claim case study focuses on a dam removal and replacement project and the problems that can arise when inexperienced and geographically dispersed staff fail to properly communicate with one another or perform adequate site observation. The engineer failed to note non-conforming construction and approved of a substitution request without properly researching the substitution. Problems were compounded by an inexperienced contractor and a small public agency under scrutiny following the failure of the dam. The engineer's situation was further compromised by admissions of liability and promises to fix the problem before placing its liability carrier on notice.

Key Points:

- Failure to recognize the risks associated with an inexperienced low bid contractor, an inexperienced public agency client and a high-profile project subject to heightened media scrutiny.
- Failure to note changed field conditions and non-conforming construction.
- Admitting liability (without knowing all the facts) before reporting the loss to insurer.

Trouble in Paradise

2 AIA/CES LU | PDH

Discipline: Architect

Project Type: High-end hotel

An architectural firm underbid a high-end fast-track hotel project with a low-bid contractor to develop the hospitality section of its portfolio. Client selection and poor communication feature prominently in this study as does the failure to manage staff and the failure to amend the contract to reflect a key change in the project billing. As the claim developed, internal emails were found that effectively undercut the architect's defense to an E&O claim that was filed in response to an action to recover unpaid fees. This program also addresses the enforcement of statutory design professional lien rights.

Key Points:

- Unsophisticated client, the struggle to properly staff the project, and poor project selection.
- Agreeing to coordinate subconsultants not under contract with the prime.
- Poor communication and documentation, including internal emails admitting liability.

Under the Bus

2 AIA/CES LU PDH | HSW Qualified

Discipline: Mechanical, electrical, and plumbing (MEP) engineer

Project Type: High school

A school district with a funding shortfall decided to value-engineer a new high school's foundation from a crawl space with suspended piping to a carton form design with plumbing pipes buried in highly expansive native soil. The soil later activated at the end of a prolonged drought and pipes were crushed and broken, resulting in excessive moisture under the foundation and damage to the school. The district's lawsuit claimed the MEP failed to consider the geotechnical report and structural foundation changes during value engineering, although the MEP had been excluded from the process.

Key Points:

- Underfunded public school project that undergoes value engineering without the input of MEP.
- Prime architect who is required to retain the MEP subconsultant and then refuses to cooperate during the claim.
- A vague and overly broad scope of services that did not exclude geotechnical investigation.

Uneven Pavement

2 AIA/CES LU | PDH

Discipline: Civil engineer

Project Type: Highway surveying and design

Renovation of 2 miles of an eight-lane highway takes a bad turn when a civil engineer agrees to team up with an inexperienced contractor on their first design-build project. Besides signing agreements with the contractor with onerous flow-down provisions, the civil engineer failed to implement sound quality management procedures and coordinate staff changes, leading to a claim for \$1.2 million dollars.

Key Points:

- Failure to recognize warning signs about the design-build contractor's lack of experience and history of legal problems.
- A design-build contract with onerous flow-down provisions, including a representation that the design "shall not contain design errors" and a prevailing party attorney's fee clause.
- Rash admission of liability without legal counsel and failure to contact insurer.

Val U

2 AIA/CES LU | PDH | HSW Qualified

Discipline: Architect

Project Type: Upscale hotel complex

Val U highlights a prime architect and its interior design and mechanical subconsultants in the development of multimillion-dollar hotel complex on the Valkyrie University campus. Add a tight schedule and a low-bid contractor, and it gets really interesting. When faced with cost overruns, the contractor suggests value engineering. Val U agreed but failed to update its specifications to reflect VE decisions. A product substitution ultimately led to water intrusion, mold...and a \$20 million claim.

Key Points:

- Communication issues: failure to document decisions and changes; lack of field reports, poor communication.
- Contract issues: use of a client-written agreement with mandatory arbitration, lack of mediation, and limitation of liability clauses; no written agreements with subconsultants.
- Failure to verify subconsultants' insurance coverage limits.

When Money is No Object

2 AIA/CES LU | PDH | HSW Qualified

Discipline: Structural engineer

Project Type: High-end single-family residence

An architect engages a structural engineer as subconsultant for a high-end residence. Failures in client and contract management resulted in a project with an "evolving" budget and design and ill-defined scope. A host of owner-driven changes on the project, contractor personnel changes, and a volatile owner created the perfect storm for this claim. All of these problems collided when life-safety issues were discovered, and the owner filed a claim for \$16 million.

Key Points:

- Project selection issues: high-end residential project for a volatile, abusive, and vengeful client.
- Red-flag contractual arrangement between the owner and the contractor.
- Poor follow-up on non-conforming work.

You're Fired

2 AIA/CES LU | PDH

Disciplines: Architect

Project Type: Church, school, and community center

An experienced architect accepts a project that involved a remodel of a church, the demolition and construction of a new school and a new community building. The project, with an unrealistic budget and schedule, quickly got off track with cost-overruns and schedule delays caused by a contractor with little incentive to deliver on a cost-plus-fee contract. As tempers flared between the architect and the self-dealing owner's representative, key project decisions were made without the architect. The OR ultimately orchestrated the architect's termination.

Key Points:

- An inexperienced and unscrupulous member of the congregation acting as owner's representative.
- Cost-plus-fee contract with no incentive for the builder to keep project costs down.
- The importance of meticulous documentation.
- Collusion between the contractor and owner's representative to circumvent the architect on project decisions and to orchestrate a termination for cause.

You're Toast

2 AIA/CES LU | PDH | HSW Qualified

Discipline: Architect

Project Type: Tenant improvement

An architect is hired under a master agreement by a national fast-food franchisor to design all of its franchisees' buildouts. During subsequent negotiation with one franchisee, the architect agreed to remove construction phase services from its scope of services in exchange for a reduced fee. Not long after occupancy, the franchisee experienced several electrical issues. A year after completion, the building burned to the ground, resulting in cross-complaints by multiple parties and several years of litigation.

Key Points:

- Poor client evaluation and project evaluation.
- Agreeing to forgo construction administration services in exchange for a lower fee.
- Stamping drawings prepared by another party.
- Failure to identify incompatible CAD programs.

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