



Learn 10 Simple Ways to Avoid Being Sued

Description

Avoiding construction lawsuits as a designer, a lawsuit or a grievance is a professional risk for a designer. However, a few easy actions can reduce the risk. When a lawsuit or grievance cannot be avoided, the same procedures might be used to eliminate or reduce professional liability.



1. Maintain open lines of communication.

Let your clients know they are your top priority by keeping them up to date on all key project advancements and responding to client messages promptly (within 24 hours).

Maintain well-organized records of all critical communications with clients, whether copies of letters and emails or dated notes of phone calls.

A client who thinks they can contact you and that you are committed to their project is less likely to file a lawsuit or grievance, even if a problem emerges.

However, if a lawsuit or grievance is filed, thorough and accurate records of your conversations with the complaining client are critical to any defense.

2. Avoid setting unrealistic expectations.

Try not to shield your clients from bad news. Suppose any hurdles, expected or unforeseen, develop between the start of a project and its conclusion. In that case, your client will rely on you to notify him or her promptly, to provide a thorough explanation, and to provide an honest assessment of the risks and benefits of various strategies for advancement.

The client may be disappointed to learn of the impediment, but not as disappointed as the client who advances unaware, only to wonder later why you did not inform him or her sooner.

3. Make difficult decisions for the client.

Clients, once again, rely on design professionals to deliver a complete and accurate assessment of a project's risks and advantages; however, the client must determine how to proceed in light of your evaluation.

Allow a client to say, "it's up to you," since if your decision does not produce the desired or expected result, the client may hold you accountable.

A client who is given the authority to control the project (with your guidance) is less likely to blame you if things do not go as planned.

4. Keep a record of your advice and the client's decisions.

Whatever conclusion a client chooses, make sure there is a documented record of the counsel you gave him or her to help inform that decision.

If a client follows your advice, follow his or her orders (where possible), but state in writing that you would advise against that strategy.

If you cannot carry out the desired action (for example, because it is illegal, unethical, or dishonest), notify the customer promptly and explain why. If the customer persists, you may be forced to withdraw.

If you are sued or grieved, your demand that the client make the difficult decisions—accompanied by documentation that you communicated with the client (see no. 10) about all the material informing his or her decision (see no. 9)—is a strong defense.

5. Do not begin hostilities against the client.

Numerous lawsuits and grievances are brought in retribution for professional activities taken against existing or former clients, such as collections actions on unpaid bills.

Even if your client has clearly mistreated you and you are unquestionably entitled to relief, consider whether such relief, once secured, will offset the cost of fighting against the lawsuit or grievance that is certain to follow.

Consider not only the financial cost, such as your deductible and insurance premium, but also the time you would have to devote in your defense and the damage to your reputation, regardless of the outcome.

Except for the most egregious cases, writing off an invoice or walking away from a dispute is frequently the more cost-effective option.

6. Avoid or manage the borderline personality client with caution.

You've probably met a prospective or actual client with an ego and demands that match his or her bank account.

Consider carefully whether you sign on with or continue with clients who make unreasonable demands, frequently question your analysis or advice, refuse to communicate properly, or have fired or speak negatively about your peers.

Remember that a client prone to irrational or furious behavior will eventually aim his or her rage toward you, no matter how careful you have been to deliver the best service possible.

If you continue working with such a customer, it is more critical than ever to follow things six through ten on this list.

Communicating effectively, recording your advice, and deferring difficult decisions to the client can all help to reduce client complaints, whether or not they are justified.

7. Run, don't walk, away from unsavory clients.

Even more terrible than the furious or illogical client is the client who requests, or you worry will ask, that you participate in professional misconduct.

Regardless of a client's requirements, design professionals must adhere to specific criteria.

Furthermore, nasty clients may subject you to more than just a professional negligence case or grievance proceedings; any fraudulent or criminal activity the client engages in with your knowledge may be held against you.

When the prospective financial rewards are high, it is tempting to ignore the "warning bells" in your thoughts.

When this happens, remind yourself that, whatever the potential rewards, the hazards are likely to be considerably greater, and can involve:

- Grievance defense.
- A protracted and expensive malpractice prosecution.
- Even the loss of your license.

If a customer continues on an unethical, dishonest, or unsuitable course of conduct despite your advice, end the partnership immediately.

Do not prioritize your interests over those of your clients or one client's interests over those of another.

8. Always be aware of, and avoid existing or potential conflicts of interest.

There is no faster way to become embroiled in a lawsuit or grievance than to behave in your own best interest at the expense of your client (or in one client's best interest at the expense of another's).

Even the appearance of a dispute can cause an undesirable action to be taken.

So be on the lookout for any conflicts, notify your client immediately if one arises, and resign from the project as soon as possible in the least damaging way to your customer.

9. Be proactive in responding to client issues.

Even the finest of relationships can swiftly deteriorate if the client believes you are unresponsive to his or her problems.

It is not enough to acknowledge any complaint promptly; you must also respond with information about the client's issues and a plan to address them.

Whether or not you believe you are at fault, accept responsibility for resolving the situation, which includes providing the client with options and ideas for how to proceed, as well as suggestions for how to prevent the issue in the future.

10. Maintain enough liability insurance.

Although decent insurance coverage will not keep you out of a lawsuit, it will provide you with peace of mind and protection from personal liability. Liability policies are not all the same.

Some important factors to consider are:

- Whether the dollars spent in defense of the case by the insurance provider affect the amount of your liability coverage in the event of a verdict. Insurance companies frequently offer policies that either decrease or do not erode the amount of coverage. Keep in mind that litigation can be

costly, with defense costs exceeding \$100,000 in some cases. Nothing is worse than having your entire coverage undermined by defense fees.

- How much your insurance coverage will pay for a defense in a grievance action. A grievance action's defense might also be costly. You do not want to be forced to accept a suggested disciplinary stipulation from the licensing agency just because you cannot afford to defend yourself in action.

Although many of these measures are common sense, circumstances can and do exist that encourage design professionals to disregard prudence in pursuing an intriguing or lucrative project or simply for personal pride.

When approaching any client or matter, remember to keep cool and consider the big picture, including your other projects and professional reputation.

Adhering to these rules, such as communicating properly, documenting your activities, and safeguarding yourself and your reputation, can pay off enormously by preventing a lawsuit or grievance or drastically improving your defense.

Category

1. Lifestyle

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