

CASE....Past, Present and Future

By Edward W. Pence Jr., P.E., S.E., FASCE

As I begin my term as CASE Chair, I first want to thank the Executive Committee and the membership in general for the opportunity to serve in this capacity. Believe me, I understand and appreciate the responsibilities entrusted to me, and will do my best to be worthy of this honor. Looking at the list of past chairmen, it is indeed an honor and privilege to be included.

As in the beginning of any new year, I pause for a moment to reflect on the beginnings of **CASE**. Those of us old enough remember the mid 1980's and the increase in the frequency and severity of claims against structural engineers. If errors and omissions insurance was available at all, premium increases were dramatic. Discussions with the major carriers revealed that much of the increase in claims could be attributed to the poor business practices and a general lack of awareness of good risk management procedures within our profession.

In response to these problems, **CASE** was born. The mission: *to improve the business practice and risk management of structural engineering firms*. Over the last 10 to 15 years, significant progress has been made. Although not one hundred percent, structural engineering firms now have contracts for most projects, and are aware of onerous language within client furnished contracts that can seriously affect their risk. There is more awareness as to the 'standard of care' for structural engineers. And maybe most importantly, we are talking to each other about these problems and are working together to solve them for the good of our profession.

During this same time period, an organization known as **SERMC** (Structural Engineers Risk Management Council) was formed by DPIC (now XL/DP), a major carrier of errors and omissions insurance for design professionals. The purpose of SERMC was to address many of these same issues related to risk management for their structural engineer policy holders. It also gave structural engineers the opportunity to be directly involved with the operation and management of the insurance company, and to share in the profits that resulted from reduced claims. Much good work was done by this group to improve the risk management of structural engineering firms. This included Technical Peer Reviews, Claims Reviews, and many educational programs and documents.

The SERMC program was terminated in the spring of 2003. Given the similarity in missions, the logical next step was to bring this group into **CASE**. Beginning with an organization and information meeting held in Colorado Springs, CO in May 2004, and followed by a strategic planning session held in Charleston, SC in January 2005, **CASE** and the former SERMC members have been working hard to develop an expanded program, entitled the Risk Management Program (**RMP**). This has included:

- **Convocations** in Reston, VA in November 2004 and in Dallas, TX in November 2005, with future events planned for San Francisco in October 2006 and Atlanta in October 2007.
- **E-newsletters** with timely bi-weekly articles and tips on risk management.
- **Insurance Liaison** committee to explore opportunities for partnering and develop relationships with both agents and underwriters.
- **Ten Foundations of Risk Management**, a practical risk management program. (Tools for creating and implementing

a risk management culture for your company.)

- **Website** with resources for improving your firms risk management policies and procedures.

As with any organization, it is good to look inward from time to time. Thus, a strategic planning session for **CASE**

was held in Dallas, Texas last January, where the business practice side of **CASE** was re-organized and re-focused into what has been labeled as the Business Practice Program (**BPP**). The BPP has been specifically designed to parallel the RPM. The BPP is striving to expand the traditional efforts of **CASE**, and has undertaken several new tasks, including:

- **National Practice Guidelines**, including Structural Engineer of Record, Specialty Structural Engineers, Special Inspections, and Preparation of Structural Engineering Reports for Buildings.
- **Programs** on the *Coordination and Completion of Structural Contract Documents* continue to be given around the country.
- **Contracts** for use by Structural Engineers, including a Limited Service Agreement, SE as a Prime, Special Inspections, Forensic Engineering, and Electronic File Transfer, have been updated and re-released.
- **Special Inspections** program, including marketing materials and forms.
- **Commentaries** on documents and contracts produced by other professional organizations that are pertinent to the business practices of a structural engineering firm, including AIA C 141, and the AISC Code of Standard Practice.
- **Legislative Advocacy** committee, working within the political system and providing a national voice on behalf of structural engineers.
- **Building Information Modeling (BIM)**, exploring new computer technology as it relates to the business practice of structural engineering.

As a responsive group of professionals engaged in enhancing the practice of Structural Engineering, **CASE** will continue to look for new areas affecting firm management and profitability. **CASE** will continue to explore new opportunities and threats in the areas of risk management and business practice as they arise, and is committed to provide the leadership and guidance to the profession needed to navigate through them. Risk management and good business practices must become the culture of your firm, not only for Owners and Principals, but for the Project Managers and Project Engineers.

The new and expanded programs have resulted in an increase in the annual operating budget. And there is always a need for new participants on the committees to help carry on the work. If your firm is a **CASE** member, thank you for your continued support. If you have been a member in the past, but are not currently, I invite you to re-join the effort. If you are not a member and would like the opportunity to work and network with other business leaders from around the country who perform the same work as you do, consider becoming a member. For membership applications, or for additional information regarding participation in committee activities, please contact either me or Ed Bajer at ebajer@acc.org. Together with our partnering organizations at **SEI** and **NCSEA**, we can make a difference!■

