**Risk Management for Construction Projects**

Risk! Construction projects have an abundance of it, contractors cope with it and owners pay for it! Construction is one of the most risky and challenging industries. It embraces risks at any stage of its lifecycle, starting from the conceptual phase of a project, engineering design, placing the bid and going through scheduling, material procurement, construction, changing orders and ending with the commissioning, final payment and closing-up of the project. Such complexity moreover, is compounded by many external, uncontrollable factors.

Due to the complex and dynamic nature, a proper implementation of risk management should be emphasized in order to assure the achievement of project goals and objectives: the risk of loss tempers the pursuit of return.

There exists a gap between the theory and the techniques proposed to manage risk, and what people do in practice. Intuition, judgement and expert skill will always influence decision-making, but a set of tools is now needed which will enable risk management techniques to be put into practice in the construction industry. This lecture is intended to contribute in this direction.