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Department :- Management

Collage:- J.D. Women's College

Course :- MBA (PG)

Semester :- 3rd

Paper :— MB HC 02

Topic :--Adjudication

Subject :-- Industrial Relations

Adjudication

Adjudication describes the legal process that helps expedite and deliver a court's resolution regarding an issue between two parties. The result of the process is a judgment and court opinion that is legally binding. Most adjudication hearings center on disputes that involve money or nonviolent infractions and result in the distribution of rights and obligations for all parties involved. This legal process differs from other justice-seeking or evidence-based court cases. It is instead used to settle disputes between private parties, political officials and a private party, public bodies and public officials.

- Adjudication is the process by which a court resolves issues between two parties.
- Adjudication hearings are similar to the arbitration hearing process.
- Generally, adjudication hearings involve money or nonviolent infractions that result in a distribution of rights and obligations for all parties involved.

Adjudication Process Disputes:

Types of disputes handled or resolved through adjudication include the following:

- Disagreements between private parties, such as single-persons, individual entities or corporations
- Disagreements between private parties and public officials
- Disagreements between public officials and/or public bodies

Requirements for full adjudication include requisite notice to all interested parties (all legally-interested parties or those with a legal right affected by the disagreements) and an opportunity for all parties to have their evidence and arguments heard.

Disadvantages of adjudication

- The adjudicator has no jurisdiction beyond that specified in the contract
- Adjudication does not always lead to final settlement of a dispute because either of the parties has the right to have the same dispute heard afresh in court
- Legal and expert fees are not normally recoverable, and mistakes can therefore cost significantly so there is little margin for error
- A mistaken decision has to be honoured in the short-term, which may cause issues of cash-flow
- There is no testing of evidence or assertions
- Because the adjudication outcome is decided within 28 days of starting the process, adjudication is also a way of losing considerable sums of money in a very short timescale for the party who is on the wrong end of an unfavourable decision

On balance, adjudication is seen as an extremely popular and effective form of dispute resolution and one that is turned to ever more frequently as an alternative to traditional litigation, which can be expensive and cumbersome. Adjudication allows disputing parties to resolve contract differences as quickly and efficiently as possible, allowing countless construction projects to continue that would otherwise have ground to a halt

How does Adjudication work?

Adjudication is a mechanism where a dispute can be resolved in a predefined manner. Its benefit is primarily to ensure the smooth running of the contract under which the dispute arises and enables it to be quickly and efficiently resolved. The resolution of a dispute by adjudication is often defined in the original contract. The adjudication process begins when the dispute crystallises and a notice of

adjudication is served. This can be done by either party. An adjudicator will then be appointed. The adjudicator will receive submissions and carry out his own investigations before ultimately reaching a binding decision on the matters put before him.

What is the role of an Adjudicator

An adjudicator's basic duties and authority is set out by the Construction Act, while the parties who prepare the notice of adjudication outline the adjudicator's jurisdiction within the specific case. An adjudicator will come to an informed, carefully considered decision upon hearing all the evidence presented by each party at a hearing, drawing on their legal and professional knowledge. An adjudicator's decision will be binding until a final determination is reached on the dispute either in court or by resolution through an alternative dispute resolution method and can be enforced by application to the Technology and Construction Court if necessary. The adjudication process takes place over 28 days (when extension can be sought if agreed by both parties), at which point the adjudicator's decision is final and legally binding. The process is designed to be quick and efficient, but this also means there is little margin for error so choosing the right adjudicator with the requisite legal and professional expertise is essential.

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