

PROJECT MANAGEMENT



 **BTS**
Training & Consultancy

Contract Management Principles, Concepts & Practices

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Contract Management Principles, Concepts & Practices

Introduction:

Project managers, contract managers and other professionals involved in the world of contracts must be able to work effectively together and with customers, contractors and subcontractors to accomplish key organizational objectives. Because contracts are developed in an increasingly complex environment, including the rising use of contracted supplies and services throughout government and industry, a solid understanding of the contracting process is critical and can give you an advantage whether you are on the buyer's or seller's side.

Get an overview of all phases of contracting, from requirements development to closeout. See how incentive can be used to improve contract results. This course explores these vital issues from the manager's perspective, highlighting key roles and responsibilities to give you greater influence over how work is performed. You'll also discuss actions that can be taken to help ensure that contractors or subcontractors perform as required under the contract. Lectures are combined with case studies, exercise and negotiation role-playing to maximize the learning experience. Plus, you'll receive a comprehensive course materials package, including reference materials specific to each unit of the course. Effective contract negotiation and administration can ensure project success, speed performance, and reduce risks and costs along the way. Discover the keys to contracting from your perspective in this practical course.

Who Should Attend?

Procurement Managers, Purchasing Staff, Engineering, Operational and Maintenance Personnel, Contracts Engineers, Administrators, and Managers, Commercial, Financial and Insurance Professionals, Project and General Management, Contracts & Contracting Unit Professionals, Project Professionals, Procurement & Purchasing Staff, Purchasing Professionals and Procurement Officers, Commercial Professionals, Contract Administrators, Contract Administration Professionals, Contract Managers and Contract Professionals,

Supply officers, Buyers, Project Coordinator's, Project Managers and other Project Professionals, Claims Personnel, Legal Advisers, Contract Strategists, Business Audit Officers, Engineers, Project Construction Professionals, Contract Administrators, Contract Professionals and Project Coordinators, Buyers, Purchasing Professionals and Procurement Officers, Contracts Managers, Project Managers, Tenders, Contracts, Buyers, Purchasing, Financial Personnel, Tendering, Purchasing, Project Management Professionals, Engineering, Operational, Trade, Finance, and Maintenance Professionals, all others who are involved in the planning, evaluation, preparation and management of tenders, specifications, awards, and contracts that cover the acquisition of materials, equipment, and services and who are in organizations whose leadership want high levels of competency in those involved in these activities, those from a Project Management or General Management background who do not think they have sufficient understanding of contract issues, those new to the function, preparing for a major project, or experienced managers looking for a refresher, anyone involved in the management of risk, those involved in implementing and administering contracts and handling claims and change orders; also those involved in any conflict or dispute with a contracting party and interested to learn how to avoid or resolve these contractual issues, those involved in contract and business related negotiations, those involved in any aspect of implementing, managing or administering contracts in the post-award phase.

Course Objectives:

By the end of this course, delegates will be able to:

- Identify contract components and understand the process from start to finish
- Select the right contract type for your project
- Decipher contract legalese
- Choose the offer that will result in the best value for the buyer
- Agree on objectives, requirements, plans and specifications
- Negotiate favorable terms and make revisions to the contract
- Apply rules of contract interpretation in project disputes
- Administer contracts appropriately, and know when and how to terminate before or upon completion

Course Outline:

Understanding the Contract Management Process

- Contract management definition
- Description and uses of contracts
- Buyer and seller perspectives
- Contract management and the PMBOK® Guide

Teamwork: Roles and Responsibilities

- Concept of agency
- Types of authority
- Privity of contract
- Contractor personnel

Concepts and Principles of Contract Law

- Mandatory elements of a legally enforceable contract
- Terms and conditions
- Remedies
- Interpreting contract provisions

Contracting Methods

- Contracting methods, competitive and noncompetitive
- Purchase cards, imprest funds or petty cash
- Sealed bidding, two-step sealed bidding, competitive negotiation and competitive proposals
- Reverse auctions
- Purchase agreements vs. contracts
- Single-source negotiation vs. sole-source negotiation

Developing Contract Pricing Agreements

- Uncertainty and risk in contract pricing
- Categories and types of contracts
- Incentive
- Fixed-price
- Time and materials
- Cost-reimbursement

- Selecting contract types

Pre-award Phase

- Buyer activities
- Plan purchases and acquisitions
- Plan contracting
- Request seller response
- Seller activities
- Presales
- Bid/no-bid decision
- Bid or proposal preparation
- Understanding the PMBOK® Guide

Award Phase

- Source selection process
- Selection criteria: management, technical and price criteria
- Evaluation standards
- Evaluation procedures
- Negotiation objectives
- Negotiating a contract
- Tactics and countertactics (buyers vs. sellers)
- Document agreement or walk away

Contract Administration

- Key contract administration policies
- Continued communication
- Tasks for buyers and sellers
- Contract analysis
- Performance and progress
- Records, files and documentation
- Managing change
- Resolving claims and disputes
- Termination