

# **BEST PRACTICES IN CONTRACT MANAGEMENT**



**TCM326  
Tenders &  
Contract  
Management**

**COURSE TITLE**

BEST PRACTICES IN CONTRACT MANAGEMENT

**COURSE DATE/VENUE**

18<sup>th</sup>-22<sup>nd</sup> Mar 24'

London, UK

**COURSE REFERENCE**

TCM326

**COURSE DURATION**

05 Days

**DISCIPLINE**

Tenders & Contract Management

**COURSE INTRODUCTION**

High quality Best Practices in Contract Management are essential activities in achieving improved levels of performance for all organizations. Providing the high value-added activities available from contract and procurement operations requires the continuous involvement of knowledgeable professionals and management who understand and implement the best practices in Contract Management and Tendering for the acquisition of goods, equipment, and services. Included in the many topics covered in this training session to move contracts from the tactical to a more important strategic focus are:

- Best Practice Contract Lifecycle Management – Key Capabilities
- Contract Management and Tendering Is A Profession, Not Just A Job
- Elements of A Good Procurement & Competitive Bidding Process
- Developing Tender Evaluation Criteria
- Selecting the Right Contract Type
- Contract Preparation
- Contract Management

**COURSE OBJECTIVE**

**By the end of the course, participants will be able to:**

- Best Practice in Contract Management – Key Capabilities
  - Reducing costs through shorter cycle times and administrative efficiencies
  - Managing contract performance and risk from inception to closure
  - Consistent variations management via a holistic approach
  - Process automation and enhanced digital transformation
  - Leveraging contract data for insights and decision making
- Discuss Elements of Good Procurement Process
- Learn Methods of Tender Evaluation
- Review Contract Strategies
- Explore Steps in Developing Performance Based Service Contracts
- See Examples of Important Commercial Contract Clauses
- Be Presented the Essential Elements of a Contract
- Be Given Examples and Sources of Contract Checklist
- Provide an understanding of how and why claims and counterclaims arise
- Explain the differences between claims and counterclaims
- Identify common causes of claims and disputes, and how to avoid them
- Discuss how to develop contracts management procedures to avoid disputes over claims and counterclaims, while resisting unjustified claims
- Enhance understanding of basic negotiation techniques to be used when resolving disputes
- Provide an understanding of some of the main methods of dispute resolution involving third parties

**COURSE AUDIENCE**

- Contracts, Purchasing, and Project personnel
- Engineering, Operational, and Maintenance personnel
- And all others who are involved in the planning, evaluation, preparation and management of tenders, awards, and contract performance 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

**COURSE CONTENT**

**DAY 1**

## **Contract management and tendering - when does the process start?**

- What You Need to Know to Be Competent at Contract Management
- Elements of A Good Procurement and Competitive Bidding Process
- Standards of Ethical Practice
- Example Policy "Relations with Suppliers
- Selecting the Right Contracting Strategy
- Types of Statement of Work
- The Importance of The Contract
- Basic Contract Types
- Basic Types of Project Deliver

## **Best Practice in Contract Management – Key Capabilities**

- Reducing costs through shorter cycle times and administrative efficiencies

## **DAY 2**

### **Important elements of the contract**

- Saving with Economic Price Adjustment Clauses
- Force Majeure Clauses
- Contract Changes Clauses
- Methods of Payment
- Progress Payments
- Letters of Intent, Award, And Side Agreements

### **Bidder selection and tender evaluation**

- Selecting the Bidders
- We Want More Than the Lowest Price
- How Do You Know You Got A Good Price?
- Use of Price Indexes
- Electronic Evaluations
- Requesting Cost Breakdowns and Evaluations of Cost Breakdowns

### **Managing the contract performance**

- The Criticality of Good Contract Administration
- Contract Changes
- Determining Status and Expediting
- Contractor Payments
- How Contracts End
- Remedies for Breach of Contract
- Types of Bonds and Guarantees

- Negotiation Tips

### **Best Practice in Contract Management – Key Capabilities**

- Managing contract performance and risk from inception to closure

## **DAY 3**

### **Best Practice in Contract Management – Key Capabilities**

- Consistent variations management via a holistic approach

### **How Claims and Counter Claims arise**

- Causes of typical claims
  - Poor drafting of requirements
  - Lack of clarity in Scope of Work/Services
  - Misunderstanding of legal or technical obligations
    - By Client
    - By Contractor/Supplier
  - Deliberate “misunderstanding”
- Counter claims - how they differ from claims
  - Rights of set-off
- Overview of main contractual provisions relevant to claims and counter claims
  - Obligation to perform work
  - Standards
  - Programme
- Acceleration
  - Variations
  - Extension of time
  - Force majeure

## **DAY 4**

### **Best Practice in Contract Management – Key Capabilities**

- Process automation and enhanced digital transformation

### **Types of Claims and Counter claims**

- Types of claims, in construction and other areas - and their distinctive features
  - Re-measure disputes
  - Variations - disputes on valuation
  - Variations - disputes as to whether there is change

- Breaches of contract
- Quality of workmanship
  - Re-work
- Rejection of goods
  - Full rejection
  - Partial rejection
- Liquidated damages and penalties
- Warranty claims
- Special issues with EPC/Turnkey contracts
  - Interface problems - are these always the Contractor's responsibility?
  - Tracking change where client involvement is limited
  - Special issues with documentation in EPC and turnkey contracts

## DAY 5

### Best Practice in Contract Management – Key Capabilities

- Leveraging contract data for insights and decision making

### Dispute Resolution

- What is a dispute?
- Introduction to dispute resolution methods and techniques
  - Stage negotiation - setting up internal dispute resolution within the contract
  - Measures of success - win-win negotiation
  - Understanding what constitutes a “win” for you
- What will be a “win” for the other party?
- Mirror negotiation/red teams
  - Negotiating “without prejudice”
  - Making offers
  - Compromise
  - Bargaining
- Interest-based negotiations
  - Moving away from rights-based thinking
  - Making the cake bigger - settling other issues
  - Non-financial solutions
  - Long-term business relationships
- Conflict and its resolution
  - Defusing conflict
  - Personality clashes and how to avoid them
  - Dealing with disputes as they arise - not letting them fester
  - Traditional dispute resolution
    - Litigation
      - Use of foreign courts
      - Enforcement
    - Arbitration
      - Domestic

- International
  - Single or panel
  - Enforcement
  - Issues with evidence and production of documents
- Differences between alternative dispute resolution methods
  - Mediation
  - Med/Arb and Arb/Med
  - Adjudication
  - Expert determination
  - Early Neutral Evaluation
  - Mini-Arbitration
  - Dispute Review Boards
  - Pendulum arbitration

### **COURSE CERTIFICATE**

**TRAINIT ACADEMY** will award an internationally recognized certificate(s) for each delegate on completion of training.

### **COURSE FEES**

£5,750 per Delegate. This rate includes participant's manual, Hand-Outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

### **COURSE METHODOLOGY**

The training course will be highly participatory and the course leader will present, guide and facilitate learning, using a range of methods including formal presentation, discussions, sector-specific case studies and exercises. Above all, the course leader will make extensive use of real-life case examples in which he has been personally involved. You will also be encouraged to raise your own questions and to share in the development of the right answers using your own analysis and experiences. Tests of multiple-choice type will be made available on daily basis to examine the effectiveness of delivering the course.

- 30% Lectures
- 30% Workshops and work presentation
- 20% Case studies & Practical Exercises

- 10% Role Play
- 10% Videos, Software or Simulators (as applicable) & General Discussions

