

Course Name: Management of procurement contracts

Reference Code: Supp 102

About the course:

This training course will feature:

- What can go wrong when managing a supplier contract – and how it can damage your business
- How to spot – and prepare for – the risks that lie ahead in a contracting situation
- How to control contract performance from the start – by setting an appropriate management framework, before the contract is signed
- Why you need to motivate your third-party supplier, and the range of techniques to use to improve his results for you
- What to do if things go wrong – including stepping in, substitution, terminating and dispute resolution

Course Objective:

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

- Provide better outcomes from contracts
- Monitor contract performance
- Know how to analyse contract obligations and risks
- Prepare for contract claims and disputes
- Control variations to contract
- Manage contract default, and consider remedies including termination

Who Should attend?.

- Procurement Officers
- Contract Engineers
- Contract Analysts and Administrators
- Other Contracts and Procurement professionals
- Supply Chain Management team members involved in the preparation and evaluation of bids and tenders, and the management of works construction, the supply of equipment and materials, or in the delivery of services

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Course Methodology:

This training course is designed to be a hands-on, stimulating experience. The training course is highly interactive with many discussion and practice sessions.

- ☐ Relevant computer simulations and videos .
- ☐ Copies of all presentation material.
- ☐ Variety of Learning Methods.
- ☐ Pre-test and final test.
- ☐ Case Study
- ☐ Training Groups.
- ☐ Presentation.
- ☐ Lectures

Course Outline:

Day One: Introduction to Contract Management

- What is Effective Contract Management and why do we need it?
- The causes and effects of contract failure
- Analysis of the Contract requirements
- Defining the Job to be done – specifications and the scope of work
- Key Players in Contract Management

Day Two: Managing Contract Risks

- Identifying risks affecting time, cost and quality
- Responses to risk

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- Contract Types and how they manage risk
- Important contract clauses about risk
- Using Bonds and guarantees
- Contract templates: FIDIC, NEC and other standard models

Day Three: Establishing the Framework for Contract Performance

- Building a relationship for supplier performance
- Motivational techniques – carrots and sticks
- Contractor warranties
- Monitoring service performance
- Service Level Agreements
- Tools and techniques for contract default

Day Four: Best Practices around Price and Cost issues

- Setting the supplier's agenda on costs and prices
- Cost and Price analysis methods
- Using economic price adjustment techniques
- Price transparency and cost breakdowns
- Managing the financial impact of contract variation
- Negotiation techniques for improving value for money

Day Five: Contract Management and Administration

- Handling contractor claims
- Operating the liquidated damages clause
- Preventing or resolving disputes
- Handling defect liability and retention sums
- Contract administration tasks from award to close out
- Contract termination and handover

Time: 08:00 AM -03:00 PM Numbers of hours: 35 Hours

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