Contract Management Principles and Practices

Duration: 4 Days Course Code: GK2652

Overview:

In this course, you will learn how to manage all aspects of project procurement effectively. You will discover the logic behind contracting principles and practices, and you'll learn the terms, techniques, and tools of converting project needs into outsourced goods and services. You will learn to ensure successful procurements by gaining an understanding of the roles, responsibilities, and expectations of the internal and external stakeholders involved in the procurement chain.
In this skills-building course, you will spend 70% of class time working on contracting activities, from requirements documentation through to contract closure. Exercises include the development of a procurement strategy, contract selection, revising and updating SOWs, risk management, negotiating claims settlement, and collection of lessons learned.

Target Audience:

This course is suitable for anyone involved in contracting of any kind. Whether you are a team member, project manager, or executive, this course will put the mechanics of procurement into perspective.

Objectives:

- **During this course you will learn:**
- Steps and stages of contract management from needs analysis to closure
- Terms and terminology of contracting and procurement
- Legal requirements of contracts and their implications
- Ingredients for contracting success
- Stakeholder mapping and expectations analysis
- Converting project objectives to contract requirements
- Applications and weaknesses of contract types
- Risk transfer through contracting terms and conditions
- Impact of subcontractors
- Procurement planning from needs analysis through to creation of bid packages
- Importance of the SOW
- Procurement process including bid packages, source selection, and awarded contracts
- Contracting paper trail and the time requirements for the steps involved
- Negotiation principles
- Administering contracts: Taking awarded contracts through to completed work
- Communication feedback loop
- Performance monitoring
- Contract change control principles
- Claims administration
- Contract closure from completed work to creation of a contract archive
- Early termination clauses
- Lessons learned best practices
- Contracting problems and their solutions

Prerequisites:

Attendees will ideally have attended the following courses:

- GK2819 - IT Project Management
- GK2868 - Project Management Fundamentals

Testing and Certification

Recommended as preparation for the following exams:

- There is no exam currently aligned to this course

Follow-on-Courses:

The following courses are recommended for further study:

- GK2658 - Project Management, Leadership, and Communication

Content:

Introduction to Procurement Management

- Contract Schedule Network Diagram
- Terminology - Procurement and Contracting
- Contract Definition - Practical and Legal
- Purpose of Contracts
- Risk Transfer through Contracting
- Definition of Contracting Success
- Stakeholder Mapping
- Stakeholder Expectations
- Communications Chain

Needs Analysis

- Objectives to Requirements Documents
- Requirements Documents to SOW
- Contract Types
- Contract Management Mistakes
- Role of Legal Department

Plan Procurements

- Planning Documents
- Requirement Documents
- Procurement Management Plan
- SOW
- Bid Packages
- Tender Documents
- Source Selection Criteria

Conduct Procurements

- Stakeholder Mapping
- Vendor Participation
- Advertising and Bidder Conferences
- Proposal Evaluation Techniques
- Paper Trail and Due Diligence
- Principled negotiations vs. positional negotiations
- Objectives of negotiations processes

Administer Procurements

- Stakeholder mapping
- Procurement team
- Vendor relationship management
- Monitoring performance
- Contract change controls
- Contract amendment
- Performance reviews
- Payment systems
- Claims administration

Close Procurements

- Stakeholder mapping
- Early termination
- Lessons learned
- Procurement audits
- Negotiated settlements
- Contracting problems and their solutions
- Ingredients for contracting success

Hands-On Exercises

- Contracting schedule network diagram: Estimating procurement durations and total elapsed time
- Strategic analysis of procurement strategy using SWOT technique
- Evaluating bid proposals: Source selection and ranking of bids
- Development of SOW documents: Source selection criteria and weighting system, performance and quality standards, and negotiating priorities
- Integration of contract type, terms, and conditions into project schedule and risk management plans
- Role playing: Negotiations between buyer and vendor over contract terms
- Contract closure and collection of lessons learned

Additional Information:

This course qualifies you for the following PMI® Professional Development Units (PDUs): Leadership = 7Strategic and Business Management = 7Technical Project Management = 7
Total = 21

Further Information:

For More information, or to book your course, please call us on Head Office 01189 123456 / Northern Office 0113 242 5931

info@globalknowledge.co.uk

www.globalknowledge.com/en-gb/

Global Knowledge, Mulberry Business Park, Fishponds Road, Wokingham Berkshire RG41 2GY UK