Introduction

Contracts are the cornerstone of all business transactions, whether simple purchase orders or complex financial arrangements. While specialized professionals often manage the formation, negotiation, and oversight of these contracts, **general managers** may lack an understanding of the intricacies within contractual documents. The **Contract Excellence for Non-Legal Professionals** course is designed to bridge this gap, providing professionals from non-legal backgrounds with a robust understanding of contract processes and potential issues, thereby enhancing their management skills.

This course is tailored to **business managers**, **project managers**, and **contract professionals** who are looking to engage more effectively with contract law, without delving into overly complex legal jargon. Through the integration of practical business insight and essential legal knowledge, this course empowers non-legal professionals to navigate and negotiate corporate contracts with confidence.

Targeted Groups

This course is ideal for:

- **Project or Construction Professionals**
- **Tenders, Contracts, Buyers, Purchasing, Financial Personnel**
- **Individuals from Project Management or General Management Backgrounds**
- **Those New to the Function** or preparing for a major project or contract.

Course Objectives

By the end of the course, participants will have:

- A solid understanding of **contract structure** and its intrinsic purpose.
- The ability to **recognize** how different contract structures apply to various business situations.
- Enhanced communication skills to **interface with legal and contract personnel** effectively.
- Insight into potential pitfalls within commonly used **contract clauses**.
- A better understanding of the reasoning behind **contract utilization** and their formulation.
- Knowledge of how different contracting structures allocate and manage **risks**.
- A critical perspective on significant contract provisions, focusing on drafting and managing them effectively.

Targeted Competencies

Upon completing the course, participants will have improved their ability to:

- Identify and manage **contractual risks** effectively.
- **Interpret legal and contractual terms** with proficiency.
- Enhance their **contract management** skills.
- Integrate **project management** with contractual requirements.
- Develop strong **negotiation skills**.
- Understand and implement effective **dispute resolution** techniques.

Course Content Outline

Unit 1: The Basis of Contracting

- Why do we use contracts?
- How are contracts formed?
- **Legal requirements** for a valid contract.
- Understanding **oral contracts** and **electronic contracts**.
- Incorporating other documents by **reference**.
- The terms and conditions of a contract.
- Understanding **authority to contract** and the role of **agents**.
- Proving authority and methods of **signing** (including seals and chops).
- Risks of ignoring formal arrangements in **internal contracts** within a group.

Unit 2: Risk and Different Contracting Types

- Identifying **different types of risk** and how to manage them.
- Assessing **commercial risks** within contracts.
- The risk of **damage** and **use of ICC Incoterms** for risk transfer.
- **Selecting appropriate contract types**, such as:
  - Traditional, Lump-sum, Reimbursable, and Hybrid contracts.
  - Economic price adjustment clauses and **EPC/turnkey contracts**.
  - **Build-operate-transfer** contracts, **Alliance/Partnering**, and other non-traditional contracts.
- The role of **bonds**, **bank guarantees**, **letters of intent**, and **side letters**.
- Deciding on the **law** and **courts** for dispute resolution.

Unit 3: Major Contract Terms

- **Obligation to perform**, testing, and acceptance/rejection.
- Addressing **defective goods**, including **patent and latent defects**.
- **Limits of liability** and **consequential loss** clauses.
- Understanding **liquidated damages**, **penalties**, and connection with **negligence**.
- The importance of **indemnities**, **insurance**, and their links with indemnities.
- **Intellectual property** ownership in contracts.
- Provisions for **warranty**, **rework**, and **force majeure** clauses.
- The significance of **“Entire Agreement”** clauses and **implied terms**.

Unit 4: Legal Aspects of a Contract and its Relation to Changes, Variations, and Payment and Closeout Issues

- Understanding **amendments** to contract terms and **variations** in scope of work.
- The **impact of changes**, including cost, delay, responsibility, and extension of time.
- **Payment clauses**, including amount, timing, and methods of payment.
- Risk considerations in **international trade** and **letters of credit**.
- Addressing **suspension and termination** clauses.
- Contractual issues during **closeout** and final settlement.

Unit 5: Negotiation, Avoidance, and Resolution of Disputes

- Exploring **negotiation**, **compromise**, and settlement techniques.
- Traditional third-party resolution methods, including **litigation** and **arbitration**.
- Alternative **dispute resolution** methods:
  - **Mediation**, **conciliation**, **mini-arbitration**, and **expert determination**.
- Exploring **early neutral evaluation** and **pendulum arbitration**.
- The role of **dispute review boards**.
- Best practices in **record-keeping** and handling **notices** for dispute avoidance.

Conclusion

The **Contract Excellence for Non-Legal Professionals** course provides participants with a comprehensive understanding of contract law without delving into complex legal jargon. By addressing the key aspects of contract management, negotiation, and dispute resolution, this course equips non-legal professionals with the essential knowledge to navigate contracts confidently and effectively, ensuring better business outcomes.