Introduction

In today’s competitive landscape, leaders in contract and procurement functions must master world-class procurement and contract practices to stay ahead. This **Procurement and Contract Management Course** offers a comprehensive and fast-paced program designed to provide contract and purchasing leadership with the strategies, concepts, and techniques essential for driving excellence in procurement and contract activities.

The course addresses critical aspects of procurement and contract management, from the development and negotiation of contracts to the effective management of procurement processes. Organizations can reduce costs and enhance operations by leveraging these key practices. The course offers practical, actionable insights, allowing participants to benchmark their current practices and implement strategies that create the greatest total value for their organization.

Targeted Groups

This course is beneficial for the following professionals:

- **Contract Administrators and Contract Professionals**
- **Project Coordinators, Contracts Managers, and Project Managers**
- **Procurement Managers and Purchasing Managers**
- **Specifiers, Buyers, Purchasing Professionals, and Procurement Officers**

Course Objectives

Upon completion of this course, participants will be able to:

- Discuss the elements of a sound contract management process.
- Learn methods of tender evaluation and selection.
- Review various contract strategies and their applications.
- Examine significant commercial contract clauses and their implications.
- Understand the essential components that constitute a valid contract.
- Utilize contract checklists to ensure thorough and consistent contract management.
- Learn to develop effective purchasing organizations and strategic purchasing plans.
- Apply spend profiles and analysis to inform purchasing strategies.
- Develop and report Key Performance Indicators (KPIs) for procurement success.
- Recognize the competencies that add value to contract and purchasing personnel.

Targeted Competencies

The course will help participants develop competencies in:

- **Strategic planning** for procurement and contract management.
- **Contract selection and drafting**, including pricing and terms.
- Instructing and managing legal counsel in contract matters.
- **Commercial management** and **risk assessment**.
- **Negotiation skills** and **dispute resolution**.
- **Contract management** and **control**.
- Evaluating contract prices and **economic price adjustments**.
- Developing **spend analysis** to focus on improvement initiatives.
- Implementing **cost containment** strategies and reducing low-value activities.
- Measuring procurement performance and setting meaningful KPIs.

Course Content

Unit 1: What Are Contracts, and How Are They Created?

- Understanding the need for contractual relationships in business.
- Key ingredients and formalities for creating a valid contract.
- Delegation of authority and the role of agency in contract formation.
- Navigating the **tender process** and exploring **alternative sourcing** methods.
- Ensuring contracts are enforceable, especially in international contexts.

Unit 2: The Structure of Contracts

- Exploring the **form of agreement** and hierarchy of terms.
- Analyzing **different contractual structures**, including traditional and modern forms.
- Understanding **risk and title** in international trade and when ownership transfers.
- The importance of **notices**, formalities, and selecting **governing law and jurisdiction**.

Unit 3: Collateral Documents

- Securing performance obligations through **bonds and guarantees**.
- Understanding **parent company guarantees** and letters of intent.
- The significance of **insurance policies** and evaluating financial security needs.

Unit 4: Change and Variation

- Understanding how contracts are **modified** and the distinction between **assignment and novation**.
- Exploring **variation clauses** and how they relate to changes in the scope of work.

- Defining **claims** and how they originate.
- Managing **delay, disruption**, and **force majeure** situations.

Unit 5: Resolving Disputes

- Techniques for **conflict avoidance** and **tiered dispute resolution clauses**.
- The **negotiation process** in dispute management.
- Exploring **litigation**, **arbitration**, and emerging methods such as **mediation** and **ENE**.

Unit 6: The 1st Steps to Becoming World-Class

- Understanding the **4 stages to world-class procurement**.
- Developing **strategic sourcing** and **spend profiles**.
- Creating new job descriptions and identifying required skill sets for future purchasing personnel.

Unit 7: Evaluating Your Operation

- Identifying **best practices** in procurement and purchasing.
- Conducting a **purchasing gap analysis** and developing a strategic plan for purchasing.
- Setting **Key Performance Indicators (KPIs)** for procurement and developing a **purchase price index**.

Unit 8: Continuous Improvement and How to Get It

- Implementing **cost reduction initiatives** and methods for **cost containment**.
- Identifying and eliminating **waste in the supply chain**.
- Understanding the **elements of supplier cost** and how to **resist price increases**.
- Developing a **supplier classification system** and utilizing **performance metrics**.
- Implementing **e-procurement** and optimizing procurement processes.

Unit 9: Improving the Image of Procurement

- Embracing **global sourcing** and **international labor rates comparison**.
- Developing a **customer-focused** procurement function.
- Addressing basic **issues in corruption and fraud prevention**.
- Enhancing **procurement professionalism** and staying current in the field.

Conclusion

The **Procurement and Contract Management Course** equips professionals with the necessary skills and knowledge to drive success in procurement and contract management functions. Participants will learn how to create strategic purchasing plans, manage contracts efficiently, and resolve disputes effectively, ensuring that their organizations can reduce costs, optimize performance, and achieve world-class procurement outcomes. Whether you are a

contract administrator, project manager, or procurement officer, this course provides the tools to excel in today’s competitive global marketplace.