

# € TRAINING

Advanced Contracts & Purchasing  
Management



16 - 20 December 2024  
Madrid (Spain)



# Advanced Contracts & Purchasing Management

REF: C501 DATE: 16 - 20 December 2024 Venue: Madrid (Spain) - Fee: 5850 Euro

## Introduction:

In every organization, the effective expenditure of enormous sums of money and resources is dependent on successful contract management activities. Selecting the appropriate contracting models and creating and managing formal agreements with suppliers of goods and services requires not only a complete understanding of the business requirements and organization needs but also depends on keeping up-to-date on contracting.

## Conference Objectives:

At the end of this conference the participants will be able to:

- Be more effective in contract management activities.
- Select the appropriate types and forms of contracts for different situations.
- Anticipate problems and manage risks.
- Integrate contract management with contract needs.
- Understand the best means of handling disputes and performance issues.
- Establish terms and conditions for different situations.
- Have the latest advances in contract selection and management.

## Targeted Audience:

- Procurement and Contracts Personnel
- Engineering, Facilities, Finance, and Maintenance Personnel
- Personnel involved in the planning and management of the tender process
- Contract Administrators, Contract Professionals, and Project Coordinators
- Specifiers, Buyers, Purchasing Professionals, and Procurement Officers
- Contracts Managers and Project Manager

## Conference Outlines:

### Unit 1: Principles of Good Contracting:

- Why do we use contracts?
- Key steps in the creation of a Contract.
- Essential elements of a valid Contract.
- Overview of Tendering & Contract Award Process.
- Advantages of tendering and some pitfalls to avoid:
  - Distinguishing price and values.
- Other Types of Obligation Documents.
- Bonds and guarantees.
- Letters of intent and award - are they contractual?
- Letters of Comfort - Do they mean anything?
- Side letters - why they can be dangerous.
- When to Obtain Legal Advice.
- Law of Agency.
- Authority to sign contracts.

## Unit 2: Organizing strategies for Contract Management:

- Defining Contract Management Responsibilities.
- Basic contract planning.
- Communication and managing expectations.

## Unit 3: Assessing and Allocating Risk:

- Identifying Risk.
- Apportioning Risk:
  - Incorporating Risk Assessment and Management.
- Selecting types of contract.
- Traditional - lump sum, schedule of rates, reimbursable etc.
- EPC.
- BOT/BOOT.
- Alliance/partnering.
- Warranty Management.

## Unit 4: Effective handling of Contract Performance Issues:

- Design and Specification.
- Work Ordering Process.
- Obligation to perform work.
- Transfer for ownership.
- Risk of damage.
- Contract Administration:
  - Reporting Mechanisms.
  - Cost Control.
- Recovery Clauses - Acceleration.
- Insurance and Indemnities.
- Termination and suspension.

## Unit 5: Understanding Change:

- Changes to the contract documents.
- Variations in scope:
  - Increases and decreases.
  - Change in timing.
  - Change in method of working.
- Managing change.
- Risks of uncontrolled change.