

Introduction:

The success of project outcomes heavily depends on the effective management of contracts, which ensures a clear understanding of responsibilities and expectations between parties. This comprehensive course on contracts and project management is designed to provide participants with a deep understanding of contract creation, structure, negotiation, and overall management within the project management framework.

Mastering contractual relationships is vital for project managers and other professionals in the project management field. This course offers a detailed exploration of contract formation, execution, and how these processes contribute to achieving project goals while resolving disputes. Contracts play a central role in defining the scope, compliance, and risk management in projects, and understanding different contract types, clauses, and negotiation strategies is essential.

The course emphasizes both local and global contexts of contract management and procurement processes. It covers a wide range of contract types and strategies, dispute resolution methods, and provides insights into the strategic and tactical advantages contracts bring to project management. Participants will leave with actionable knowledge to improve contract management and negotiation, ultimately contributing to better project outcomes.

Targeted Groups:

- Contracts Managers
- Contract Administrators
- Project Managers
- Project Coordinators
- Project Controllers
- Engineers or Contract Operatives

Course Objectives:

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

- Enhance their understanding of the role contracts play in business and project management.
- Build confidence in managing contract-related issues and challenges.
- Develop strategies to improve commercial outcomes and minimize risks.

- Employ international best practices in dispute resolution within contracts.
 - Recognize the essential role of contracts in daily business operations.
 - Establish an effective project control framework and monitor progress efficiently.
 - Align project goals with stakeholder requirements and expectations.
 - Create measurable aims to track and facilitate project success.
 - Assess project threats and opportunities, and evaluate their potential impact.
 - Address psychological barriers to risk in stakeholder relations.
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Targeted Competencies:

- Contract structuring and formation
 - Selection and negotiation of contracts
 - Risk assessment and management strategies
 - Dispute resolution and contract enforcement
 - Strategic planning for project management and procurement
 - Commercial and legal management in project execution
 - Negotiation skills for complex contract agreements
 - Cost estimation and critical path management
 - Lean project management principles
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Course Content Outline:

Unit 1: Understanding Contracts in Projects and How They Are Created

- The necessity of contractual relationships in business
- Key components needed to create a valid contract: offer, acceptance, intention to create a legal relationship
- The importance of written vs. oral contracts and the role of formalities in different countries
- The tender process and alternative sourcing methods
- The process of making contracts enforceable, especially in international contexts
- Authority to sign contracts and ensuring the correct delegation of power

Unit 2: Structure of Contracts

- The form and structure of an agreement
- The hierarchy of terms and conditions in contracts
- Different types of contracts: traditional vs. new contract structures used in various regions, including the Middle East
- Ownership and risk transfer considerations in international trade
- Importance of notices and other formalities in contract enforcement
- Selection of the governing law and jurisdiction for international contracts

Unit 3: Collateral Documents

- Securing performance obligations through collateral documents (bonds, guarantees, etc.)
- Types of bonds: performance bonds, advance payment bonds, parent company guarantees
- The role of letters of intent, letters of award, and comfort letters
- Understanding the importance of insurance policies in managing contract risk
- Assessing the need for financial security in contracts and managing risks in a fluctuating economy

Unit 4: Change and Variation

- Handling changes to contract documents, including assignment and novation
- The use of variation clauses and how they address changes in the scope of work
- Defining and managing claims and their origins
- Approaches to managing delays, disruptions, and force majeure events
- Managing and documenting changes to contract terms, sequence, and timing

Unit 5: Resolving Disputes

- Conflict avoidance strategies and tiered dispute resolution clauses
- The art of negotiation and using it to resolve conflicts amicably
- The litigation process and when it is necessary
- Using arbitration and other alternative dispute resolution methods, including mediation and expert determination
- Best practices in dispute management and the role of third-party resolution

Unit 6: The World of Project Management

- Understanding the project lifecycle model and how it integrates with contract management
- Modern project constraints and how they impact contracts and procurement
- The concept of project management maturity and its relation to contracts

- Selecting projects to meet organizational goals and the importance of contract alignment
- Aggregating projects into programs and portfolios to maximize value
- Managing project data, information, and knowledge effectively

Unit 7: Project Planning, Scheduling, and Budgeting

- Strategic, tactical, and operational planning for project management
- The key components of a project plan, with a focus on contract management integration
- Scheduling techniques, including network logic and dependency analysis
- Managing project uncertainty and risk during the planning stages
- Fundamentals of budgeting and cost control, with methods for improving cost estimates
- Best practices for project planning, scheduling, and budgeting

Unit 8: Project Resourcing, Monitoring, and Control

- Resource allocation techniques and managing scarce resources
- The critical chain approach to project management
- Designing a monitoring cycle and using performance indicators effectively
- Implementing earned value management (EVM) and understanding the change-control system
- Proactive management techniques and plan updates

Unit 9: The Project Manager's Roles and Responsibilities

- The process of selecting a project manager and team-building strategies
- Empowering teams and managing team dynamics and conflicts
- Delegating tasks and responsibilities with confidence
- Effective communication within the project team and managing multidisciplinary teams
- Best practices in people-based project management

Unit 10: Project Evaluation, Reporting, Closure, and Handover

- Defining evaluation criteria and conducting project audits
- Project review meetings and analyzing project performance
- Developing progress reports and records to track milestones
- Understanding the determinants of project success
- Successful project handover processes and lessons learned
- Best practices in project evaluation, reporting, and closure

This comprehensive course will provide participants with the necessary skills and insights to manage contracts and projects effectively. By mastering both the technical and strategic aspects of contract management, participants will be equipped to handle complex projects, optimize contracts, and ensure successful project outcomes.