



TCM 302

CONTRACT AND TENDER

Fundamentals

Course Introduction:

Individuals involved in any aspect of sourcing, tendering, selecting, forming and executing contracts with suppliers of goods and services to the oil and gas industry. This includes supply chain roles such as contracting and procurement specialists, sourcing specialists, category managers, and logistics managers. The course is also intended for technical roles assigned to project work such as facilities engineers, drilling engineers, project engineers and coordinators, commissioning engineers, contracts engineers, planning engineers, asset managers, and legal trainees.

Course Objectives:

Contracts and Tenders Fundamentals will provide attendees with a more strategic approach to contracting, along with numerous tools to use throughout the contracting process. When you leave this course, you will improve job performance through:

- Better alignment of contract process steps with supply needs;
- Better contracts;
- Fewer disputes and claims; and
- Better contract outcomes

Contracting involves many roles that must work together to achieve desired outcomes. Everyone involved in some element of contracting must understand the entire process, keys to success and what is required of their role. Materials and exercises are built around oil and gas industry issues to be more relevant to the needs of attendees.

- How to better manage project and legal risks in the contracting process.
- Key similarities and differences of the legal systems in global contracting.
- The key steps to avoid or successfully manage disputes and contract performance issues.
- How to initiate the tendering process and what is required in a tender package.
- How progress payments, currency terms and transportation terms can manage cost risks.
- How to identify the appropriate contracting strategy associated with fixed price and cost reimbursement contracts to minimize financial risks and contract costs
- The variety of pricing models used in supplier proposals and what strategies may be used to achieve fair market pricing outcomes.
- The difference between cost and price analysis and how to use each technique to evaluate a proposal
- How to more effectively use appropriate terms and conditions and some of the most common mistakes made today.

Who Should Attend?

Managers and professionals involved in projects, contracts, purchasing, operations, maintenance, engineering, quality and other company activities that expose them or their staff to negotiations with contractors.

Course Outline:

Introduction to Procurement

- Procurement Process
- Procurement Management Process
- Procurement Management Plans
- Procurement Planning
- Make vs Buy Decision
- 7 “Rights” of Procurement
- Procurement Delivery Systems

Introduction to Contracts

- Contract Systems
- Contract Types
- Contract Selection
- Standard Form General Conditions
- Contract Statement of Works

Procurement & Tendering

- Objectives of Tendering
- Solicitation
- Tender Preparation
- Tender Evaluation
- Probity

Understanding Contracts

- Things to note
- Contract documents
- Disclaimers/Releases/Indemnities
- Order of Precedence

Contract Administration

- Contract administration activities
- Roles in the Contract
- Contract Management Plan
- Avoiding accidental amendments to the Contract
- Our Obligations
- Information/Documents to be supplied to the Principal/Owner
- Deliverables
- Management Systems & Contract Management
- Contract Requirements
- Managing Contractor Performance
- Contract Administration Jargon
- Change Control
- Contract Insurances
- Notices
- How to minimize prolongation
- Suspension
- Termination
- Time and Progress
- Claims & Disputes
- Delay/Prolongation Claims
- Variations
- Defects liability
- Payment claims and payments
- Disputes
- Contractor performance
- Closing the contract
- Overview of the contracting process
- Key issues in forming a contract in the oil and gas industry
- Establishing risk management priorities throughout the contracting process
- The legal environment and best use of legal counsel in contracting
- Avoiding and managing contract disputes in a challenging industry
- The tendering process and key documents in the tender package
- Buyer and seller pricing objectives to consider when tendering
- Tools used in tendering to address financial key risks
- Types of contracts and examples of industry applications
- Making better use of economic price adjustment clauses in place of lump sum agreements
- Bid evaluation and award considerations including price/cost analysis
- Key contract terms and conditions for oil and gas Industry

- Using a formal contract change control process

Course Methodology:

A variety of methodologies will be used during the course that includes:

- (30%) Based on Case Studies
- (30%) Techniques
- (30%) Role Play
- (10%) Concepts
- Pre-test and Post-test
- Variety of Learning Methods
- Lectures
- Case Studies and Self Questionnaires
- Group Work

Course Fees:

To be advice as per course location. This rate includes participant's manual, Hands-Outs, buffet lunch, coffee/tea on arrival, morning & afternoon of each day.

Course Certificate:

International Center for Training & Development (ICTD) will award an internationally recognized certificate(s) for each delegate on completion of training.

Course Timings:

Daily Course Timings:

08:00 - 08:20	Morning Coffee / Tea
08:20 - 10:00	First Session
10:00 - 10:20	Coffee / Tea / Snacks
10:20 - 12:20	Second Session
12:20 - 13:30	Lunch Break & Prayer Break
13:30 - 15:00	Last Session