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TCM 332
MANAGING TENDER
Specification and Contracts

Course Introduction:

A major portion of every organization's operating cost is spent on outside goods and services. Based on this fact, executive management everywhere is determining that Managing Tenders, Specifications, and Contracts must emerge as a critical core competency if organizations are to increase revenue. This seminar is designed to explore many of the best practices in the initial phases of contracting so that participants will be able to implement the steps needed to create maximum total value for their organization. Included in the vast number of topics that brings increased professionalism to these important functions are:

- Elements of a good procurement & competitive bidding process
- Developing high quality specifications
- Developing tender evaluation criteria
- Selecting the right contracting strategy
- Contract preparation

Course Objectives:

Participants attending the program will:

- Discuss Elements of Good Procurement Process
- Develop methods of Contractor Performance Measurement
- Learn methods of Tender Evaluation
- Review Contract Strategies
- Explore steps in Developing Performance Based Service Contracts
- See examples of important commercial Contract Clauses
- Be presented the Essential Elements Of A Contract
- Be given examples of Contract Checklist

Who Should Attend?

- Contracts, Purchasing, and Project personnel
- Engineering, Operational, and Maintenance personnel
- And all others who are involved in the planning, evaluation, preparation and management of tenders, specifications, awards, and contracts that cover the acquisition of materials, equipment, and services and who are in organizations whose leadership want high levels of competency in those involved in these activities

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Course Outline:

An Overview of Purchasing & Supply Base Management

- What is the scope of Purchasing and its objectives?
- What are the main stages of the Purchasing Cycle?
- What are the changing roles of Purchasing & Supply activities?
- What is Proactive /Reactive role of Buying?
- What is Transactional Relationship of Purchasing?
- What are the responsibilities of Purchasing
- What are the Purchasing Policies of an organization?
- What are purchasing procedures?
- What are the Buyer / Seller Relationships?
- How can you create a High Powered Purchasing Organization?

An Overview of Purchasing & Supply Base Management

- What is the relevance of Total Acquisition Cost / Total Cost Management
- What is the responsibility of Supply Concept in Purchasing?
- What are the Best Practices in Strategic Supply Chain Management?
- What are the developments in the Purchasing activities for the future?
- What is Value Engineering or Value Analysis?
- How do you organize the Purchasing function?

Strategic Cost Management

- An overview of Price, Cost, Total Cost Analysis
- What is structured approach to cost reduction?
- What is strategic cost management?
- Price analysis: Market , Economic Conditions
- Market Driven Pricing Models
- Cost Analysis Techniques
- Estimating supplier costs using Reverse Price Analysis &
- Break Even Analysis
- Factors to consider while building a Total Cost of Ownership Model
- Collaborative approaches to Cost Management
- Prerequisites for successful Target & Cost Based Pricing

International Trade Terms of Sales & Delivery

What is the significance of "INCOTERMS 2010" which is effective from January 2011?

- What are INCOTERMS? Purpose, Uses & Application in International Trade.
- Detailed analysis of each of the INCOTERMS including cost and responsibility

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- Strategies to be adopted for generating Consignee Routed Sales.

Documentary Credit

- What are Documentary Credits?
- Types of Letter of Credit? Methods of Operations
- What is the Role of the Freight Forwarder under different INCOTERMS in L/C?
- What is Back-to-Back Letter of Credit?
- An Overview of UCP 600

Tendering Process & Procedures

What is Contract Development?

- An Overview of Contract Development.
- What are the items in the Contract Development Charter?
- What are the Additional Supporting Documents?
- What are the Characteristics of Tender Documents?

What are Tender Evaluation Criteria?

- An Overview of tender evaluation criteria?
- What Preparations are required before issuing the tender documents?
- What are the Evaluation Criteria's : Cost vs Price
- What are the Evaluation Criteria's : Quality Requirements
- What are the Evaluation Criteria's : Criteria weightings
- Assessing the Tender Responses

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The Importance of Selecting the Right contract strategies

- What is the need for Contract Strategies?
- What are the Outcomes Expected?
- What are the Variables to be analyzed?

What are the tendering process & procedures?

- Overall Perspective of Procurement Policies
- Rationale for Tenders Rules
- What are six cornerstone principles of any tendering process?
- How these concepts are demonstrated throughout a Tender Process?
- What are tenders rules?
- What are the usual features of tender's rules?
- Who has the overall responsibilities of tendering?
- What are the methods of tendering?
- What are the Stages of Tendering?

- What is Selective Tendering & Sole Bid /Preferred Supplier?
- What is the tender process?
- What are the functions of secretary, tenders committee?
- What are the other Procurement Processes?

Contract Management

- Elements of a contract : Tem Plate Provided
- How to write a contract
- Types of contracts: Fixed – Price, Cost-Based
- Considerations when selecting contract?
- Long-term contracts in alliances and partnerships
- Benefits of Long Term Contracts
- Risk of Long Term Contracts
- Contingency Elements of Long Term Contracts
- Non-traditional contracting: IT, Consulting, Construction
- Settling contract disputes : Legal Alternatives, Arbitration
- Other Forms of Conflict Resolution.

Contract Administration

- What is contract administration?
- What are the essential requirements in the vendor contract
- What is solicitation?
- What is short listed vendor list?
- What is the purpose of vendor briefing meetings?
- What is the function of the solicitation process
- How to conduct negotiation process?
- What are the procedures for accepting proposals?
- What are project management practices?
- What are the responsibilities of the contract administrator?
- What is contract change management system?

Purchasing Law & Ethics

- Legal authority and personal liability of the purchasing manager
- Laws of Agency, Legal Authority, Personal Liability
- Contract Law: Essential Elements, Purchase Order- Is it a Contract?
- Cancellation of Orders & Breaches of Contract, Damages, Acceptance &
- Rejection of Goods, Honest Mistakes.
- The Uniform Commercial Code :
- Purchasing Law, Warranties, Transportation Terms, INCOTERMS

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- Patents and intellectual property
- Nondisclosure Agreement Format See in Additional Reading
- Other laws affecting purchasing
- Purchasing ethics
- Corporate social responsibility
- Principles of Social Responsibility

Negotiation Strategy for Purchasing & Logistics Personnel

- Why negotiation skills are required?
- What is Distributive Bargaining?
- What is Integrative / Positional Bargaining?
- What is the negotiation process?
- What are the rules for the negotiation process?
- What are clarification & Justification procedures?
- What is the Bargaining & Problem Solving, Closure &
- Implementation procedures?
- What are the personal traits & biases in decision making?
- What are third party negotiations? What are the cultural differences?

Course Certificate:

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

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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 Questionaires
- Group Work
- Discussion
- Presentation

Course Fees:

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

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

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