

Contract Management for Project Managers

29th & 30th of May/ 2017

FGV IDE – Paulista

Avenida Paulista, 548, 8º Andar - Bela Vista - Room 11

Overview

Time-to-market pressures have caused many companies to do more contracting. This in turn has created a demand for increased knowledge and enhanced skills for project managers in the area of contract management:

- The items being procured are more diverse, and thus the contract terms and conditions are more diverse as well.
- Multiple items are typically procured for each project, and thus project managers may need to coordinate five or six contracting organizations on a single project.
- Contracting organizations are often geographically dispersed, frequently even in another country, and thus more difficult to monitor.

This two-day program is designed to help project managers develop the skills needed to manage in this environment. This program will help you meet your project success criteria through better control of how the seller's work is done. Approximately 60% of classroom time is devoted to hands-on exercises and directed discussion.

Key Learning Objectives

Upon completion, you will be able to:

- Identify the four elements of a commercial contract
- Describe the procurement process from the buyer's perspective
- Develop a procurement management plan
- Apply objective criteria to seller selection
- Deal with eight common causes of contract-related litigation

The main speaker is Willian Duncan, and we will have the participation of the Raphael Albergarias:

Willian Duncan

President of Project Management Partners of Lowell, MA USA. He has over forty years of management and consulting experience. He has helped clients in North America, the Middle East, Asia, Latin America, and Europe improve both organizational and individual competence in project management. He was the primary author of the original (1996) version of A Guide to the Project Management Body of Knowledge. He is currently Director of Certification for IPMA-USA.

Raphael Albergarias

Founding member and President of IPMA Brazil. Director for development of IPMA in LATNET Program (Region 5). IPMA Lead Assessor for 4-L-C IPMA certification. Youngest president in the history of IPMA (Member Association), and youngest IPMA certification assessor. Bachelor in Business Administration. MBA in Project Management - UFRJ. Master in Business Administration - FGV. DBA student at ESC Rennes - France

Detailed Topical Outline

Day 1 Introduction

Understanding the buyer-seller relationship
The four key elements of a valid contract

Procurement Planning

Seven elements of a procurement management plan
Types of procurement documents
Preparing the procurement documents: what to include, what to omit
Statement of Work (SOW): required and optional elements

Seller Selection

Two basic approaches: lowest price vs. best value
Three ways to source: competitive bidding, short-listing, and sole source
Four ways to evaluate responses
The importance of win-win for contract negotiations

Working with the Seller

High priority contracting risks
Improving communication between buyer and seller
Dealing with non-conformance
Payment processing and payment disputes

Day 2 Contract Types

Price-based contracts: lump sum (fixed price) and unit price (re-measurable)
Cost-based contracts: fixed fee and performance fee
Hybrid contracts: time and materials

Causes of Lawsuits: Conduct of the work

Clarity of the Statement of Work
Unreasonable prices
Advantages and disadvantages of different contract types
Potential scheduling problems
Payment terms

Causes of Lawsuits: Assurances for both parties

Product performance guarantees
Financial guarantees: payment and performance bonds
Warranties: coverage, responsibilities
Assessment of damages