

MANAGING TENDERS, SPECIFICATIONS AND CONTRACTS

PIN009

COURSE DESCRIPTION

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 course 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. This course covers number of topics that brings increased professionalism to these important functions such as elements of a good procurement and competitive bidding process, developing high quality specifications, developing tender evaluation criteria, selecting the right contracting strategy, contract preparation.

COURSE GOAL

To enhance the participants' knowledge, skills, and ability necessary for managing tenders, specifications, and contracts.

COURSE OBJECTIVES

By the end of this training course, participants will learn to:

- 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
- Understand essential elements of a contract

WHO SHOULD ATTEND

- Contracts, Purchasing, and Project personnel.
- Engineering, Operational, and Maintenance personnel.
- 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.
- Who are in organizations whose leadership want high levels of competency in those involved in these activities.

COURSE DURATION

5 Working Days

COURSE OUTLINES

1. Contracting Strategy

- Elements of a good procurement and competitive bidding process
- Right contracting strategy
- The importance of the contract
- Basic types of project delivery
- Specification check list
- Risk assessment
- Risk Management

2. Tender Evaluation and Contract Preparation

- Basic contract types
- Economic price adjustments
- Developing tender evaluation criteria
- Value model of total cost of ownership
- Electronic evaluations
- Technical and commercial evaluations
- How do you know you got a good price?
- Requesting cost breakdowns and evaluations of cost breakdowns

3. Elements of the Contract

- Objectives of the contract
- Contract check lists
- The integration clause
- Inspection, acceptance, rejection
- Defects in material and workmanship clauses
- Performance-based service contracts
- Penalty/liquidated damages clause
- Clauses for spare parts

4. Additional Contract Clauses

- Force majeure clause
- Applicable law
- Contract changes clauses
- Payment:

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- Payment considerations
- Methods of payment
- Advance payments
- Progress payments
- Letters of intent

5. Preparing the Contract for the Completion

- Status reporting clause
- Buyers rights before performance is due
- How contracts may end
- Termination for convenience
- Types of bonds and guarantees
- Disputes resolution provisions
- Other contract clauses list
- Final contract review process

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