



Contracts Strategy & Management **(Delivered via Remote Instructor Led Training)**

Course Objectives

Developing your own effective procurement and Supply Chain Management (SCM) strategy can make valuable, quantifiable contributions to your company's performance. This practical 5-day virtual course shows you how to adopt a "best-practice" model and, outlines the latest thinking in upstream petroleum industry procurement.

What you will learn

- To develop and implement a highly effective procurement strategy and plan for your organisation to reduce the overall cost of purchasing
- To manage your supply chain in order to deliver maximum value at minimum cost
- To develop and implement a best practice process for the management of contracts and the supply chain
- To adopt innovative ways to select contractors and prepare tender documents
- To choose the type of contract and compensation terms that best achieves the contract's objectives
- To prepare tender evaluation criteria and evaluate a tender submission
- To manage contract risk

Who Should Attend

This course is aimed at personnel at all levels and in all disciplines, who have responsibility for and involvement in the entire procurement process. This includes line operational managers and specialists (the "end users"), as well as contracts managers and contracts specialists.

Training Method

Extensive use of oil industry case studies, examples and exercises are used in this course. The content has been designed to be delivered via a live Remote Instructor Led platform and consists of 10 modules delivered over 5 days. The first session will run for 2½ hours to allow for introductions, subsequent sessions will be 2 hours long. Each day will consist of 2 sessions (1 morning/1 afternoon) with a break of 10 minutes during each of the sessions, time will be allowed for questions and discussions.





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Course Content

What is a contract?

- The contract as a legal instrument
- The contract as an investment tool

What is the supply chain and how do we manage it?

- Illustration of supply chain management (SCM)
- Benefits of defining SCM
- SCM analysis for opportunities to save money

Developing a best-practice procurement process

- A suggested process for managing contracts from beginning to end
- The role of end-users and the contracts specialist

What makes the petroleum industry different?

- The role of government, national oil companies (NOC's) and co-venturers

What is a contracts strategy and how to develop one

- Oil industry case studies and examples
- Essential ingredients of a contract strategy
- The process of developing a contracts strategy

The role of contracts policy and procedures

- The vital relationship between contracts strategy, policy and procedure
- Oil industry examples of contracts policy and procedure

The role of contract risk assessment

- The importance of contract risk assessment in strategy and contractor selection
- How to carry out a contract risk assessment

Alternative tendering strategies

- Functional versus technical specifications
- Oil industry examples



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Different types of contracts

- Strengths and weaknesses of alternative contract types
- How to choose an appropriate contract compensation method

How to prepare contractor selection criteria

- Oil industry examples
- Traditional versus non-traditional selection criteria

How to evaluate tender submissions

- How to ensure best-value selection
- How to avoid common mistakes

Understanding the “small print”

- Getting to grips with contractual language and terms and conditions

How to manage the contract after it has been awarded

- The role of the “kick-off” meeting
- Preventing and resolving disputes
- Managing cost and performance
- How to give contractor feedback

Testimonials

“This course has been conducted in a very comprehensive and interactive manner by Mike. I liked it a lot and will seek for the opportunity to attend some other MDT courses next year. Special thanks to Mike!” **Dinara Shuzhibayeva, NCOC B.V.**

“This course was structured very well and covered all the information expected. Since I have been working with the procurement process I already had an idea, but the training gave me insight and clarified many questions I had. All the information was relevant and very helpful. It was good to have the course personalised based on questions.” **Aigerim Akhbelova, Maersk Oil**

“This is an exceptional program, very incisive and practically orientated. My knowledge in contracts strategy has increased greatly and looking forward to taking back to my place of work.” **Solomon Asoalla, Ministry of Energy & Petroleum**