Negotiating & Drafting Better Contracts
–
Best Practices for Cost Reduction & Improving Core Competency

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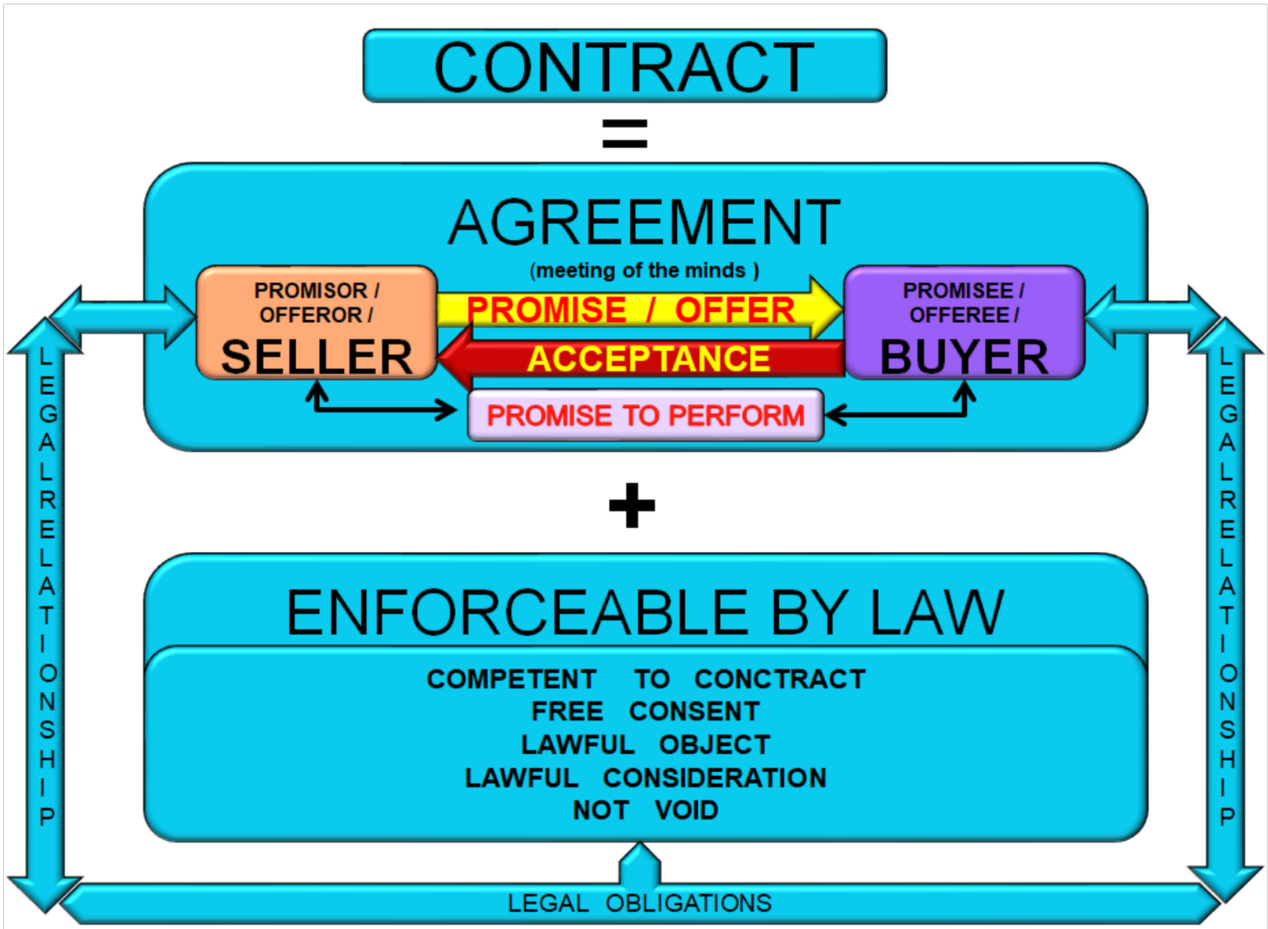
The Contract is at the core of all commercial transactions and Effective Contract Management Plays a Vital Role in all Companies Ensuring Value for Money in Business Transactions and contributing significantly to Promotes Core Competency for the overall success and profitability of an organization.

Contract management is the process, which ensures that all the parties to the contract fully meet up their respective obligations as efficiently and effectively as possible, to deliver the business and operational objectives required from the contract. It is the process of systematically and efficiently managing - Opportunity Identification (Business Requirements, Process Improvements, Cost-saving Measures, or Potential Collaborations); Contract Negotiation (Price, Terms and Conditions), Reaching Agreements; Creation (Drafting & Documenting Agreement- Clear Framework that Outlines the Terms, Conditions, and Obligations), Execution (Compliance & Implementation); Change Management (Effective Contract Management Facilitates Changes in the Organization Smoothly); Evaluating Performance; Dispute Resolution (Resolving Conflicts - Arbitration and Alternate Dispute Resolution); Analyzing Impact (Risk & Financial Assessment and Operational / Functional Performance) and Benefit Realization (Results or Outcomes of a Contract)

Through careful examination and negotiation and Skillfully Drafting of Contract Terms, businesses can optimize their investments, improve operational efficiency, and ultimately drive better financial outcomes, Mitigate Potential Risks. On the other hand, Contract Failures Lead to Inefficient Performance, Financial Losses, Penalties, Delivery Delays, or Quality Issues and Disruption of Work; Disputes & Initiation of Arbitration and Litigation; Loss of Reputation; and other Direct and Consequential Losses.

Therefore, for successfully Negotiating, Drafting and Implementing Contracts, Managers need to be well versed with the significance of the Terms in Contract Documents, Develop Skills of Negotiating Better Contracts & Drafting. It is also important for them to understand the Rights, Responsibilities, and Obligations arising from contracts. Moreover, for developing right strategies, managing and implementing contracts with minimal risks to the company, essential skill sets are required.



PROGRAMME OBJECTIVES

This program intended to provide both strategic and practical insights into the concepts of Contract Management, and impart essential skill sets that are required in developing and implementing the contracts.

WHO SHOULD ATTEND?

The Program is aimed at Middle and Senior level executives functionally responsible for management of

- Supply Chains, Procurement, Materials, Logistics
- Contracts, Projects, Constructions, Services
- Accounting, Finance, Costing, Commercial
- Engineering, Production, Maintenance
- Any other Trade & Business

KEY TAKE AWAYS (How You Will Benefit)

This one-day program will demonstrate a strategic and practical approach to Managing Contracts Effectively. This program will leave you motivated and focused on specific initiatives which can be applied immediately in the Organization.

By the end of this program, you will be able to:

- Understand the Basics Concepts & Legal Aspects of the Contract
- Develop Strategies & Methods for better formulate & implement Contracts
- Assessing Contractual objectives, obligations, Performance, Variance.
- Negotiating Better Contracts – Knowing your Negotiation Style.
- Understanding Contractual Risks & Mitigation Plans.
- Dealing with Volatile Market Conditions & Price Fluctuations.
- Evaluating Performance & Benefit Realization.
- Cost Reduction Strategies – Developing Strengths & Improving Core Competency.
- Understanding Remedies for Breach of Contracts.
- Arbitration and Alternate Dispute Resolution.
- Contractual Closure

PROGRAMME OUTLINE

- Basics of Contract – Concept, Meaning, and Essential elements of a Valid Contract
- Contract Management – Basics
- Fundamentals of Procurement
- Contract Development & Formulation Strategies
- Contracting and Procurement Good Practices
- Understanding the Requirements – Defining Scope & Specification
- Contract Process (Pre-Award, In-Process & Post Award of Contract)
- Bidding Process & Bid Documents
- Vendor Pre-Qualification - Criteria
- Contract Types – Fixed Price, Cost Plus & Time & Material
- EPC Contracts – Types – Strategic Aspects of Selection
- FIDIC Forms of Contract - Contracting Organization Structure – Roles, Responsibilities & Accountabilities
- Service Level Agreements (SLA)
- Projects Planning, Scheduling & Costing – Resource Planning
- Source Selection Criteria and Contract Development
- Payment Terms – L/C, BGs, ABGs, FGs – Payment Schedules - Deductions
- Negotiating Better Contracts – Negotiation Styles – Tools & Techniques
- Determine Your Negotiation Style - Identify Strengths & Competencies
- Establishing your WATNA (worst alternative to a negotiated agreement) and BATNA (best alternative to a negotiated agreement) : essential concepts in negotiation.
- Drafting & Formulation of Contracts with Risk Assessment & Signing Agreements.
- Contractual Terms & Conditions – Boiler Plate Clauses.
- Contracts Check List
- Contract Lifecycle Management - Contract Administration.
- Contract Monitoring - Performance Evaluation

- **Benefits Realization: Contract KPIs - Performance of Contract**
- **Contracts – Value Analysis**
- **Cost Reduction through Better Drafting and Executing Contracts.**
- **Contracts and Tax Implications**
- **Improving Core Competency – Competitive Advantage through Better Contracts.**
- **Contractual Challenges – Risks & Risk Mitigations Strategies**
- **Remedies for Breach of Contracts - Liquidated Damages and Penalties; Forfeitures- Losses & Damages**
- **Impossibility of Performance (Force-Majeure Clause).**
- **Confidentiality Clauses – Cyber Security**
- **Termination of Contract**
- **Dealing with Contractual Disputes - Arbitration and Alternate Dispute Resolution**
- **Contract Compliances & Statutory Obligations.**
- **Contract Audit: Facts Findings & Recommendations for Improvement.**
- **Discharge of Contracts - Contract Close-Out**
- **Challenges of Contract Closure - Litigations.**
- **Impact of Poor Contract Mgt - Contract Best Practices**
- **Practical Hands-on Exercises – Contract Drafting Relevant to the Organization - Group Interactions**
- **Recapitulate Lessons Learned - Case Studies - Interactions.**