

PROCUREMENT AND CONTRACT MANAGEMENT TRAINING COURSES



Managing Contracts
Managing Service Level Agreements
Writing Statements of Work

STRATEGY
EXECUTION™



COURSE OVERVIEW

Project managers, contract managers and other professionals involved in the world of contracts must be able to work effectively together with customers, contractors and subcontractors in order to accomplish key organisational objectives. Because contracts are developed in an increasingly complex environment - including the rising use of contracted supplies and services throughout government and industry - a solid understanding of the contracting process is critical and will give an advantage, whether on the buyer's, or seller's, side.

This course provides an overview of all phases of contracting, from requirements development to closeout and will show how incentives can be used to improve contract results. This course also explores these vital issues from the manager's perspective, highlighting key roles and responsibilities to give greater influence over how work is performed. Attendees will discuss actions that can be taken to help ensure that contractors or subcontractors perform as required under the contract.

Lectures are combined with case studies, exercise and negotiation role-playing to maximise the learning experience and delegates will receive a comprehensive course materials package, including reference materials specific to each unit of the course.

Effective contract negotiation and administration can ensure project success, speed up performance and reduce risks and costs along the way. Discover the keys to contracting in this practical course.

LEARN HOW TO

- ✓ Identify contract components and understand the process from start to finish
- ✓ Select the right contract type for your project
- ✓ Decipher contract legalese
- ✓ Choose the offer that will result in the best value for the buyer
- ✓ Agree on objectives, requirements, plans and specifications
- ✓ Negotiate favourable terms and make revisions to the contract
- ✓ Apply rules of contract interpretation in project disputes
- ✓ Administer contracts appropriately, and know when and how to terminate before or upon completion

COURSE TOPICS

Award Phase

- Source selection process
- Selection criteria: management, technical and price criteria
- Evaluation standards
- Evaluation procedures
- Negotiation objectives
- Negotiating a contract
- Tactics and counter tactics (buyers vs. sellers)
- Document agreement or walk away

Contract Administration

- Key contract administration policies
- Continued communication
- Tasks for buyers and sellers
- Contract analysis
- Performance and progress
- Records, files and documentation
- Managing change
- Resolving claims and disputes
- Termination

Developing Contract Pricing Agreements

- Uncertainty and risk in contract pricing
- Categories and types of contracts

- Incentive
- Fixed-price
- Time and materials
- Cost-reimbursement
- Selecting contract types

Teamwork Roles and Responsibilities

- Concept of agency
- Types of authority
- Privity of contract
- Contractor personnel

Concepts and Principles of Contract Law

- Mandatory elements of a legally enforceable contract
- Terms and conditions
- Remedies
- Interpreting contract provisions

Contracting Methods

- Contracting methods—competitive and noncompetitive
- Purchase cards, imprest funds or petty cash
- Sealed bidding, two-step sealed bidding, competitive negotiation and competitive proposals

- Reverse auctions
- Purchase agreements vs. contracts
- Single-source negotiation vs. sole-source negotiation

Preaward Phase

- Buyer activities
- Plan purchases and acquisitions
- Plan contracting
- Request seller response
- Seller activities
- Presales
- Bid/no-bid decision
- Bid or proposal preparation
- Understanding the PMBOK® Guide

Understanding the Contract Management Process

- Contract management definition
- Description and uses of contracts
- Buyer and seller perspectives
- Contract management and the PMBOK® Guide

MANAGING SERVICE LEVEL AGREEMENTS

4 DAYS

COURSE OVERVIEW

Service Level Agreements (SLAs) are designed to allow contractors to propose and implement innovative ways to achieve contract objectives and provide companies with effective tools to objectively assess and enforce contractor performance. The proper use of performance standards, acceptable quality levels, incentives, and other performance-based acquisition (PBA) tools can lead to enhanced contractor performance resulting in cost savings to the companies and improvements in customer satisfaction.

Managing Service Level Agreements (SLA) will outline the major processes and tools of developing and managing SLA as a part of a performance-based service contract. This course is designed to equip the personnel involved in developing and managing SLAs with the knowledge needed to maximise the benefits of performance-based service contracts. You will learn to measure and document contractor performance and reach successful contract completion by applying the appropriate incentives.

The course exercises are based on real-life, performance-based contract management scenarios that take participants beyond a mere review of the process aspects of obtaining effective contractor performance. By completing these practical, interactive exercises, you will have an opportunity to observe the key activities of developing and managing SLAs and apply that knowledge to your day-to-day contracting environment.

LEARN HOW TO

- ✓ Define service-level agreements (SLAs)
- ✓ Perform a job analysis
- ✓ Prepare performance work statement (PWS)
- ✓ Develop and apply an effective quality assurance plan (QAP)
- ✓ Develop performance measures
- ✓ Use the key tools of performance based acquisition (PBA) to effectively manage contract performance
- ✓ Facilitate a partnering relationship between the buyer and contractor
- ✓ Monitor contracts using key tools of PBA
- ✓ Develop and implement a change management plan
- ✓ Manage conflicts
- ✓ Authorise payment properly and close out the contract

COURSE TOPICS

SLA Basics

- SLA definition
- SLA types
- SLA vs. contract
- SLA template
- SLA management process
- SLA management roles & responsibilities
- SLA in a PBA context

Performance-Based Acquisition

- Definition of performance-based acquisition
- Why use performance-based acquisition?
- Services acquired through PBA
- Elements of a PBA
- Performance indicator/measure/standard
- PBA within the contracting process
- Benefits and challenges of PBA

Developing Performance-Based Requirements

- Job analysis
- Tasks in job analysis
- Work analysis
- Develop scope statement
- List tasks to be performed

- Group and organise tasks
- Identify relationships among tasks/develop WBS
- Performance analysis
- Develop performance standards
- Determine acceptable quality levels (AQLs)
- Identify incentives/penalties
- Create a performance requirements summary (PRS)
- Evaluation analysis
- Surveillance methods
- What to measure
- Ways to measure

Documenting Performance-Based Requirements

- PWS
- Importance of PWS
- Elements of PWS
- Guidelines for writing the PWS
- PWS checklist
- QAP
- Elements of QAP
- Guidelines for writing the QAP

Source Selection

- PBA within the contracting process

- What comes next?
- Choosing the right contractor
- Source selection process
- Source selection criteria
- Attribute categories
- Evaluation standards
 - Absolute standards of evaluation
 - Minimum standards of evaluation
 - Relative standards of evaluation
- Evaluation standard example
- SLA negotiation
- What aspects of SLA Should you negotiate?

Communication with the Contractor

- Performance-based business relationship
- Instituting a business alliance for performance management
- Strategic communication mechanisms
- Tactic communication mechanisms
- Post award orientation conference

Performance Monitoring and Management

- Performance-based monitoring methods
- Ways to measure

continued...

MANAGING SERVICE LEVEL AGREEMENTS

4 DAYS

continued...

COURSE TOPICS

- Use QAP To monitor performance
- Earned value
- Progress meetings
- Re-evaluate monitoring
- Applying incentives to manage performance
- Using the award tern incentives
- Past performance as an incentive change happens
- Risk management in PBA
- Modifications
- Contract change considerations
- Contract modification process
- Change management in PBA
- contractor claims
- PBA as a conflict avoidance strategy
- ADR in PBA

Payment and Closeout

- Payment in PBA
- Advance payments
- Invoice
- Executing the payment process
- The importance of final payment
- Withholding payment
- Contract closeout

WRITING STATEMENTS OF WORK: THE HEART OF ANY CONTRACT

3 DAYS

COURSE OVERVIEW

Widely considered the “heart of the contract,” the Statement of Work (SOW) is the foundation of the relationship between buyers and sellers. The purchase or sale of products and services can only be executed by skilfully creating the SOW document. This course is designed for practical use by requirements developers, in-house SOW team members and other project managers and contract managers whose responsibilities include properly identifying needs and turning them into quality contracts. It provides the information you need, including basic contract management concepts, to consistently develop and administer effective SOWs.

This course employs challenging team exercises and case studies that will take you through the process of building a solid statement of work. First you will start out understanding the relationship between the Master Agreement and the SOW. Next comes the evolution of the SOW, (needs, objectives, requirements) and, depending on your situation, how a Statement of Object (SOO) and/or a SOW outline is needed in preparation of the SOW. This is followed by breaking down poorly written and constructed SOWs and/or sections of SOWs and re-writing them using best practices and guidelines. After that, the team will build a multi-page SOW from scratch. Finally you'll learn what needs to occur in regards to the SOW when there is change in the project that doesn't meet the SOW.

The skills learned in this practical course can be immediately applied by anyone involved in writing, negotiating, awarding or administering SOWs.

LEARN HOW TO

- ✓ Assist managers in understanding when an SOW may be appropriate and how it should be framed
- ✓ Identify uses in an organisation where an SOW is applicable
- ✓ Understand the evolution of any SOW's development
- ✓ Translate needs in a logical order and complete expression of requirements and incent better performance from vendors
- ✓ Develop skills that emulate best practices for writing quality SOWs
- ✓ Perform quality assurance techniques in addressing SOWs, which will ensure that the documents comply with standards of acceptability
- ✓ Write SOWs that will withstand administrative and legal challenges

COURSE TOPICS

The Basics of SOWs in Business

- Contracts
- Essential elements of a contract
- Basic concepts in Contract Law
- Service contract agreements
- Contract types
- Spectrum of risk in contracting
- Contracts are written to mitigate risks
- Breach
- Conflicts in contracts
- Contract interpretation guidelines
- Master Agreement
- Master Agreement types
- Common elements of Master Agreement
- Relationship between Master Agreement and SOW
- Purpose of SOW

- Perspectives in an SOW
- Importance of an SOW

Evolution of the SOW

- Wants and needs
- Sources of needs
- What is an objective
- Requirements
- Evolution of an SOW
- The SOO and the SOW
- What is the SOO
- The WBS
- WBS example
- SOW statements from a WBS
- Purpose of an SOW outline
- Outline for typical SOW
- Different approaches to SOWs
- Goals in Writing an SOW
- A well-written SOW

Creating the Narrative

- Checklist before writing an SOW

- Write preparation questions for an SOW
- SOW template
- Poor writing in SOWs
- Words to watch
- Words to use
- Buyer and seller perspectives of an SOW
- Seller writes the SOW instead of buyer
- Poor construction examples
- Don't forget formatting and editing
- Compliance Matrix sample
- Guidelines for writing SOWs
- Purpose of SOW master checklist
- Master checklist for the SOW writer

Managing the SOW After Award

- Administering the SOW
- Mechanisms of contract management

- Implied relationship in the SOW contract
- The contract baseline
- Aspects of change management
- Principles of change management
- Change process identified in the SOW
- Potential constructive changes
- Results of evaluation
- Authority describes in the SOW
- Authority to approve changes; privity
- Documentation mandated in the SOW
- When relationships break down
- Master agreement dispute process
- Writing SOWs to reduce the potential of disputes
- Writing administration into the SOW



For further information contact the relevant regional offices below

Germany

info@strategyex.de
+49 (0)69 244 327 3795
www.strategyex.de

Italy

solutions@esi-italy.it
+39 02 83847 263
www.esi-italy.it

Sweden

info@strategyex.se
+46 (0)8 555 403 80
www.strategyex.se

Middle East

info@strategyex.ae
+971 (0)4 311 6188
www.strategyex.ae

Spain

info@esi-sp.com
+34 91 700 48 70
www.esi-sp.com

United Kingdom

info@strategyex.co.uk
+44 (0)20 3743 2910
www.strategyex.co.uk