

CONSTRUCTION Contract Management

Training for Today

AS 4000, AS 2124, JCC, PC1 AND MW1 CONTRACT FAMILIES



It's a very sobering feeling to be up in space and realize that one's safety factor was determined by the lowest bidder on a government contract.

Alan Shepard (NASA Astronaut)

Right thinking for the manager of contracts

This practical course is tailored for the construction and associated industries. It focuses on the Australian Standard families of contracts: AS 4000, AS 4902, AS 2124 and AS 4300, and the many requirements from the diverse regulators. Reference and comparisons will be also made to JCC, PC1 and MW1.

This is a hands-on, non-legal course in contract management focusing on management of contracts fundamentals while maintaining professional, balanced relationships with ALL key contract stakeholders.

The driving undercurrent of this course is working through the total contract lifecycle from project approvals to planning and tendering, through the meticulous contract administration phases leading to practical completion and formal close-out. This lifecycle becomes a critical reference baseline for all activities throughout the entire course.

Contract management and project management and their corresponding knowledge and skills are inter-dependent and this course recognises and works with these principles, especially on how the contract manager can use project management ideas to enhance their contract management skills. We also recognise that a complex project can comprise many contracts, including many informal agreements, and every one of these needs to be diligently managed.

We define the contract and the legal requirements for the formation of a binding contract and complete this session by answering the question, "What makes a successful contract?" We work through some of the commonly used contract instruments.

Only people make things happen and it is people who make mistakes and it is people who construct, negotiate and manage contracts. Another catch cry in this course is effectively working with people from both sides of the contract. This comprises understanding the importance of building and maintaining working relationships, understanding each person's limitations of authority, negotiating to win-win, and meeting the obligations under the contract.

What decisions can we really make?

We fully explore the question that is rarely asked during contract administration, "What decisions can you really make after the contract is signed?" Are these the same decisions on both sides of the contract?



Ethics, governance, managing uncertainty and good management practices are interwoven throughout the course delivery.

Our major objective is to arm the contract and project manager with sufficient knowledge and skills to be capable of effectively referring any potential conflict scenarios to senior management and legal issues to the appropriate legal professionals in a timely manner.

Practical approach to training

This course is evenly divided between information dissemination and practical application of contract management principles. Our previous participants have continually commented that our first session on 'Ethics in Contract Management' is confronting and has moved many to reassess their behaviours in dealing with the other party.

The course has many real-life examples illustrating contract management principles from the construction industry from both the Principal's and the Contractor's perspective. Again, like our other courses, our preference is to construct as many examples as possible, from participants' workplace contracts and projects.

Our courses are unique in approaching contract management through interactive and dynamic group discussions, debates, negotiations and exercises, story telling techniques, and management and project management quizzes. All these activities have been designed to elicit contract management knowledge and skills.

The practical and real nature of the scenarios and role plays has enabled participants to effectively transfer the skills and knowledge they learned in the course to their respective workplaces.

Typical content for 3-day course

The final content of each course delivery is tailored to the needs of the participants. Typical content includes:

- Outlining the total contract management lifecycle in the context of project and program delivery.
- Developing contract strategy and selecting optimal methods of project delivery, for example, from the traditional method (where design and construction are performed independently and linearly), design and construct (D&C), construction method, partnering and strategic alliances, and other commonly used methods.
- The apportionment of risk in the development and selection of contracts and risk management throughout the contract lifecycle.
- General Conditions of Contract. The AS 4000 and AS 2124 families of contracts will be fully explored and compared. Reference and comparisons will be made to JCC, PC1 and MW1. There will be comprehensive sessions on how to optimally manage latent conditions, quality and defective work, contract variations, liquidated damages, delay and extensions of time claims, and achieving practical completion. Other important contractual issues to be discussed include: security and retention moneys, insurances, and payment certificates.
- Ethics in contract management and understanding how to work through typical and recurring ethical contract dilemmas.



- Participating in the Kiron-enhanced Principal-Agent experimental scenario to highlight there is more than one contract party and each can have a very different perspective on the many contract issues.
- Defining the contract stakeholders and their needs and accountabilities.
- Motivating the Principal, the Contractors and the Subcontractors. How can the Principal motivate the Contractor and how can the Contractor motivate the Principal?
- Understanding the expanding regulator environment and developing strategies for complying with their many and detailed requirements.
- What does it take to be a competent and a great contract manager?
- Understanding contract fundamentals and the legal requirements for the formation of a binding contract.
- Working with the competitive tendering process and exploring best practice options. Understanding the duties of both parties.
- General claims process. The Security of Payment legislation will be covered in detail.
- Dispute resolution, negotiation and mediation techniques.
- Post-Implementation: closing contracts, closing projects, and conducting critical performance reviews.
- Summarising the key decisions that have to be made during the critical stages of the contract management lifecycle and understanding the decisions that can be made after the contract is signed.
- Twelve golden rules for contract managers on both sides of the contract.

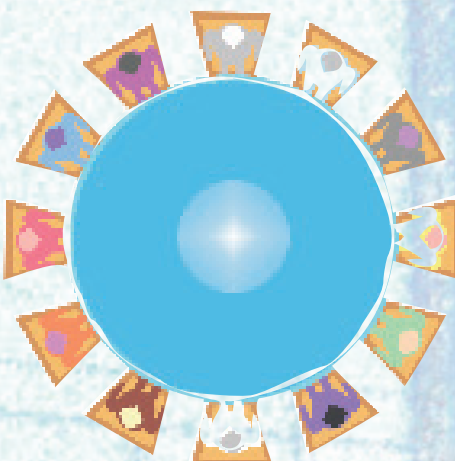
Who should attend

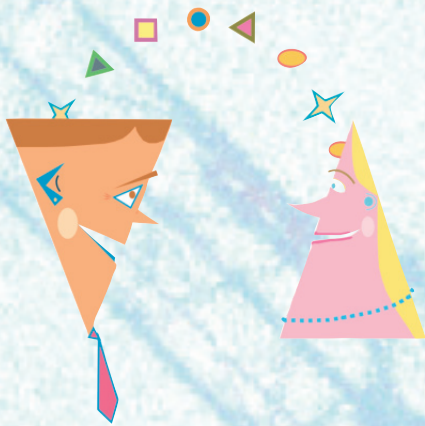
The following positions from Principals, Contractors and Subcontractors:

- Contract Managers and Contract Administrators
- Project Managers and Construction Managers
- Engineers
- Project Directors
- Senior Management
- Operators and technical staff

Key benefits

- Understand the construction contract management cycle in Australia.
- Understand the General Terms and Conditions of the standard contracts: AS 4000, AS 4902, AS 2124 and AS 4300.
- Understand how to effectively work on both sides of the contract.
- Stay abreast of contemporary contract management practices and instruments.
- Be capable of referring legal matters intelligently and promptly to both internal and external legal people.
- Understand the behavioural requirements for being a 'good corporate citizen' while managing contracts.
- Discussion and participation in real-life scenarios and case studies.
- Extensive reference notes and practical workbook.
- Recommended Reference List for further study.
- Certificate of Participation.





Presenter — Nicholas Romas

- 9 years experience developing and delivering contract management, advanced project management (project rescue), and managing under uncertainty (risk management) courses to the construction industry.
- Consultant to national and international water industry for 25 years. Customers included: Melbourne Water, SA Water, Sydney Water, Indah Water (Malaysia), City West Water, Yarra Valley Water, South East Water, Portland Coast Water (now Wannon Water) and Department of Water Resources.
- Other customer history includes: Deakin University, Telstra, Rio Tinto, Kemcor, Kodak, Department of Health, Commonwealth Bank, Unisys, BIS, Coles and Unique Micro Design.
- Lecturer in Contract, Project, Risk and Knowledge Management.
- Member of Australian Institute of Project Management (MAIPM).
- Member of La Trobe University Human Ethics Committee (LUHEC).

Next delivery of this course

- Call us at **03 988 777 22** or **0403 54 00 66** or email us at **NR@KIRON.COM.AU** to receive details of our next delivery of this course.
- We also customise and deliver this course to individual organisations.

Related courses & services

- **Managing Contract Relationships.** Only people make things happen. We embrace all differences as they are our fuel for growth. Unifying contract polarities is our objective for project success. This course is all about managing all our contract relationships to achieve a successful outcome regardless on which side of the contract you work. Win-win-win infinitum is our motto.
- **Project Rescue: Practical Project Management.** How to identify projects that are in trouble and then getting them back on track. We begin with a Master Class in Project Management and then work through difficult, industry-relevant, project scenarios for the rest of the course.
- **Managing Under Uncertainty: Risk Management, Decision Making and Beyond.** There will not be always a procedure or a manual or a risk register or someone standing beside you advising you on what to do next. We will explore decision making using the ISO 31000 framework and alternative conceptual approaches. This course is all about effective decision making during projects and generally at work. The basic assumption we make is that decisions must be made and many times these will be made on site.
- **Coaching Contract and Project Managers.** A tailored service for contract managers and project managers who want to grow in their roles and their organisations.



b e y o n d c h a n g e

Engineering | **Contract Mngt** | **Project**

COACHING | **TRAINING** | **RESCUE**

nr@kiron.com.au **03 988 777 22** **www.kiron.com.au**