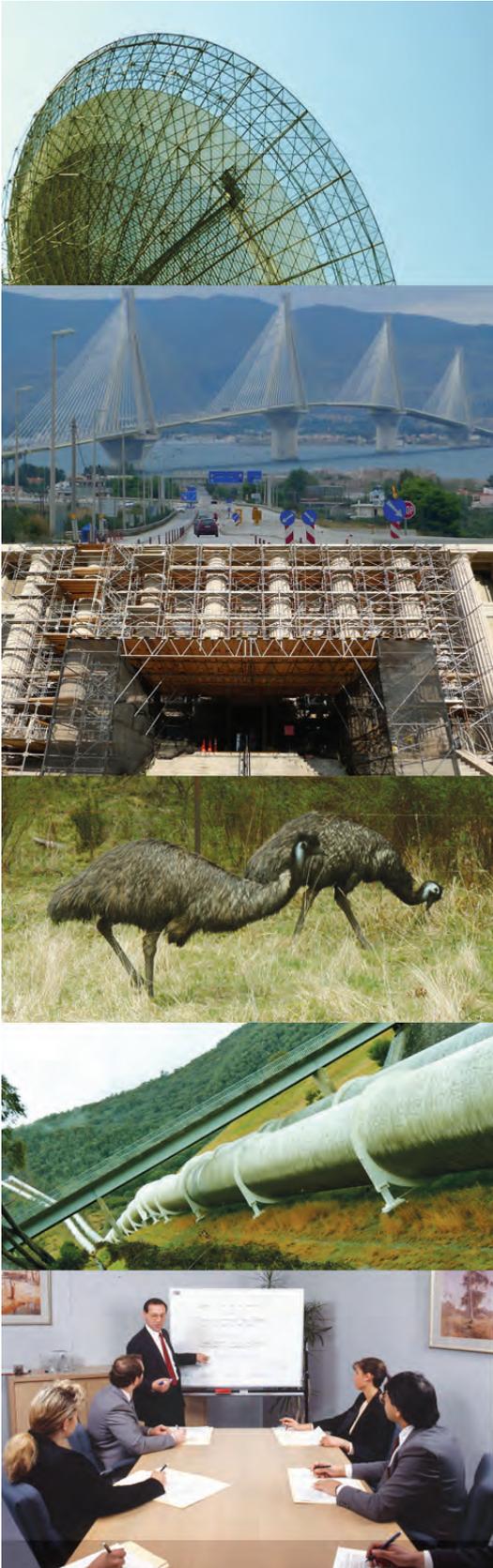


# CONSTRUCTION Contract Management

Updated for 2018 deliveries.  
More practice exercises.

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. 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-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 re-assess 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.

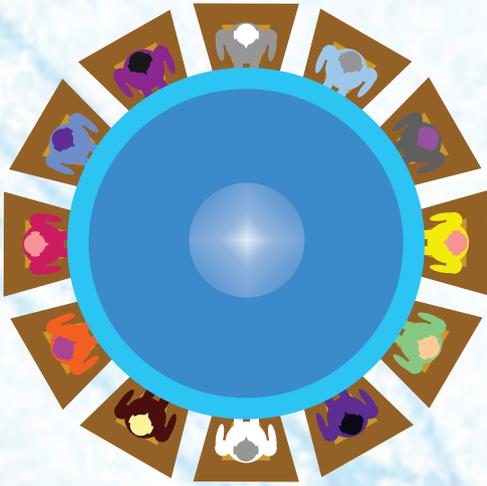
The practical and real nature of the scenarios and role plays has enabled participants to **effectively transfer the skills and knowledge** they learned in the course to their respective workplaces.

### Typical content for 2-day intensive 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 detailed 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. One comprehensive session will be conducted on a current sensitive focus area that will be selected from the responses to the pre-course questionnaires.





- ▲ 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 different perspective on the many contract issues. (Only delivered during 3-Day format of course.)
- ▲ What does it take to be a competent and a 'good' contract manager?
- ▲ Defining the contract stakeholders, 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.
- ▲ 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, including the Security of Payment legislation.
- ▲ 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

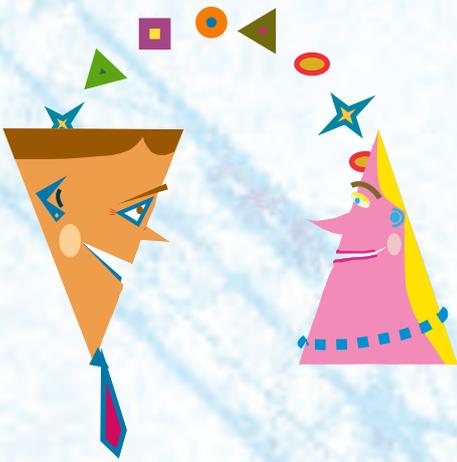
The following positions from Principals, Contractors and Subcontractors:

- ▲ Contract Managers and Contract Administrators
- ▲ Project Managers and Construction Managers
- ▲ Designers and Estimators
- ▲ Engineers
- ▲ Project Directors
- ▲ Senior Management

### 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.
- ▲ Certificate of Participation.





## Presenter — Nicholas Romas

- ▲ Over 25 years experience developing and delivering contract management, end-to-end project management, and change management (embracing uncertainty) services to the IT and construction industries.
- ▲ Consultant to national and international water industry for over 25 years. Customers have 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 customers: PNG National Government, Autonomous Bougainville Government (ABG), Deakin University, Telstra, Rio Tinto, Kemcor, Kodak, Department of Health, Commonwealth Bank, Unisys, BIS, Coles, Unique Micro Design and numerous councils.
- ▲ 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) and La Trobe University Institutional Biosafety Committee.

## Next delivery of this course

- ▲ Call us on **+613 988 777 22** or **+61 (0) 403 54 00 66** or visit us at **[www.kiron.com.au](http://www.kiron.com.au)** or email us at **[nr@kiron.com.au](mailto:nr@kiron.com.au)** to receive details of our next delivery of this course.
- ▲ We customise and deliver this course to individual organisations.

## Related courses & services

- ▲ ***Negotiating for Construction Contract Management.***

**Totally complements this Contract Management course.**

This is a practical workshop. Contemporary theories will be covered, but our focus is on practice. Simply, negotiation is a discussion aimed at reaching an agreement. Our robust negotiation model focuses on disciplined preparation and then co-creating an agreement that is a progression beyond the starting point of the disagreement. We focus our practice exercises on the recurring and confronting construction contract management issues: variations, extensions of time, defective work and other issues the active participants bring to the floor. Our approach is about getting to yes constructively and fairly while aiming to successfully complete the contract and project and growing the future relationship between the parties.

- ▲ ***Implementing End-to-End Project Management systems.*** We guide you in selecting a project management methodology and then to create the systems within your organisation to optimally use that methodology. We have no biases towards any existing PM methodologies as we assume a totally ground-up approach.
- ▲ ***People First - Project Delivery Mentoring program.*** We facilitate delivery of your project objectives by working through your people. Our ***People First*** approach is based on Person-Focussed mentoring and coaching integrated with team coaching and facilitation.



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