

# FUNDAMENTALS OF CCM CURRICULUM

## Fundamentals of Contract and Commercial Management Curriculum

Module	Objective	Details
<b>1. Introduction</b>	Introduces the topic of contract and commercial relationships and why the skill sets associated with this function are so critical for organizations. It also outlines the connection between the course participants' functions and the business benefits of effective Contract Management.	The Module will cover the following topics: Commercial relationships: building a foundation <ul style="list-style-type: none"> <li>• The relationship continuum</li> <li>• Using contracts to document commercial relationships</li> <li>• Choosing the best tool for the job</li> </ul>
<b>2. Essentials of Contract &amp; Commercial Management</b>	Covers the basic understanding of what a contract is, and the core principles associated with it: offer, acceptance and consideration. It explores the legal basics, pricing, payment and negotiation. It describes the five phases of contract management and explains how the fundamentals for successful operation of the contract are laid down incrementally through the phases.	The Module will cover the following topics: <ul style="list-style-type: none"> <li>• Essential elements of a Contract</li> <li>• Beyond the written word</li> <li>• Cost, pricing, and payment</li> <li>• Negotiation principles</li> <li>• Overview of the contract management lifecycle</li> </ul>
<b>3. Initiate</b>	This unit outlines the different levels of commercial relationship, from commodity through to trusted adviser, and explains how to understand the customer's perspective from a sell-side viewpoint.	The Module will cover the following topics: Initiate phase: Requirements <ul style="list-style-type: none"> <li>• The importance of requirements</li> <li>• Developing effective requirements</li> <li>• What goes wrong</li> <li>• Constructing an RFI or RFP</li> <li>• Supplier perspective</li> </ul>
<b>4. Bid</b>	This Module describes how customers develop requirements and highlights the common pitfalls they face. It goes on to outline the Request for Information (RFI) and provides guidance on initial evaluation of opportunities. The Module explains the process of managing bids and proposals from both a supplier and a buyer's view.	The Module will cover the following topics: Bid phase: bid and proposal management: <ul style="list-style-type: none"> <li>• Overview</li> <li>• The RFx documents and the buyer perspective</li> <li>• Bid and proposal management – the seller perspective</li> <li>• Summary</li> </ul>
<b>5. Develop 1: Preliminary Agreements and the Basic Elements of Contracts</b>	This Module outlines preliminary agreements such as Non-Disclosure Agreements, Memorandum of Understanding and Letters of Intent. Key content in this section identifies the key issues associated with each. It then describes the essential components of good contracts.	The Module will cover the following topics: Develop phase: selecting a contract type <ul style="list-style-type: none"> <li>• Preliminary agreements</li> <li>• Selling goods and services</li> <li>• Licenses and leases</li> <li>• Other business relationships</li> <li>• Complex and specialized agreements</li> </ul> Develop phase: preliminary agreements <ul style="list-style-type: none"> <li>• Non-disclosure agreements</li> <li>• Memorandum of Understanding</li> <li>• Letters of Intent</li> </ul> Develop phase: selling goods <ul style="list-style-type: none"> <li>• Sale of goods only</li> </ul>
<b>6. Develop 2: Characteristics</b>	This section looks at the different types of contracts available from	The Module will cover the following topics: Develop phase: selling goods and services

<b>of Different Types of Contract</b>	<p>simple to complex: it reviews contracts for goods and services, licenses and leases, agreements with agents and distributors and finally complex agreements. Key content in this section includes the description of the commercial contract and the key issues associated with each component of the contract. It also explains the linkage between cost and risk in contract terms.</p>	<ul style="list-style-type: none"> <li>• Contracts for services</li> <li>• Contracts for the sale of both goods (products) and services</li> </ul> <p>Develop phase: licenses and leases</p> <ul style="list-style-type: none"> <li>• Licenses</li> <li>• Leases</li> </ul> <p>Develop phase: other business relationships</p> <ul style="list-style-type: none"> <li>• Working with agents and distributors</li> <li>• Location really matters</li> <li>• Selling with business consortia, joint ventures and alliances</li> <li>• Prime/subcontractor agreements</li> <li>• Implementing alliances through teaming agreements</li> <li>• A second relationship continuum</li> </ul> <p>Develop phase: complex and specialized agreements</p> <ul style="list-style-type: none"> <li>• IT solutions</li> <li>• Major infrastructure</li> <li>• Outsourcing</li> </ul>
<b>7 Negotiate</b>	<p>This Module explains the different types of negotiation strategy and negotiating style, how to plan for negotiations and avoid the common pitfalls. It includes an assessment of the terms that are most commonly negotiated.</p>	<p>The Module will cover the following topics:</p> <p>Negotiation phase: unplanned negotiation</p> <ul style="list-style-type: none"> <li>• Why negotiate?</li> <li>• When to negotiate</li> <li>• What to negotiate</li> <li>• Who negotiates?</li> <li>• Where to negotiate</li> <li>• How to negotiate</li> </ul>
<b>8. Manage 1: Transition &amp; Change</b>	<p>This Module provides an overview of the contract management activities relating to transition and change. It explains the process of transition after contract signature to a new operational service, focusing on the role of the contract manager. It also explains the process of change control in a contract, which ensures that proposed contract changes are formally evaluated and agreed before implementation.</p>	<p>The Module will cover the following topics:</p> <p>Manage phase: transition to a new contract</p> <ul style="list-style-type: none"> <li>• Culture and attitude</li> <li>• Understanding the contract</li> <li>• Communication</li> </ul> <p>Manage phase: managing changes and disputes</p> <ul style="list-style-type: none"> <li>• The pervasiveness of change</li> <li>• Initiating and documenting change</li> <li>• Contract claims</li> <li>• Contract disputes</li> <li>• The causes of disputes</li> <li>• Resolving common operational disputes</li> <li>• The contract and dispute resolution</li> <li>• Consequences of disputes</li> <li>• Avoiding a dispute</li> <li>• The formal dispute resolution process</li> </ul>
<b>9. Manage 2: Operations</b>	<p>This Module provides an overview of the operational contract management activities. It focuses on day-to-day operational activities including using KPIs, delivery, invoicing, benchmarking and other regular management activities.</p>	<p>The Module will cover the following topics:</p> <p>Manage phase: managing performance</p> <ul style="list-style-type: none"> <li>• Key performance indicators</li> <li>• Delivery</li> <li>• Invoicing</li> <li>• Benchmarking pricing</li> <li>• Contract targets and other measurements</li> <li>• Regular management of the contract</li> </ul>