

CONTENTS

Foreword ix

Introduction 1

01 Contract management as a value driver 6

Setting the scene 6

Understanding value in the commercial context 8

What are the benefits of good contract management? 10

Endnote 11

02 What is the task? 12

What do we (universally) want from our contracts? 12

The contract management team 15

Understanding contract materiality 17

Completion of the BCMR form 19

Materiality 25

Endnotes 26

03 Role and importance of effective contract management 27

Effective counterparty performance management 27

Upside opportunities versus downside risks 30

Six foundation stones 32

Market making 33

Stakeholder management 34

04 Contract administration 37

An eye for detail 37

What has to be administered? 40

Contract management plan – yes or no? 42

When should the contract management
plan be developed? 43

	What should be included in the contract management plan? 44
	Who develops the contract management plan? 45
	Contract administration tasks 46
	Managing the money 49
05	Commercial strategy 51
	Back to basics 51
	Project strategy 54
	Laying foundations 56
	Gestation and birth 59
06	Contract design 61
	Back to basics 61
	NEC3 contract system 63
	Old-fashioned lawyers 66
	Endnote 67
07	Mobilization 68
	Getting started 68
	Mr or Ms 2 per cent 70
	We're underway! 71
	Monitoring performance – what do we monitor? 74
	Contract correspondence 79
	Notices of poor performance and variations 80
	Endnotes 82
08	When things go wrong 84
	Why contracts need to be managed 84
	Sammons' Five Forces! 87
	Remedies 90
	When delinquency becomes a claim 93
	Pulling the levers! 97
	Up the escalator! 99
	Endnotes 101

09 Managing for success 103

Core style versus adaptive style 103

Details, details, details! 108

All good things come to an... 114

Endnote 116

Practical tools and checklists 117

- 1 Preparing specification documents:
an approach to support client–supplier
contract negotiations 119
- 2 Supply contract risks: an approach to support
client–supplier contract negotiations 127
- 3 Contract management plan 144
- 4 Project Memo format 150
- 5 Project Memo system – guidance notes 151
- 6 Basic Contract Materiality Review 153
- 7 Vendor Relationship and Contracts
Manager – job description 158
- 8 Vendor Manager – job description 162
- 9 Outsourced services: exit management –
planning guidelines 165
- 10 Contract variation – letter 186
- 11 Formal written notification of unsatisfactory contract
performance 188
- 12 Formal written notification of improved contract
performance 190
- 13 Formal written notification – repeat of poor contract
performance 191
- 14 Notices 193
- 15 A dozen things I wish they’d told me
when I started 197
- 16 Conditions of contract for purchase 198
- 17 Master Services Agreement: Buy Research 2016 207
- 18 Miscellaneous terms 235
- 19 Model form of Statement of Work 248
- 20 Letter of comfort 252

21	Letter of intent (limited liability commence)	253
22	Inspection arrangements – clause	255
23	Availability of information – clause	257
24	Supply chain transparency – clause	259

<i>Index</i>	261
--------------	-----