

STRATEGIC CONTRACTING FOR CAPEX PROJECTS

THREE-DAY PROGRAMME

With a volatile supply chain and multiple interdependent variables, contracting for engineering and construction projects is a complex process. This two-day programme will provide you with a structured, research-driven and practical way to divide the scope of work into contract packages that can be marketed to multiple clients.

Optimising risk allocation and division of work for an engineering or construction project can be a headache. Experience, intuition and the rule-of-thumb are not enough to address complicated trade-offs between elements within the project. Successfully managing a project definitely requires a more structured and quantitative approach.

Methodically developing a contracting strategy, using insights from decision science for managing supply chains, provides the framework for this two-day programme. This structures the discussion of the central issue of risk pricing for contracts with long execution times. The approach is pragmatic and interactive, with plenty of examples.

Prof. Finn Wynstra from RSM and Dr Kees Berends, an experienced senior contract manager, will also cover what happens after the strategy has been developed – qualification, invitation to tender, negotiation, award, contract management and finally, claims.

LEARNING OBJECTIVES

Upon completion of this programme, you will have acquired:

- ▶ techniques for optimising contracting for projects
- ▶ skills to view and consider contracting strategy and sourcing from every aspect
- ▶ fundamental knowledge for developing contracting strategies
- ▶ confidence in assessing invitations to tender and checking whether they are fit for purpose
- ▶ better tools for assessing financial risks in large-scale (CapEx) contracts.



“Tailor-made contracting is essential for resilient, effective project management”

Dr Kees Berends

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PROGRAMME DESIGN

You will be asked to write your own case study and submit this before the programme. During the programme you will focus on contracting strategy and start working the central case study, which you will receive in advance. On day two you will start translating your strategy into a robust contract, the tendering process and contract management. You will also continue to explore the central case study and discuss your own case studies. Two case studies will be selected and discussed in class. All other case studies will be provided with written notes after the programme.

WHO IS IT FOR?

You will benefit from the programme if you are a:

- ▶ contract manager, middle and senior level
- ▶ project manager, middle and senior level
- ▶ professional contributing to projects or providing support
- ▶ procurement officer, manager, director.

Participants in this programme come from:

- ▶ processing, infrastructure, shipbuilding, construction and manufacturing industries
- ▶ government organisations, airport and port authorities, local authorities
- ▶ firms of architects, engineers, and construction specialists.

KEY BENEFITS

By joining this programme, you will:

- ▶ add the latest academic insights to your knowledge and experience
- ▶ learn directly from world-class academic research and expert practitioners
- ▶ share insights and experiences with your peers and extend your professional network
- ▶ help your organisation to design and implement an effective contracting process
- ▶ work on a project for your own organisation using RSM's academic support
- ▶ return to RSM for a half-day review of the status of your own project.

FACULTY



DR KEES BERENDSE

Dr Kees Berendse is a visiting faculty member at RSM and an independent consultant and legal mediator. He worked at Royal Dutch Shell for over 25 years, as project manager, contracts manager, and during the last 10 years as general manager with global accountability for contracting strategies, contract management, claims and assurance of major projects. His academic work has been published in premier international journals. He completed his PhD on contracting economics for large engineering and construction projects at Delft University of Technology, and holds an MBA from Henley Business School and an MSc in Mechanical Engineering from Technical University Eindhoven.



PROF. FINN WYNSTRA

Prof. Finn Wynstra, is a professor of purchasing and supply management at RSM, a chair endowed by the Dutch Association for Purchasing Management (NEVI). Finn's research focuses on the relationship between purchasing and supply strategy, and on innovation and buyer-supplier relations in business services. He is a former editor of *The Journal of Purchasing and Supply Management*, and the co-author of two books: *Buying Business Services* (Wiley, 2002) and *Developing Sourcing Capabilities* (Wiley, 2005). His recent research focuses on the design and implementation of performance-based contracts in capital expenditure projects and other service contexts.



Dates

Please see our website for the programme dates.



Length

2 days and a half day for review



Fee

€ 2,450 (excl. VAT) including course materials and lunches. *10% discount for EUR and RSM alumni*



Location

Rotterdam School of Management, Erasmus University
Bayle Building



Language

English



Certificate

Rotterdam School of Management, Erasmus University



Information

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DAY 1: 09:00 – 17:30

- ▶ Introduction to contracting for engineering and construction projects
- ▶ Central case study: Process plant from the oil, gas and petrochemical industry
- ▶ The analytical hierarchy process (AHP)
- ▶ Ranking the drivers of contracting value
- ▶ Developing options for contracting strategy

DAY 2: 09:00 – 17:00

- ▶ Strategy selection
- ▶ Performance based-contracting
- ▶ Terms and conditions, and tendering
- ▶ Discussion of two participants' case studies
- ▶ Change management and claims
- ▶ Reviewing contracts

AFTER 3-6 MONTHS

Participants will be invited back after three to six months for a half-day review of how learning objectives have been used in practice, and a short discussion of all participants' case studies.

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Accredited by



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