



PPMP20011 Contract and Procurement Management

Term 2 - 2019

Profile information current as at 19/04/2024 04:36 pm

All details in this unit profile for PPMP20011 have been officially approved by CQU University and represent a learning partnership between the University and you (our student). The information will not be changed unless absolutely necessary and any change will be clearly indicated by an approved correction included in the profile.

General Information

Overview

This Contract and Procurement Management unit will equip you with the knowledge, skills and techniques required for acquiring external products, results and services to meet the needs of the company and to achieve the project goals. It also offers you the opportunity to identify, apply and develop different negotiation strategies as well as assessing and responding to the potential risks encountered during the procurement. You will study contract types, procurement standards, legal and ethical aspects of commercial contracts as well as project tendering and awarding. On successful completion of this unit, you will have the capacity to apply the appropriate practices for managing contracts, conflicts, delays, claim and disputes.

Details

Career Level: *Postgraduate*

Unit Level: *Level 9*

Credit Points: 6

Student Contribution Band: 10

Fraction of Full-Time Student Load: 0.125

Pre-requisites or Co-requisites

Co-requisites: (PPMP20007, PPMP20008)

Important note: Students enrolled in a subsequent unit who failed their pre-requisite unit, should drop the subsequent unit before the census date or within 10 working days of Fail grade notification. Students who do not drop the unit in this timeframe cannot later drop the unit without academic and financial liability. See details in the [Assessment Policy and Procedure \(Higher Education Coursework\)](#).

Offerings For Term 2 - 2019

- Brisbane
- Melbourne
- Online
- Perth
- Sydney

Attendance Requirements

All on-campus students are expected to attend scheduled classes – in some units, these classes are identified as a mandatory (pass/fail) component and attendance is compulsory. International students, on a student visa, must maintain a full time study load and meet both attendance and academic progress requirements in each study period (satisfactory attendance for International students is defined as maintaining at least an 80% attendance record).

Website

[This unit has a website, within the Moodle system, which is available two weeks before the start of term. It is important that you visit your Moodle site throughout the term. Please visit Moodle for more information.](#)

Class and Assessment Overview

Recommended Student Time Commitment

Each 6-credit Postgraduate unit at CQUniversity requires an overall time commitment of an average of 12.5 hours of study per week, making a total of 150 hours for the unit.

Class Timetable

[Regional Campuses](#)

Bundaberg, Cairns, Emerald, Gladstone, Mackay, Rockhampton, Townsville

[Metropolitan Campuses](#)

Adelaide, Brisbane, Melbourne, Perth, Sydney

Assessment Overview

1. **Online Quiz(zes)**

Weighting: 15%

2. **Practical Assessment**

Weighting: 35%

3. **Examination**

Weighting: 50%

Assessment Grading

This is a graded unit: your overall grade will be calculated from the marks or grades for each assessment task, based on the relative weightings shown in the table above. You must obtain an overall mark for the unit of at least 50%, or an overall grade of 'pass' in order to pass the unit. If any 'pass/fail' tasks are shown in the table above they must also be completed successfully ('pass' grade). You must also meet any minimum mark requirements specified for a particular assessment task, as detailed in the 'assessment task' section (note that in some instances, the minimum mark for a task may be greater than 50%). Consult the [University's Grades and Results Policy](#) for more details of interim results and final grades.

CQUniversity Policies

All University policies are available on the [CQUniversity Policy site](#).

You may wish to view these policies:

- Grades and Results Policy
- Assessment Policy and Procedure (Higher Education Coursework)
- Review of Grade Procedure
- Student Academic Integrity Policy and Procedure
- Monitoring Academic Progress (MAP) Policy and Procedure – Domestic Students
- Monitoring Academic Progress (MAP) Policy and Procedure – International Students
- Student Refund and Credit Balance Policy and Procedure
- Student Feedback – Compliments and Complaints Policy and Procedure
- Information and Communications Technology Acceptable Use Policy and Procedure

This list is not an exhaustive list of all University policies. The full list of University policies are available on the [CQUniversity Policy site](#).

Previous Student Feedback

Feedback, Recommendations and Responses

Every unit is reviewed for enhancement each year. At the most recent review, the following staff and student feedback items were identified and recommendations were made.

Feedback from Evaluation Through Moodle Site

Feedback

The lecturer was really good and has extensive knowledge in the subject he was able to explain everything with real-life experience. Enjoyed the lecture. Gained a really good knowledge about procurement management. Assignments were designed really well to question our learning experience.

Recommendation

Keep the assessment task related to real-life case studies and simulates real situations.

Feedback from Evaluation Through Moodle Site

Feedback

The update of the unit resources has positively impacted students' learning.

Recommendation

Keep the changes to ensure good students' engagement.

Feedback from Evaluation Through Moodle Site

Feedback

Students highly admired the practical experience they got through explaining the unit content using real case studies, examples and personal experience. The best thing is practical knowledge.

Recommendation

Keep the unit content presenting real-life examples and explain the content through real case studies.

Feedback from Email, staff

Feedback

Great efforts was made to develop the unit content including more focus on real case studies.

Recommendation

More refinement may be needed to match the lectures' time.

Unit Learning Outcomes

On successful completion of this unit, you will be able to:

1. Demonstrate an integrative understanding of the key theories and concepts underpinning buyer-contractor relationships as well as the concepts of project contracts and procurement standards
2. Analyse different commercial negotiation strategies and demonstrate an ability to creatively negotiate project plans, conflicts, delays and incentives in commercial projects
3. Employ risk management planning and identification, and assess the risk encountered over the procurement process
4. Negotiate and analyse the principles of tendering, pricing and awarding techniques and to utilise the negotiation approaches in commercial contracts
5. Evaluate and develop clear legal, financial and technical components of project contracts
6. Develop a project budget and an expenditure forecast as control mechanisms and link time, cost and resources to the project framework.

The unit contributes to the required number of academic study units for students wishing to undertake profession certification with the Project Management Institute's (PMI) professional qualifications, such as CAPM or PMP.

Alignment of Learning Outcomes, Assessment and Graduate Attributes



Alignment of Assessment Tasks to Learning Outcomes

Assessment Tasks	Learning Outcomes					
	1	2	3	4	5	6
1 - Online Quiz(zes) - 15%	•		•	•		
2 - Practical Assessment - 35%	•	•	•		•	•
3 - Examination - 50%		•		•	•	•

Alignment of Graduate Attributes to Learning Outcomes

Graduate Attributes	Learning Outcomes					
	1	2	3	4	5	6
1 - Knowledge		◦	◦	◦	◦	◦
2 - Communication				◦	◦	
3 - Cognitive, technical and creative skills		◦	◦	◦		◦
4 - Research			◦	◦	◦	◦
5 - Self-management				◦		◦
6 - Ethical and Professional Responsibility				◦	◦	
7 - Leadership		◦		◦		
8 - Aboriginal and Torres Strait Islander Cultures						

Alignment of Assessment Tasks to Graduate Attributes

Assessment Tasks	Graduate Attributes							
	1	2	3	4	5	6	7	8
1 - Online Quiz(zes) - 15%	◦		◦		◦	◦		
2 - Practical Assessment - 35%	◦	◦	◦	◦				
3 - Examination - 50%	◦		◦		◦	◦	◦	

Textbooks and Resources

Textbooks

PPMP20011

Supplementary

Negotiation for Procurement Professionals: A Proven Approach that Puts the Buyer in Control

Edition: 2nd (2016)

Authors: Jonathan O'Brien

Kogan page Ltd

United Kingdom

ISBN: 9780749477318

Binding: Paperback

PPMP20011

Supplementary

The Strategic Procurement Practice Guide: Know-how, Tools and Techniques for Global Buyers

(2017)

Authors: Ulrich Weigel; Marco Ruecker

Springer

ISBN: 9783319576510

Binding: eBook

Additional Textbook Information

Paper copies can be purchased from the CQUni Bookshop here: <http://bookshop.cqu.edu.au> (search on the Unit code)

eBook copies can be accessed from the publisher websites.

[View textbooks at the CQUniversity Bookshop](#)

IT Resources

You will need access to the following IT resources:

- CQUniversity Student Email
- Internet
- Unit Website (Moodle)
- online database Emerald and Scince direct for journal articles
- CQUniversity Library Resources
- Textbook and Videos - available for download via the course Moodle site or Online

Referencing Style

All submissions for this unit must use the referencing style: [Harvard \(author-date\)](#)

For further information, see the Assessment Tasks.

Teaching Contacts

Ghulam Chaudhry Unit Coordinator

g.chaudhry@cqu.edu.au

Ziyad Abunada Unit Coordinator

z.abunada@cqu.edu.au

Schedule

Week 1 - 15 Jul 2019

Module/Topic	Chapter	Events and Submissions/Topic
--------------	---------	------------------------------

Introduction to Procurement Management	Readings: <ul style="list-style-type: none"> • Chapter 1 & 2: The Strategic Procurement Practice Guide by U Weigel & M Ruecker; 2017 • Chapter 12: PMBOK Guide; 6th Edition; 2017 Topics: <ul style="list-style-type: none"> • Introduction to project procurement • Procurement phases and steps • Procurement management plan • Procurement strategies 	Unit Introduction Lecture 1 Tutorial 1
---	--	--

Week 2 - 22 Jul 2019

Module/Topic	Chapter	Events and Submissions/Topic
Procurement Routes - I	Readings: <ul style="list-style-type: none"> • Chapter 2: Collaborative Project Procurement Arrangements by D Walker & B Walker; 2015 • Chapter 12: PMBOK Guide; 6th Edition; 2017 Topics: <ul style="list-style-type: none"> • Introduction to procurement routes • Procurement routes selection criteria • Design - Bid - Build (Traditional / Segregated) route • Design - Build (Integrated) route • Management Contracting (Packaged) route 	Lecture 2 Tutorial 2

Week 3 - 29 Jul 2019

Module/Topic	Chapter	Events and Submissions/Topic
Procurement Routes - II	Readings: <ul style="list-style-type: none"> • Chapter 2: Collaborative Project Procurement Arrangements by D Walker & B Walker; 2015 • Chapter 12: PMBOK Guide; 6th Edition; 2017 Topics: <ul style="list-style-type: none"> • Collaborative and Relational procurement routes • Multi Prime Contracting • Design Sequencing • Public Private Partnership • Partnering vs Alliancing • Joint Venture Contracts 	Lecture 3 Tutorial 3

Week 4 - 05 Aug 2019

Module/Topic	Chapter	Events and Submissions/Topic
Contracts and Contracting Principles	Readings: <ul style="list-style-type: none"> • Chapter 5: The Procurement and Supply Manager's Desk Reference by J Semanik and F Sollish; 2nd Edition; 2012 • Chapter 7: UN Procurement Practitioner's Handbook; 2017 Topics: <ul style="list-style-type: none"> • Introduction to contracts • Principles of contracting • Risks in contracting • Types of contracts and contract selection • Change order in contracts • Client-contractor relationship • Legal advice/services and selection of contract terms 	Lecture 4 Tutorial 4 Release of Practical Assessment (35%)

Week 5 - 12 Aug 2019

Module/Topic	Chapter	Events and Submissions/Topic
Risks in Procurement Management	<p>Readings:</p> <ul style="list-style-type: none"> • Chapter 6: The Strategic Procurement Practice Guide by U Weigel & M Ruecker; 2017 • Chapter 5: Project Procurement Management (Contracting, Subcontracting, Teaming) by Quentin W Fleming; 2008 • Chapter 3: UN Procurement Practitioner's Handbook; 2017 <p>Topics:</p> <ul style="list-style-type: none"> • Potential areas of risk in the procurement cycle • Internal and external risks • Risk assessment and quantification • Risk management plan on complex project procurement • Risk management and closure planning 	<p>Lecture 5 Tutorial 5 Quiz # 1</p>

Vacation Week - 19 Aug 2019

Module/Topic	Chapter	Events and Submissions/Topic
Mid Term Break		

Week 6 - 26 Aug 2019

Module/Topic	Chapter	Events and Submissions/Topic
Claims, Variation Orders and Dispute Resolution	<p>Readings:</p> <ul style="list-style-type: none"> • Chapter 10: Dispute Resolution in Australia: Cases, Commentary and Materials by D Spencer and S Hardy, 2009 <p>Topics:</p> <ul style="list-style-type: none"> • The need for variation clause • Sources of claims • Development of claims • Causes and prevention of disputes • Dispute resolutions • The alternative dispute resolution • Causes lead to arbitration 	<p>Lecture 6 Tutorial 6</p>

Week 7 - 02 Sep 2019

Module/Topic	Chapter	Events and Submissions/Topic
Cost Estimation and Budgeting	<p>Readings:</p> <ul style="list-style-type: none"> • Chapter 2 & 3: Cost Estimating Manual for Projects: USA Department of Transportation; 2015 • Project budgeting: The key to bringing business projects on-time and on-budget by Scotto, M. (1994). Project Management Journal, 25(1), p. 35-42. <p>Topics:</p> <ul style="list-style-type: none"> • Introduction to cost estimation • Types of cost estimates • Variation factors in cost estimation • Introduction to project budgeting • Elements of project budget • Developing, establishing and evaluating project budget 	<p>Lecture 7 Tutorial 7</p>

Week 8 - 09 Sep 2019

Module/Topic	Chapter	Events and Submissions/Topic

Bidding, Tendering and Contract Awarding

Readings:

- Chapter 1: Methods of Contractor Selection, Bidding and Construction; University Of California (Website).
- Chapter 12: PMBOK Guide; 6th Edition; 2017

Topics:

- Bid pricing
- Competitive bidding
- Informal competitive bidding
- Duration of bidding period
- Equal opportunity policy
- Best value contractor selection
- Contractor selection criteria

Lecture 8
Tutorial 8
Quiz # 2

Week 9 - 16 Sep 2019

Module/Topic	Chapter	Events and Submissions/Topic
Negotiation in Procurement Management	Readings: <ul style="list-style-type: none">• Chapter 3: The Procurement and Supply Manager's Desk Reference by J Semanik and F Sollish; 2nd Edition, 2012• Negotiation for Procurement Professionals by J O'Brien; 2nd Edition, 2016 Topics: <ul style="list-style-type: none">• Introduction and principles of negotiation• Process and structure of negotiation• Methods of effective negotiation• Negotiation tactics and techniques	Lecture 9 Tutorial 9

Week 10 - 23 Sep 2019

Module/Topic	Chapter	Events and Submissions/Topic
Procurement and Outsourcing Strategies	Readings: <ul style="list-style-type: none">• Chapter 9: Design and Managing Supply Chain: Concepts, Strategies and Case Studies by Levi et al. 2008 Topics: <ul style="list-style-type: none">• Introduction to outsourcing• Benefits of outsourcing• Problems with outsourcing• Types of outsourcing• Supply matrix and strategies• Risks in outsourcing• Ethics in outsourcing	Lecture 10 Tutorial 10 Practical Assessment (35%) due this week Written Report + Presentation Due: Week 10 Friday (27 Sept 2019) 11:45 pm AEST

Week 11 - 30 Sep 2019

Module/Topic	Chapter	Events and Submissions/Topic
Ethics in Procurement	Readings: <ul style="list-style-type: none">• Chapter 15: Dispute Resolution in Australia: Cases, Commentary and Materials by D Spencer and S Hardy; 2009• Chapter 2: UN Procurement Practitioner's Handbook; 2017 Topics: <ul style="list-style-type: none">• Ethical concepts and principles• Codes of conduct• Stewardship• Fraudging and collusive tendering• Integrity, transparency and confidentiality• Due diligence and risk in ethics	Lecture 11 Tutorial 11 Group Presentations Quiz # 3

Week 12 - 07 Oct 2019

Module/Topic	Chapter	Events and Submissions/Topic
Emerging Trends in Procurement: Sustainable Procurement	Readings: <ul style="list-style-type: none"> • Sustainable Procurement Guide: Department of the Environment and Energy, Australia; 2018 • Chapter 13: UN Procurement Practitioner's Handbook; 2017 Topics: <ul style="list-style-type: none"> • Introduction to sustainable procurement • Principles of procuring sustainability • Concepts in sustainable development • Benefits of sustainable procurement • Policy context of Australian Government 	Lecture 12 Tutorial 12 Revision & Exam Preparation
Review/Exam Week - 14 Oct 2019		
Module/Topic	Chapter	Events and Submissions/Topic
Exam Week - 21 Oct 2019		
Module/Topic	Chapter	Events and Submissions/Topic
Final Exam		

Assessment Tasks

1 Online Quizzes

Assessment Type

Online Quiz(zes)

Task Description

There will be three quizzes in Week (5, 8 and 11) and you need to attempt all quizzes. You will be required to complete a series of questions (multiple choice, analysis of case studies and scenarios related to the topics) in each quiz.

Purpose

- The primary purpose of this assessment item is to help you identify factors associated with contract and procurement management.
- The secondary purpose of this assessment is to give you the opportunity to enhance your analysis and critical thinking skills.

Important Notes

- The quiz(zes) will be based on the learning activities from all the previous weeks.
- Each quiz will be available on Moodle for one week starting on Monday 9:00 AM AEST.
- Students will only have one attempt for each quiz.
- Each quiz is an OPEN BOOK test.

Number of Quizzes

3

Frequency of Quizzes

Other

Assessment Due Date

Each quiz must be completed within its given time frame.

Return Date to Students

Weighting

15%

Assessment Criteria

The following criteria will be used to grade your quizzes:

- The percentage of correct answers.
- The accuracy and coherent/logic of your analysis.
- No penalty for wrong answers.

Referencing Style

- [Harvard \(author-date\)](#)

Submission

Online

Submission Instructions

Online Submission

Learning Outcomes Assessed

- Demonstrate an integrative understanding of the key theories and concepts underpinning buyer-contractor relationships as well as the concepts of project contracts and procurement standards
- Employ risk management planning and identification, and assess the risk encountered over the procurement process
- Negotiate and analyse the principles of tendering, pricing and awarding techniques and to utilise the negotiation approaches in commercial contracts

Graduate Attributes

- Knowledge
- Cognitive, technical and creative skills
- Self-management
- Ethical and Professional Responsibility

2 Written Report + Presentation

Assessment Type

Practical Assessment

Task Description

This is a group assignment for on-campus students (min. 3 and max. 4 students in a group) whereas distance education students will complete this assignment individually. The assessment contains a case study from a real world context for a multi component project. You will be given enough details about the case study, the sub-projects involved along with their description and the scope of the work involved. The case study will be provided on the Moodle website. You are required to submit a written report considering the following tasks:

- Critically analyse and advise on the most suitable procurement route on the case study. The case study contains different sub-projects. You will also be developing project budgets based on the data given. You will be given the characteristics of the client, project limitations, conditions and available resources for each sub-project.
- Justify the chosen procurement route and explain why it is suitable to make the project successful.
- Advise on the best suitable contractual agreements for parties involved to compliment the procurement option.
- If you were to propose a contract type, discuss the risks associated and the key components which must be covered in the selected contract.
- Estimate the required budget for the sub-projects.
- As a procurement manager, you need to highlight your main concessions to perform purchase process of the assigned resources.
- Your report should include thorough analysis with supporting evidences and discussion.

Assessment Due Date

Week 10 Friday (27 Sept 2019) 11:45 pm AEST

Written Report (Word format) and Presentation (Powerpoint format) files must be submitted in Moodle and Oral Presentation to be given as per the tasks description above.

Return Date to Students

Week 12 Friday (11 Oct 2019)

Weighting

35%

Assessment Criteria

Overview:

The assessment has two parts:

Written report (25%)

- The report should be of 4000 words +/- 5% (excluding references and appendices).

Oral presentation (10%)

- Presentation should follow a similar structure as per your written report.
- Presentations will be of 15 minutes duration plus 5 minutes for Q&A.
- Presentations will be held during the tutorial class in Week 11 for on-campus students (via Zoom/Phone for distance students).

The overall mark for this assessment would be adjusted to reflect the actual contribution and understanding of each member of the report.

The report will be assessed based on the quality of the work presented, the details and the coherent analysis with the proper justifications of the proposed procurement routes and the associated issues.

Your submission should extend beyond the unit materials and you are requested to use available online resources and any additional relevant information and will be assessed according to the following criteria.

Written report (25% scaled)

- Understanding and analysis of the case study and applying the concepts of contract and procurement strategies (10%)
- Critical analysis and evaluation of the procurement routes which includes detailed description of why specific route was selected in each case (35%)
- Identification, analysis and assessment of the risks associated in each approach (15%)
- Mapping the factors and characteristics of each sub-project with the factors to be considered for the best procurement strategy (10%)
- Developing appropriate budget for the assigned tasks and required resources (15%)
- Applying suitable negotiation strategies, particularly BATNA (15%)

Oral presentation (10% scaled)

- Preparation and consistency of presentation (10%)
- Understanding and relevance of the presentation content (50%)
- Response to Questions during Q&A (30%)
- Timing including Q&A (5%)
- Presentation manner (5%)

Referencing Style

- [Harvard \(author-date\)](#)

Submission

Online Group

Submission Instructions

Only one student from a group should upload the submission but all students must give presentation.

Learning Outcomes Assessed

- Demonstrate an integrative understanding of the key theories and concepts underpinning buyer-contractor relationships as well as the concepts of project contracts and procurement standards
- Analyse different commercial negotiation strategies and demonstrate an ability to creatively negotiate project plans, conflicts, delays and incentives in commercial projects
- Employ risk management planning and identification, and assess the risk encountered over the procurement process
- Evaluate and develop clear legal, financial and technical components of project contracts
- Develop a project budget and an expenditure forecast as control mechanisms and link time, cost and resources to the project framework.

Graduate Attributes

- Knowledge
- Communication
- Cognitive, technical and creative skills
- Research

Examination**Outline**

Complete an invigilated examination.

Date

During the examination period at a CQUniversity examination centre.

Weighting

50%

Length

180 minutes

Minimum mark or grade

40%

Exam Conditions

Restricted.

Materials

Dictionary - non-electronic, concise, direct translation only (dictionary must not contain any notes or comments).

Calculator - non-programmable, no text retrieval, silent only

Academic Integrity Statement

As a CQUniversity student you are expected to act honestly in all aspects of your academic work.

Any assessable work undertaken or submitted for review or assessment must be your own work. Assessable work is any type of work you do to meet the assessment requirements in the unit, including draft work submitted for review and feedback and final work to be assessed.

When you use the ideas, words or data of others in your assessment, you must thoroughly and clearly acknowledge the source of this information by using the correct referencing style for your unit. Using others' work without proper acknowledgement may be considered a form of intellectual dishonesty.

Participating honestly, respectfully, responsibly, and fairly in your university study ensures the CQUniversity qualification you earn will be valued as a true indication of your individual academic achievement and will continue to receive the respect and recognition it deserves.

As a student, you are responsible for reading and following CQUniversity's policies, including the [Student Academic Integrity Policy and Procedure](#). This policy sets out CQUniversity's expectations of you to act with integrity, examples of academic integrity breaches to avoid, the processes used to address alleged breaches of academic integrity, and potential penalties.

What is a breach of academic integrity?

A breach of academic integrity includes but is not limited to plagiarism, self-plagiarism, collusion, cheating, contract cheating, and academic misconduct. The Student Academic Integrity Policy and Procedure defines what these terms mean and gives examples.

Why is academic integrity important?

A breach of academic integrity may result in one or more penalties, including suspension or even expulsion from the University. It can also have negative implications for student visas and future enrolment at CQUniversity or elsewhere. Students who engage in contract cheating also risk being blackmailed by contract cheating services.

Where can I get assistance?

For academic advice and guidance, the [Academic Learning Centre \(ALC\)](#) can support you in becoming confident in completing assessments with integrity and of high standard.

What can you do to act with integrity?



Be Honest

If your assessment task is done by someone else, it would be dishonest of you to claim it as your own



Seek Help

If you are not sure about how to cite or reference in essays, reports etc, then seek help from your lecturer, the library or the Academic Learning Centre (ALC)



Produce Original Work

Originality comes from your ability to read widely, think critically, and apply your gained knowledge to address a question or problem