



Contract Management Top Tips

Tip 1 - Consider contract management, including Supplier Performance Management requirements, during the planning stage

Contract managers should get involved in the procurement process as early as possible. Try and have input in the design and development of contractual requirements during the planning phase as it is often too late, or very costly, to make changes once the contract is awarded. During the planning phase consider things such as:

- What are the measures of success and how will performance be managed?
- What reports will be required?
- How often will meetings be required?
- What are the risks? What could go wrong?
- What insurances are necessary?
- Are there any 'lessons learnt' from previous contracts?

Tip 2 - Understand contractual documentation

Contract managers need to read and understand the contract. For written quotations or tenders the contract is comprised of the following documents:

- General Conditions of Contract
- Request document
- Respondent's Offer
- Contract Award Letter.

It may also comprise of documents such as:

- Any correspondence between the parties from close of tender to award;
- Request Addenda
- Service Level Agreement
- Contract Variation or Extension Letters.

Tip 3 - Understand the role of the contract manager

Make sure contract managers have the appropriate knowledge, skills, time and support to undertake the role. As a minimum a contract manager should ensure that they:

- Manage relationships with all stakeholders as good communication is the key to success.
- Understand the overall scope and nature of the contract, its primary objectives, and the risks involved.
- Monitor, manage, document and communicate contract requirements to maintain continuity of supply, ensure compliance with specified customer expectations, contract deliverables and budget.
- Are proactive, act with due care and diligence and observe all financial and legal requirements during the course of the contract.
- Manage and resolve any issues or disputes before they escalate.

Tip 4 - Be aware of requirements

Contract managers need to be aware of legislative, compliance, governance and audit requirements. This includes internal agency requirements as well as other legislative requirements.

Tip 5 - Have a plan

Develop a Contract Management Plan or Contract Management Workbook and keep it up to date! It will then be the key source of information for anything related to the contract. Good record keeping is important.

Tip 6 - Know where to go for more information

The Department of Finance website www.finance.wa.gov.au -> [Government Procurement](#) -> [I Manage a Contract](#) for information on policies, tools, templates and training.