

# The Hong Kong Polytechnic University

## Subject Description Form

<b>Subject Code</b>	LGT5046
<b>Subject Title</b>	Contract Management
<b>Credit Value</b>	3
<b>Level</b>	5
<b>Normal Duration</b>	1-semester
<b>Pre-requisite / Co-requisite/ Exclusion</b>	Nil
<b>Objectives</b>	<p>To equip students with the knowledge, understanding, and practical application of the forms and management of the contractual relationships between the contracting parties, with the specific emphasis on the ways to realize the purchasing objectives through legal contracting, negotiation, management, and dispute resolution arising from contract.</p> <p>This subject contributes to the following Intended Learning Outcomes for the MSc programme(s):</p> <p>MSc/PgD in Global Supply Chain Management</p> <p>#3 Manage global sourcing and procurement</p>
<b>Intended Learning Outcomes</b>	<p>Upon completion of the subject, students will be able to:</p> <ol style="list-style-type: none"> <li>a. Recognize the common types of contracts and different stages of typical contract life cycle, from contract negotiation to its conclusion (the inception, administration, performance, and termination or renewal of contract);</li> <li>b. Understand the key and salient legal issues and their implications relating to contract and contract law, with special focus within the spectrum of purchasing and procurement serving the typical functional area of purchasing in global supply chain management;</li> <li>c. Understand the basic and salient legal issues and their implications relating to the sale and purchase contract, with special attention to codification (such as the Vienna Convention on International Sales of Goods (Vienna Convention));</li> <li>d. Develop and review hands-on knowledge, understanding, and practical application of Contract Management and Enterprise Contract Management, including but not limited to the review of the contemporary framework and practices of Contract Management;</li> <li>e. Comprehend the practical approaches, applications, and skills that are required for managing contracts from their inception (pre-contract negotiation) to the conclusion of the contract; organizing, discharging, and</li> </ol>

	<p>executing the duties and responsibilities in Contract Management; and finally resolving disputes between the contractual parties;</p> <p>f. Examine major issues of legal risk exposure and risk management under the contract management spectrum;</p> <p>g. Familiar with contract management to a level that is adequate for continued self-enhancement of knowledge and practical applications of this subject; and</p> <p>h. Explore and understand how emerging technologies (for examples, digitalization, blockchain, smart contract etc.) impose potential and apparent issues in managing contracts, particular maintaining the contractual relationships between the contracting parties.</p>
<p><b>Subject Synopsis/ Indicative Syllabus</b></p>	<p><b>Legal aspects of contracting (for legal protection to the contractual party):</b></p> <ul style="list-style-type: none"> <li>• the common types of contracts, and different stages of typical contract life cycle (from contract formation to its conclusion (covering the inception, administration, performance and termination or renewal));</li> <li>• the key and salient legal issues and their implications on contract and contract law (with special focus within the spectrum of purchasing and procurement serving the typical functional area of global supply chain management); and</li> <li>• the critical and salient legal issues and their implications relating to the sale and purchase contract (with special attention to codification, like Vienna Convention).</li> </ul> <p><b>Management aspects of Contract Management (for relationship cultivation, development, management, and maintenance between the contractual parties):</b></p> <ul style="list-style-type: none"> <li>• <b>Overview of the management of contract:</b> understanding and the importance of contract management, general guidelines for contract management, major threats and critical success factors of contract management, and specific roles and responsibilities under contract management.</li> <li>• <b>Pre-Contract Negotiation:</b> understanding, objectives and phases of contract negotiation, contract negotiation power and skills, roles of negotiator, and negotiation tactics.</li> <li>• <b>Contract Management Framework and Practices;</b> contract management framework and (best) practices in contexts and actions.</li> <li>• <b>Dispute Resolution and Management:</b> conflict and disputes, dispute handling, alternative dispute resolution, and dispute negotiation skills.</li> <li>• <b>Current Issues of Contract Management:</b> legal risks and management, legal remedies, standard form contract, relationship management, enterprise contract management software solutions, and emerging technologies (for examples, digitalization, blockchain, smart contract etc.) relevant to (best) practices of managing contracts on the one hand and maintaining contractual relationships between the contracting parties on the other.</li> </ul>

<b>Teaching/Learning Methodology</b>	The lectures cover the basic concepts and application of contract (for legal protection) and contract management (for relationship management). Tutorial sessions, if any, allow students to discuss the lectures and present the application of different methods of contracting and to manage contracts in smaller groups.																																																																												
<b>Assessment Methods in Alignment with Intended Learning Outcomes</b>	<table border="1" data-bbox="513 394 1465 748"> <thead> <tr> <th rowspan="2">Specific assessment methods/tasks</th> <th rowspan="2">% weighting</th> <th colspan="10">Intended subject learning outcomes to be assessed (Please tick as appropriate)</th> </tr> <tr> <th>a</th> <th>b</th> <th>c</th> <th>d</th> <th>e</th> <th>f</th> <th>g</th> <th>h</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>Coursework</td> <td>50%</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td></td> </tr> <tr> <td>Final Examination</td> <td>50%</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td></td> </tr> <tr> <td>Total</td> <td>100 %</td> <td colspan="10"></td> </tr> </tbody> </table> <p data-bbox="513 786 1404 862"><b>Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:</b></p> <p data-bbox="513 907 1444 1137">The achievement of the intended subject learning outcomes is depended on students' knowledge to master and comprehend the precise concepts of contract management (covering legal protection and relationship management between the contractual parties) on the one hand and the abilities to digest and apply contract management practically in the business and commercial environments on the other.</p> <p data-bbox="513 1182 1444 1294">The coursework component is effective in assessing the students' abilities in applying contract management, which is needed as the basis to assess the three intended subject learning outcomes of this subject.</p> <p data-bbox="513 1339 1455 1440">Written final examination is effective in assessing the overall knowledge of the entire coverage of both academic and practical application of contract management.</p> <p data-bbox="513 1473 1439 1608">Not less than 10% of the course grade will be assigned to assess the learning outcome items (d) and (i) in the forms of individual and/or group assignments or one examination question in the final examination (to be decided by the subject lecturers).</p>											Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)										a	b	c	d	e	f	g	h			Coursework	50%	✓	✓	✓	✓	✓	✓	✓	✓	✓		Final Examination	50%	✓	✓	✓	✓	✓	✓	✓	✓	✓		Total	100 %																		
Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)																																																																											
		a	b	c	d	e	f	g	h																																																																				
Coursework	50%	✓	✓	✓	✓	✓	✓	✓	✓	✓																																																																			
Final Examination	50%	✓	✓	✓	✓	✓	✓	✓	✓	✓																																																																			
Total	100 %																																																																												
<b>Student Study Effort Expected</b>	<table border="1" data-bbox="513 1630 1495 1899"> <tr> <td colspan="11">Class contact:</td> </tr> <tr> <td colspan="10">• Lectures / Tutorials (if any)</td> <td>39 hrs.</td> </tr> <tr> <td colspan="11">Other student study effort:</td> </tr> <tr> <td colspan="10">• Reading and self-study</td> <td>45 hrs.</td> </tr> <tr> <td colspan="10">• Preparation for coursework and final examination</td> <td>42 hrs.</td> </tr> <tr> <td colspan="10">Total student study effort</td> <td>126 hrs.</td> </tr> </table>											Class contact:											• Lectures / Tutorials (if any)										39 hrs.	Other student study effort:											• Reading and self-study										45 hrs.	• Preparation for coursework and final examination										42 hrs.	Total student study effort										126 hrs.
Class contact:																																																																													
• Lectures / Tutorials (if any)										39 hrs.																																																																			
Other student study effort:																																																																													
• Reading and self-study										45 hrs.																																																																			
• Preparation for coursework and final examination										42 hrs.																																																																			
Total student study effort										126 hrs.																																																																			
<b>Reading List and References</b>	<p data-bbox="513 1921 933 1955"><b><u>Recommended Reference Books:</u></b></p> <ul data-bbox="513 1989 1444 2089" style="list-style-type: none"> <li>• Siviglia, P. (2013) Commercial Agreements: A Lawyer's Guide to Drafting and Negotiating, Part I. Drafting Commercial Agreements, Chapter 1. The ABC's of Drafting (COMAGREE § 1:1)</li> </ul>																																																																												

- Burt, D., Petcavage, S. and Pinkerton, R. (2010). 'Supply management'. 8<sup>th</sup> Edition, McGraw-Hill/Irwin.
- Oliver, D. (2010). 'How to negotiate effectively'. 3<sup>rd</sup> edition, Kogan Page.
- Saxena, A. (2008). 'Enterprise contract management. A practical guide to successfully implementing an ECM solution'. J. Ross Publishing Inc., Florida.
- The Chartered Institute of Purchasing and Supply (2002), Project and Contract Management, CIPS.
- Fuller G. (2001). 'Purchasing contracts – A practical guide'. Chandos Publishing, Oxford
- Costantino, C.A. and Merchant, C.S. (1996). 'Designing conflict management systems: A guide to creating productive and healthy organizations'. San Francisco: Jossey-Bass.
- Yarn, D. H. (1995). 'Dictionary of conflict resolution'. San Francisco: Jossey-Bass.

**Recommended Journals:**

- The International Association for Contract & Commercial Management
- National Contract Management Association – Journal of Contract Management
- Institute for Supply Management – Journal of Supply Chain Management

**Legislations:**

- Sale of Goods Ordinance (Cap 26) (Hong Kong)
- Uniform Commercial Code (U.S.)
- Vienna Convention on International Sales of Goods (International)