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Contract and Procurement Risk Management Course: Tender, Supplier and Contract Risk Allocation

20 – 24 December 2026
Riyadh (KSA)



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Ref: 51_362236 **Date:** 20 – 24 December 2026 **Location:** Riyadh (KSA) **Fees:** 4900 GBP

Introduction:

Contract and procurement risk management is the practice of finding, rating and controlling what can go wrong from the first statement of need, through tendering and supplier selection, to contract award, delivery and close-out. This 1-week course is for buyers, procurement and contracts specialists, contract administrators, legal, compliance, risk, project and finance staff, and each delegate leaves with a Contract and Procurement Risk Management Plan. It is taught at intermediate, practitioner level through daily case studies on tender documents, supplier files and contract clauses, with a focus on how risk is allocated between buyer and supplier.

Course Objectives:

- Distinguish a procurement risk from a contract issue and record each correctly in a contract and procurement risk register
- Apply supplier and third-party due diligence checks to decide whether a bidder is fit to receive a contract
- Compare indemnities, liability caps, liquidated damages, insurance, bonds and guarantees and select the mix that fits a given contract risk
- Interpret tender data and bidding patterns against bid-rigging and fraud indicators to decide when to escalate
- Apply performance KPIs, change control and claims procedures to keep contract delivery risk within agreed tolerance
- Justify a contract and procurement risk management plan with owners, controls and escalation routes for a live contract

Target Audience:

- Buyers and procurement specialists who draft requirements and run tenders, deciding which risks to price, transfer or keep
- Contracts specialists and contract administrators who manage delivery, variations and notices, judging when a change or delay becomes a claim
- Legal and compliance staff who review clauses and supplier files, deciding whether an indemnity, cap or bond protects the organisation enough
- Risk analysts who maintain registers and heat maps, judging how contract exposure is scored and reported
- Project and finance staff who depend on supplier performance, deciding whether payment, retention or security should be held back
- Procurement and contracts leads who approve awards and settlements, judging whether residual risk sits within tolerance



Course Outline:

Day 1: Foundations: Where Risk Arises Across the Procurement and Contract Lifecycle

- Procurement and Contract Lifecycle Map: Risk Points From Need to Close-Out
- Risk vs Issue: Telling Uncertain Events From Problems Already Affecting Delivery
- Requirements and Specification Risk: Vague Scope, Gold-Plating and Missing Acceptance Criteria
- Tender Strategy Risk: Open, Restricted and Negotiated Routes Compared for Exposure
- Current-State Assessment: Reviewing Past Contract Failures and Disputes for Recurring Causes

Day 2: Risk Allocation Tools: How Clauses Move Risk Between Buyer and Supplier

- Risk Allocation Principle: Placing Each Risk With the Party Best Able to Control It
- Indemnity vs Limitation of Liability: What Each Clause Transfers and Caps
- Liquidated Damages vs General Damages: Pre-Agreed Sums Against Proven Loss for Delay
- Insurance, Performance Bonds and Parent Company Guarantees: Security When a Supplier Fails
- Force Majeure and Change-in-Law Clauses: Relief Events, Notice Duties and Termination Rights

Day 3: Core Skills: Assessing Suppliers and Scoring Contract Risk

- Supplier Due Diligence Checklist: Financial, Ownership, Capacity and Sanctions Screening for Bidders
- Third-Party and Subcontractor Risk: Flow-Down Clauses and Visibility Below the Main Supplier
- Contract and Procurement Risk Register: Fields, Owners, Ratings and Review Frequency
- Risk Heat Map: Likelihood and Impact Scoring for Comparing Contract Exposures
- Qualitative vs Quantitative Scoring: Rating Scales Against Expected Monetary Value Estimates

Day 4: Problem Cases: Fraud, Performance Failure, Change, Claims and Disputes

- OECD Bid-Rigging Guidelines: Red Flags for Cover Bidding, Bid Rotation and Market Sharing
- Collusion vs Individual Fraud: Supplier Cartels Compared With Insider Kickbacks and False Invoices
- Contract Performance KPIs and Service Credits: Early Warning Signs of Delivery Failure
- Variation vs Claim: Change Control Records, Time Bars and Entitlement Assessment
- Dispute Escalation Ladder: Negotiation, Mediation, Expert Determination and Arbitration Options Compared

Day 5: Case Study Practice: Building the Contract and Procurement Risk Management Plan

- Tender Case Review: Rewriting a Flawed Specification and Evaluation Criteria
- Clause Mark-Up Exercise: Rebalancing Caps, Indemnities and Damages in a Draft Contract
- Supplier Risk Case: Scoring Three Bidders and Recording Results in the Register
- Claims Scenario Debrief: Assessing a Delay Claim vs a Buyer-Instructed Variation
- Contract and Procurement Risk Management Plan: Owners, Controls, KPIs and Escalation Routes Assembled



Skills You Will Gain:

- Contract Risk Allocation
- Supplier Due Diligence
- Contract Risk Register Maintenance
- Risk Heat Map Scoring
- Bid-Rigging Red Flag Detection
- Liquidated Damages Assessment
- Change and Claims Control
- Contract Dispute Escalation

Why Attend This Course:

- From accepting standard clauses as drafted to marking up caps, indemnities and damages so each risk sits with the party that controls it
- From approving bidders on price alone to screening their finances, ownership and capacity before award
- From noticing tender irregularities too late to recognising bid-rigging and fraud indicators while evaluation is still open
- From scattered spreadsheets and email trails to a Contract and Procurement Risk Management Plan with owners, controls, KPIs and escalation routes

Conclusion:

Most contract losses are decided long before delivery starts: in the specification, the choice of supplier and the clauses that say who carries which risk. The course makes three distinctions clear: a risk versus an issue, an indemnity versus a limitation of liability, and a variation versus a claim. It suits buyers, contracts and legal specialists, risk analysts and the leads who sign off their work who already handle tenders or contracts and now need a structured, clause-level method for tender, supplier and contract risk, rather than a general introduction to organisational risk management.

Frequently Asked Questions FAQ:

What do delegates need before a contract and procurement risk management course?

Delegates should have some hands-on contact with tenders, purchase orders or contracts, as a buyer, administrator, reviewer or approver. No legal qualification is needed; clause wording is explained in plain terms, and bringing an anonymised contract or tender file makes the case work more useful.



How does a contract and procurement risk management course differ from a general risk management course?

It applies risk methods only to tenders, suppliers and contracts. A general course covers enterprise risk frameworks across every function, while this course works on clauses, bidder files, registers, claims and disputes, and on how risk is allocated between buyer and supplier.

Why do liability caps matter in contract and procurement risk management?

A liability cap sets the most a party pays if things go wrong, so it decides how much loss the buyer may carry alone. Caps set too low leave real exposure uncovered; caps set too high can push suppliers to price in extra risk or decline to bid.

What do delegates take back to work from contract and procurement risk management training?

Each delegate takes back a Contract and Procurement Risk Management Plan for a real or case contract: a populated risk register and heat map, a marked-up clause set, a supplier due diligence record, KPIs and an escalation route for change, claims and disputes.

