# Contract Management Policy

## Overview

The purpose & scope of this policy is to set minimum standards which we will apply to any agreement/contract; how we will manage an agreement and our approach to business. It is intended to support any guarantees we offer in terms of service, quality and/or outcomes. Whilst this sets out our minimum standards it is appreciated that all agreements/contracts are different and there may be specific requirements within the context of a particular contract which exceed these standards and these will be adhered to as required.

The services we offer are based on a training cycle model (please see appendices 1); customers can choose at which stages they wish to utilise based on their requirements. As part of the selected stages we believe that good preparation is essential. To achieve this we will work to gain knowledge of the business and/or training needs and objectives to develop a framework which ensures any services offered, deliver the necessary outcomes; to a measured quality; within agreed the timescales and budget expectations.

In entering into any agreement our aim is to reduce any potential future misunderstandings; from the start and throughout the whole life of the agreement/contract by basing any decisions on customer intelligence rather than any assumptions in an environment of openness, trust and mutual understanding.

This culture will help achieve the following goals:

- Gain a common understanding between our customers and ourselves of service expectations and desired outcomes – building in suitable baselines to track delivery, service and achievements
- Have a greater insight into the organisations business and management style
- Assure consistency and conformance to service levels
- Allow us to demonstrate ongoing value for money and service improvements
- Deal with change proactively and effectively
- Build in flexibility
- Preserve and enhance the customer relationship to achieve maximum business benefits
- Ensure that both business and training continuity plans are kept up to date and reflect changes and new service provision
- Increased customer confidence in the fulfilment of the agreement/contract by the removal of risks and potential pressures before they develop

## Managing Service Delivery

From our customers original high level objectives we will develop agreed low level objectives, together with long and short term strategies and tactics. In order to meet customer business needs and gain optimum customer satisfaction, whilst meeting the required goals, we will provide a structured approach and information to balance the quality of service with the cost of provision to illustrate:

- Quantified benefits and associated costs
- Clearly defined agreed responsibilities
- Clearly defined services and deliverables
- Management reports to include targets, achievements, assessments, standards, satisfaction, timeliness, etc

As well as measuring and reporting performance against financial and service measures, we will assess other aspects of our working relationship, particularly with the management of individual learners. Each learner will have an agreed Individual Learner Plan and their achievements will be assessed against this through a series of reviews; a 'traffic light' system will be used to monitor risk and to ensure timely completions or illustrate where learners need additional support. (Our aim is always be to assist the individual learner to achieve their full potential.)

Northern Management Development is operated by two Directors with a team of staff in roles of tutors/trainers/lecturers, assessors, verifiers. We have strict policies governing our procedures and the way we conduct our business including the appointment of additional staff to ensure quality, equality, safety, etc. (copies of these policies are attached in the appendices.) We have access to a network of staff to allow us to cope with business demands, all of our staff are internally assessed by us on a regular basis and we continually seek feedback on performance from learners and employers as well as the individual staff member.

Wherever possible we will deliver our services on the customer's premises or source suitable facilities nearby. We will also ensure other alternatives are investigated to ensure we have contingency measures in place to prevent any disruption to delivery, including having additional support staff in place should they be required.

## Managing the Relationship

In any agreement we believe that trust, communication and recognition of mutual aims is essential. To support this our services and organisational processes are as transparent as possible to maintain customer confidence. Our management structure (detailed in appendices 2) ensures roles and responsibilities are clearly defined for each agreement/contract. We carry out regular assessments to test processes as well as conduct six weekly standardisation meetings to discuss programs, contracts, achievements, resources, and carry out reviews into our Health & Safety, Equality & Diversity, and Quality Assurance Policies and update where necessary. By having these regular open meetings and good internal communication channels, we are proactive in our approach to dealing with any potential changes or problems.

Having a small management team ensures clear communication both internally and externally. Each course or agreement/contract will have a Principal Contact appointed; individual courses will also have a Trainer who will be the first point of contact. Any strategic issues can be rectified by trainers; any business issues by the Principal Contact; whilst operational issues should be referred to our Directors.

Wherever there are formal agreements, particularly on service levels as elsewhere, there is a need for some flexibility. This is particularly true at the early stages of an agreement and communicating any issues timely and effectively will minimise and problems that may arise. Our Directors are therefore guarantee to respond to any communication within 2 working days of receipt to discuss any issue raised and are tasked with resolving any problems within 5 working days. If this proves too difficult to resolve within the timescale then daily dialogue will be maintained until successful resolution. Our procedures for dealing with disputes (including escalation routes), changes in law and variations/new works are detailed in the appendices.

## Contract Administration

As part of the agreement a payment schedule will be clearly defined with timescales based on particular performance criteria. It may be necessary to invoice candidate registration for certain courses, in advance of provision, as required by some Awarding Bodies, this will be clearly defined in the payment schedule.

Throughout the length of any agreement/contract we will constantly evaluate our performance from an individual learner, employer and a trainer's perspective. In many instances further evaluation is made by Awarding and Government Bodies. Examples of some of the paperwork used in this process are offered in the appendices. This information will be passed on to those involved, this may subject to gaining the necessary permissions, or identities may be protected. This information will be used by us to improve what we do; this may involve reviewing policies and procedures.

As part of the learning process 'milestones' will be agreed and recorded in the Individual Learner Plan and these will form the basis for assessment of achievement, however individual tutorials will afford the learner and their tutor to identify where additional support may be required. It is the trainer's responsibility to relate this information at the Standardisation Meetings and if necessary, after seeking agreement form the learner, to their sponsor/employer.

Any patterns that may emerge from any analysis is the responsibility of the Principal Contact, who may action any necessary changes, with the customers agreement if necessary, unless this would involve additional operating costs – in such cases this must be referred to the Directors of NMDLtd. The Principal Contact is also responsible for ensuring service levels are maintained, resource management planning, charges and cost monitoring and that payment terms are in line with agreements, escalating any exceptions to the Directors. The Principal Contact together with the Trainer should advise customers and the Directors of any additional opportunities which would be of mutual benefit to the learner, business and NMDLtd.

The Directors are responsible for the analysis of information, including statistical and subjective feedback. They will produce service performance reports and the management information within the terms of any agreement. This information will also be used within the Standardisation Meetings in the form of KPI's. The Directors are also responsible for overall Quality Assurance of the training and this will include any further development requirements of any team members. They will also publish any after contract reflection report to identify achievements and any shortfalls – this may require further communication with the customer to gain more feedback; further development opportunities and expectations of individual learners may also be sought.

## Seeking Improvements

A cornerstone of Adult Learning is one of continuous development (lifelong learning).

NMDLtd foster this by looking to improve as an organisation through our team. All of our team are encouraged to develop their skills, particularly in creativity and innovation, which in turn should allow the organisation make efficiency and quality improvements in terms of delivery, approach, costs and added value.

As well as developing milestones for individual learners we will develop KPI's for our team. This may help identify where additional support is required and where savings can be made, or eliminate aspects of the agreement/contract which are no longer relevant. It is identified that these KPI's need flexibility to ensure they are relevant to the business needs and objectives of the customer and are within the contract agreement or add additional value.

These will be openly discussed during Standardisation Meetings and developed further through Appraisal Meetings.

## Managing Changes

Changes to services, procedures or contracts are in many cases inevitable. These may have an effect on service delivery, on performance, on costs and on whether the contract represents value for money or offers a return. A single change control procedure should apply to all changes, however lesser changes may require less formal management and only need to adhere to the spirit of this procedure, whilst emergencies may have to be addressed differently. Whilst each agreement/contract is different and may have a specific change control procedure, in the absence of any we would expect to follow a process of:

- The customer request any changes with the Principal Contact
- The Principal Contact will make an assessment of the impact and decide whether it needs escalating
- If the impact requires additional charges to be made the Directors will seek agreement with the customer
- If the impact requires changes to timescales and/or adjustment of resources or the contractual obligations it is expected that this will be discussed at senior level between both parties
- Further documents will be produced with the changes, including any changes in milestones and KPI's and these will be distributed to all concerned

It is realised that there are many drivers for change this could be as a result of evolving business requirements of the customer, restructuring or revision of business objectives/strategy.

There are also other drivers outside the control of either party such as economic trends, developments in technology, and changes in legislation or legal interpretation. In such instances the Principal Contact has the responsibility to discuss the implications with the customer; this may need to be escalated to a senior level.

In dealing with change and negotiating the implications and associated savings or additional costs our philosophy is to seek a WIN-WIN outcome to the mutual benefit of both parties and to strengthen our relationship with our customers.

## Roles & Responsibilities

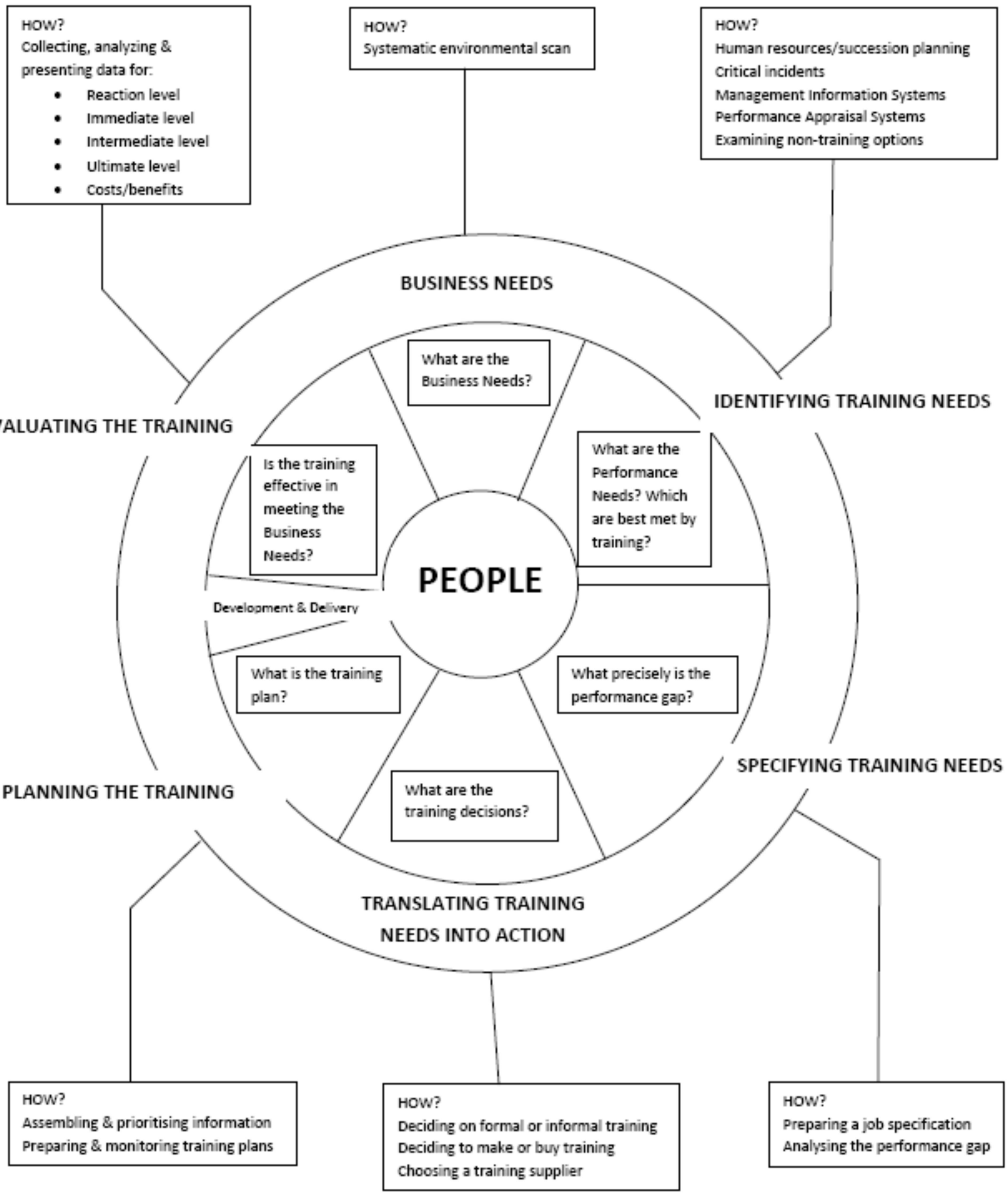
The appointed trainer will be the main contact for learners and will act as first contact for the customer. Any issues which the customer feels are outside the scope of the trainer should be addressed to the Principal Contact.

The main functional responsibilities of the Principal Contact to the customer are to:

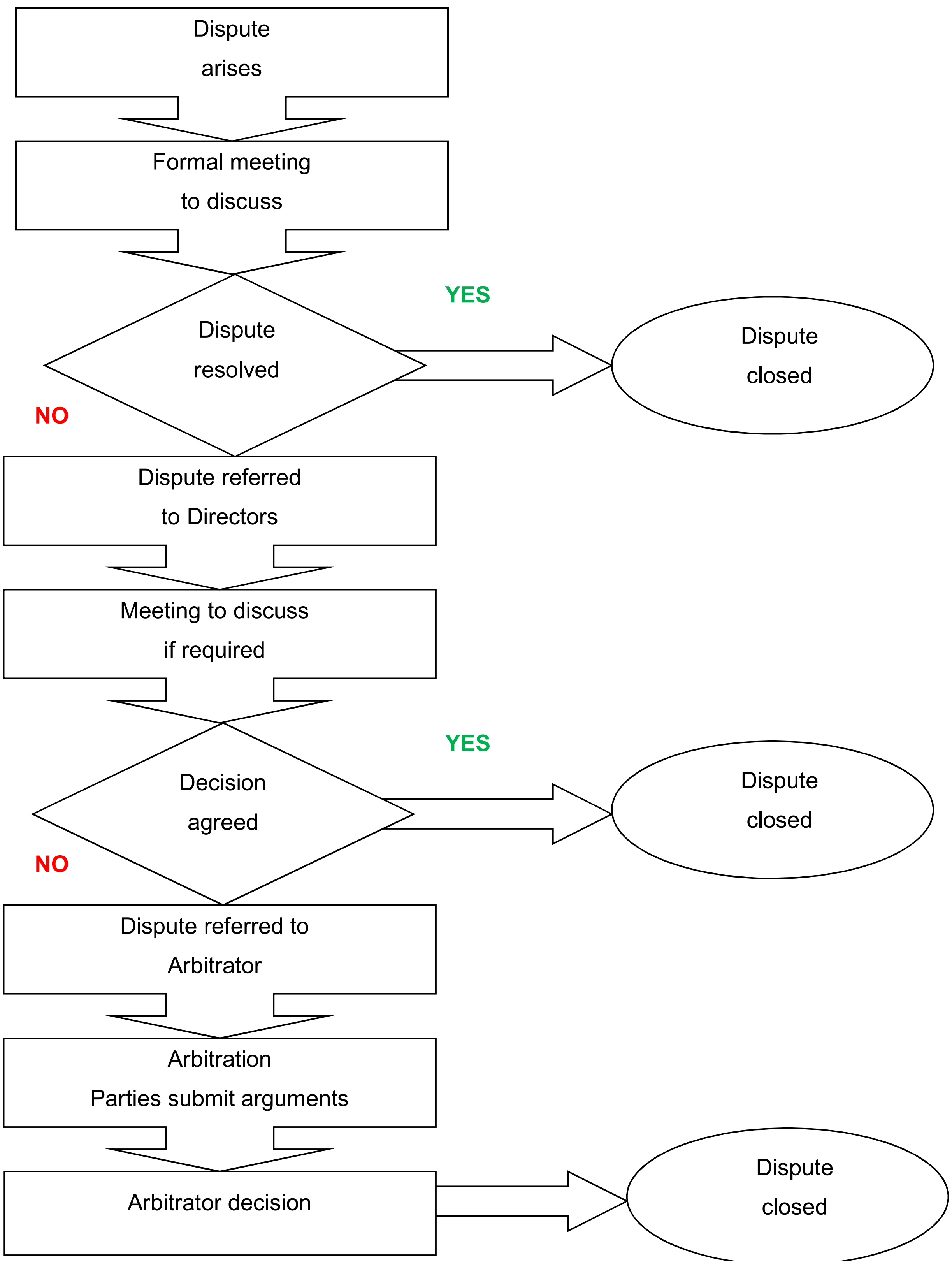
- Track the interpretation of the business requirements into contractual provision
- Monitor contractual performance and report appropriately
- Monitor subordinate performance
- Identify and manage expectations
- Respond to customers changing needs
- Ensure sufficient resources are available, including manpower
- Determine and take remedial actions with the agreement of the customer
- Negotiate remedies with the customer
- Escalate problems if necessary
- Operate subordinate services to contract specification
- Maintain/develop service components
- Maintain /develop supporting infrastructure
- Encourage an atmosphere of trust, openness and communication; working together towards shared objectives
- Proactively look for ways to improve the relationship wherever possible
- Ensure that all stakeholders feel involved, that their views are important and acted upon
- Manage the dispute resolution process
- Participate in forums, working groups, seminars, training sessions, etc

# APPENDICES

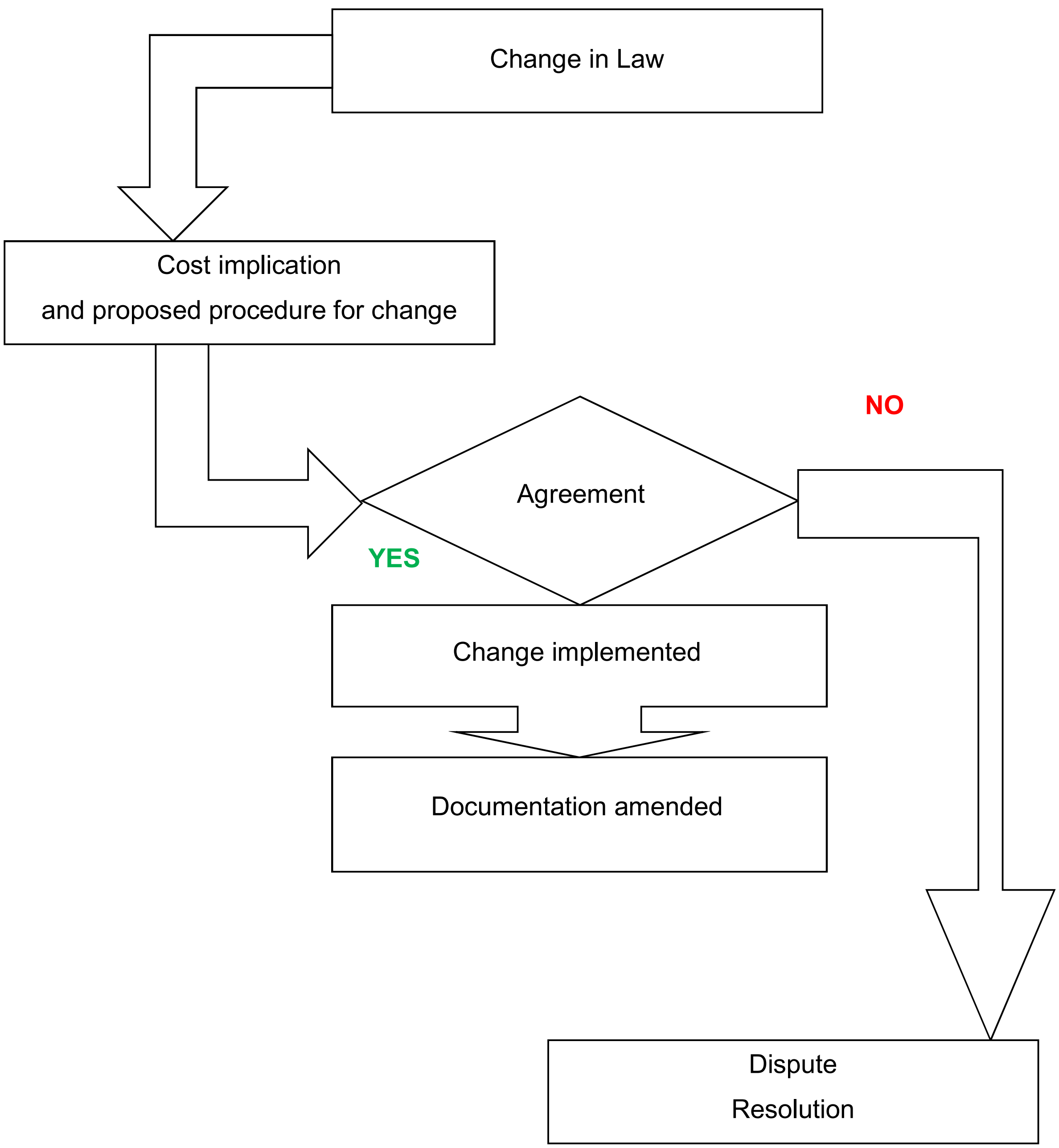
**Appendices 1** **TRAINING WHEEL**



## Appendices 2 Dispute Resolution Procedure



# Change in Law



## Service Variations/new works