



PORATHA

# PORATHA CONTRACTS & COMMERCIAL MANAGEMENT

**P**oratha Contracts and Commercial Management Sdn Bhd (PCCM) is a boutique specialist company providing contractual and commercial management services to EPCIC (engineering, procurement, construction, installation and commissioning) Projects in the following Sectors:

- Energy - Oil & Gas (offshore & onshore – upstream & downstream), petrochemical, refineries, manufacturing plants and renewables.
- Construction (buildings), and
- Infrastructure (civil engineering).

## **Objective**

Globally, numerous projects, EPCIC or otherwise, suffer schedule and budget overruns leading to severe delays to Projects.

PCCM's objective is to provide contracts and commercial management services (Services) to ensure that the Projects are

completed at the agreed schedule and budget so that clients are able to commence operations of their facilities at the committed start-up dates.

## **Services**

The Services are provided during the pre-contract and post-contract stages which should ensure that the Projects are completed within schedule and budget in accordance with executed agreements. This is achieved by the astute management and monitoring of risks, interfaces (at all tiers); progress, cost, timely resolution of problems and disputes. The Services are provided alongside with or on behalf of the client.

PCCM's aim is to positively engage with various external parties in an environment of "teamwork and transparency" with the intention to get all parties to focus on achieving common goals. Further, PCCM ensures that the client's tendering and operations teams liaise effectively with other in-house

departments. Early resolution of potential risks, problems and any disputes will achieve a positive, "win win" position for all parties.

During the pre-contract stage, PCCM provides contract strategy, reviews, identification of risks and also lead negotiations, all as per client's brief. The scope of work, schedule and budgets which are crucial documents within a contract will be comprehensive and, capture the obligations and responsibilities of the parties. Potential risks are identified and provisions made to address such risks accordingly prior to the award of any contract.

During the post-contract stage, PCCM provides contract administration ensuring that all parties meet their respective contractual obligations and responsibilities so that Projects are completed successfully within the agreed schedule and budget.

Such administration targets to minimise and/or contain disputes / delays prior to the completion of Projects which may include the implementation of additional measures at the early phases of the post-contract stage.

**PCCM's Services comprise the following:**

- Review, negotiation and administration of tender documents and contracts.
- Formulate management strategies and advise on feasibility studies.
- Contract (contracting structure, scope of work & responsibility matrix, technical specification, compensation/price, HSEQ, contract administration and compliance) preparation, finalisation and administration.
- Support budget development, cost control and close out of final accounts.
- Manage client's expectations and ensure such expectations are clearly communicated to and understood by the respective parties i.e. both internal and external parties.
- Risk analysis, monitoring and management.
- Project management and administration

- Support in the recruitment process of the project management team.
- Dispute / claims avoidance, resolution and management.
- Internal and external audits.
- Insurance assessment claims.
- Arbitrations - management of external counsel and consultants.

The provision of the Services as detailed above will avoid or mitigate, minimise and/or contain any impact that may have been caused as a result of the following which are issues commonly experienced in a Project.

- Poorly drafted contracts i.e. scope of work, responsibility matrix, schedule and compensation.
- Poor management of change i.e. excessive change orders / variations.
- Poor planning / monitoring of progress i.e. leading to delay and disruption.
- Cost and schedule overruns.
- Over-engineering i.e. leading to schedule and budget overruns.
- Lack of progress i.e. inexperienced manpower leading to poor productivity and quality.
- Inadequate manning levels i.e. poor management of projects.

- Poor management of interfaces (internally and externally) i.e. leading to disputes and delays to projects.
- Permanent materials i.e. not in compliance with specification and delivery delays.
- Lack of adequately qualified and experienced project management team.

The above issues are normally responsible for the schedule and budget overruns and, in most cases, could have been easily avoided or mitigated by proper contracts and commercial management.

Therefore, PCCM strongly believe that effective contracts and commercial management, during both the pre-contract and post-contract stages, is **key / critical** to the success of every Project.

**PCCM Team**

Our Team comprises qualified and experienced experts from the Energy, Construction and Infrastructure Sectors. The Team works closely with its clients to provide cost effective solutions and is headed by a qualified and experienced Director with international experience spanning over 35 years in the stated Sectors.

**FOR ENQUIRIES  
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