QUEST
Professional Center

PROFESSIONAL TRAINING COURSE

Course No. 1961

Oil & Gas Commercial Management & Contract Strategy Training Course

PETROLEUM ECONOMICS, ENERGY MARKETS & COMMERCIAL MANAGEMENT
OIL & GAS

DURATION
5 Days

DELIVERY
Classroom

Course Overview

The Oil & Gas Commercial Management & Contract Strategy Training Course provides a strategic and practical framework for managing the commercial dimensions of oil and gas projects, operations, investments, and contractual relationships. The program focuses on strengthening commercial decision-making, contract strategy, value protection, cost control, risk allocation, and long-term business performance across the oil and gas value chain.

Participants will examine the commercial environment of upstream, midstream, and downstream operations, including the economic drivers that influence project viability, contracting decisions, supplier relationships, pricing structures, revenue models, and commercial risk. The course connects technical and operational requirements with commercial objectives to support better contract and business decisions.

A key focus of the program is contract strategy, including contract selection, procurement and tendering approaches, commercial terms, pricing mechanisms, payment structures, risk allocation, incentives, guarantees, variations, claims, disputes, and contract performance management. Participants will learn how contractual provisions can influence project economics, operational flexibility, exposure to market volatility, and overall value creation.

Through practical case studies, commercial evaluations, contract scenarios, negotiation exercises, and applied workshops, participants will develop the ability to structure commercially robust strategies, evaluate contractual alternatives, manage commercial risks, and protect organizational interests throughout the contract lifecycle.

Objectives

- By the end of the course, participants will be able to:
- Analyze the commercial environment and economic drivers of the oil and gas industry.
- Evaluate commercial requirements across upstream, midstream, and downstream activities.
- Develop commercial strategies aligned with project and organizational objectives.
- Select appropriate contracting strategies based on scope, risk, complexity, and market conditions.
- Evaluate pricing structures, payment mechanisms, incentives, and commercial models.

- Assess contractual risks and develop appropriate risk allocation strategies.
- Strengthen tendering, bid evaluation, and commercial negotiation processes.
- Develop commercially effective contract terms and conditions.
- Evaluate contractor, supplier, and partner commercial performance.
- Manage contract variations, claims, disputes, and commercial changes.
- Apply cost, revenue, and profitability considerations to commercial decisions.
- Assess the financial and operational implications of key contractual provisions.
- Develop strategies for managing market volatility and commercial uncertainty.
- Improve contract governance, compliance, and performance monitoring.
- Strengthen negotiation and stakeholder management capabilities.
- Develop a practical commercial and contract strategy for an oil and gas project.

Who Should Attend

This course is designed for commercial managers, contract managers, contract engineers, procurement and supply chain professionals, project managers, business development professionals, cost and finance specialists, legal and contract professionals, and professionals responsible for commercial performance within oil and gas organizations.

It is also suitable for executives, department heads, asset managers, project controls professionals, tendering and bidding specialists, procurement managers, vendor and contractor management professionals, risk managers, and technical personnel who participate in commercial or contractual decisions.

The program is particularly relevant to national and international oil companies, exploration and production organizations, drilling and oilfield service companies, refineries, petrochemical organizations, pipeline operators, engineering and construction companies, energy infrastructure operators, government energy entities, and major industrial organizations.

Learning Outcomes

- Upon completion of the course, participants will be able to:
- Assess the commercial drivers affecting oil and gas projects and operations.
- Develop a structured commercial strategy aligned with business objectives.
- Evaluate alternative contract models and determine their suitability.
- Design appropriate commercial and contractual risk allocation mechanisms.
- Analyze pricing structures and payment terms.
- Evaluate tender submissions from commercial, financial, and contractual perspectives.
- Identify commercially significant contractual risks and exposures.
- Negotiate key commercial terms and protect organizational interests.
- Establish effective contractor and supplier performance measures.
- Manage variations, extensions, claims, and commercial changes.
- Support effective resolution of contractual disputes.
- Monitor contract profitability, cost exposure, and commercial performance.
- Assess the impact of market changes on contracts and project economics.
- Establish contract governance and lifecycle management mechanisms.
- Improve coordination between commercial, technical, procurement, finance, legal, and operational functions.
- Develop an integrated commercial and contract strategy for an oil and gas project.

Course Outline

DAY 01

Oil & Gas Commercial Management and Industry Economics

- Commercial structure of the oil and gas value chain.
- Upstream, midstream, and downstream commercial environments.
- Key economic drivers of oil and gas projects.
- Capital expenditure and operating expenditure considerations.
- Revenue models and commercial value drivers.
- Oil and gas pricing dynamics and market volatility.

DAY 01 — CONTINUED

- Project economics and commercial viability.
- Stakeholder interests and commercial objectives.
- Commercial decision-making under uncertainty.
- Identifying value creation and value leakage.
- Introduction to commercial risk management.

PRACTICAL APPLICATION

Develop a commercial profile for a selected oil and gas project and identify its key economic drivers, commercial risks, and value creation opportunities.

DAY 02

Contract Strategy, Procurement, and Commercial Structuring

- Principles of oil and gas contract strategy.
- Selecting the appropriate contracting model.
- Contracting approaches for engineering, procurement, construction, operations, and services.
- Fixed-price, reimbursable, unit-rate, and hybrid commercial models.
- Scope definition and allocation of responsibilities.
- Procurement strategy and market engagement.
- Tender preparation and commercial requirements.
- Bid evaluation and commercial comparison.
- Contractor and supplier selection criteria.
- Pricing mechanisms and payment structures.
- Performance incentives and commercial protections.

PRACTICAL APPLICATION

Develop a contract strategy for an oil and gas project and evaluate alternative commercial models based on scope, risk, market conditions, and project objectives.

DAY 03

Commercial Risk Allocation, Negotiation, and Contract Terms

- Identification of commercial and contractual risks.
- Risk allocation between owners, contractors, suppliers, and partners.
- Commercial risk registers.
- Key contractual terms and conditions.
- Liability, indemnity, insurance, and guarantees.
- Pricing adjustment and escalation mechanisms.
- Change management and variation provisions.
- Delay, performance, and liquidated damages considerations.
- Force majeure and market disruption provisions.
- Negotiation strategy and preparation.
- Managing commercial negotiations and stakeholder interests.

PRACTICAL APPLICATION

Conduct a commercial negotiation simulation covering pricing, risk allocation, liability, variations, payment terms, guarantees, and performance provisions.

DAY 04

Contract Performance, Claims, Variations, and Commercial Control

- Contract lifecycle and commercial governance.
- Contract administration and performance monitoring.
- Contractor and supplier performance management.
- Cost and commercial performance monitoring.
- Managing contract variations and change orders.
- Identifying and evaluating contractual claims.
- Claim preparation, assessment, and negotiation.
- Delay and disruption analysis.
- Commercial documentation and evidence management.

DAY 04 — CONTINUED

- Dispute prevention and resolution strategies.
- Escalation and management of significant commercial issues.

PRACTICAL APPLICATION

Analyze a simulated contract variation and claim, assess its commercial impact, and develop a structured response and negotiation strategy.

DAY 05

Commercial Governance, Value Optimization, and Strategic Contract Management

- Strategic contract lifecycle management.
- Commercial governance and decision rights.
- Monitoring contract value, profitability, and exposure.
- Managing commercial performance through key indicators.
- Contract risk monitoring and early warning mechanisms.
- Managing market volatility and changing commercial conditions.
- Lessons learned and post-contract evaluation.
- Supplier and contractor relationship management.
- Commercial optimization and value protection.
- Integrating commercial, procurement, finance, legal, technical, and operational perspectives.
- Developing long-term contract management capabilities.
- Building a strategic commercial improvement roadmap.

FINAL WORKSHOP

Develop an integrated Oil & Gas Commercial Management & Contract Strategy covering commercial objectives, contracting model, pricing, risk allocation, procurement, negotiation, performance management, variations, claims, governance, and value optimization.

Register or Request More Information

Course page: https://quest-training.com/courses/oil-gas-commercial-management-contract-strategy-training-course
Website: https://quest-training.com
Email: info@quest-training.com
Phone: +905016771440