Exercise

# Contractors and Vendor Execution

Consider each of the scenarios below. What type of supplier relationship should the project team have with the supplier?

* Commodity supplier – no relationship;
* Custom product or service provider – oversight relationship or;
* Design effort supplier – regular in-depth interaction relationship

1. Your project is a process improvement project. One of the tasks involves purchasing printing services for custom training material. The project schedule allows for a normal lead time.
2. Your project is an IT project and it includes upgrading network hardware across the facility. One of the tasks is installing all of the new network devices. You have a complete set of drawings and specifications for the network. The project allows for a normal installation time period. You plan to contract for installation services.
3. Your project is an international trade show event. One evening you had scheduled a special entertainment at a local resort with a marquee entertainer providing the program. One week before the event, the resort has a fire and is closed one month for renovation. The next day you receive a call that the entertainer has just entered drug rehabilitation program and is unavailable for your program. You contract with a local event coordinator to find a new banquet facility, create the menu, and arrange for entertainment. Your event is scheduled to start in five days.
4. You are a Core Team member on a development project of a consumer product. The product design is an area of expertise for your company, but you will also need a new package design for the product packaging. In particular you plan to sell the product globally and your market research has indicated that the packaging needs to be different for different markets. You do not have a packaging specification, but you do have some packaging requirements in order to protect the product. You contract with an international packaging design company to create your packaging.
5. You are on a project that is creating custom design and built equipment for a power generation facility. The equipment is fully designed and is being built. There are drawings and specifications for all of the equipment. Your equipment is very large and very heavy – it requires seven railcars to transport it to the port where it will be shipped by sea to its final destination. The equipment will be loaded in shipping containers, but it must be packed in a manner that does not allow damage while it is being transported by rail or sea. You do not have any designs for the packing of your equipment, but your engineers have specified the transportation loads and environment that the packing must meet. Your company has a standard contract with a firm that creates custom packing for equipment that is being shipped in shipping containers. Your schedule allows for normal lead times.