International Commercial Management Symposium

Bringing together academics and practitioners to promote research and best practice in commercial management.

The University of Manchester
UK
7 April 2005
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Proceedings of the International Commercial Management Symposium held at the University of Manchester 7 April 2005.

Edited by David Lowe and Margaret Emsley

First published 2005

ISBN 0-9547918-1-1

Published by:
The Management of Projects Research Group,
School of Mechanical, Aerospace and Civil Engineering,
The University of Manchester
P O Box 88
Sackville Street
Manchester
M60 1QD, UK

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Combining the strengths of UMIST and The Victoria University of Manchester
PREFACE

Commercial management: “The management of contractual and commercial issues relating to projects, from project inception to completion.”

The papers in this volume were submitted to the First International Conference on Commercial Management (ICCM), held at the University of Manchester, on 7th April 2005. The main purpose of the conference was to provide the first ever forum for the dissemination of research specific to the area of commercial management, and to communicate this research to practicing commercial managers across a spectrum of industries.

The conference was run in association with BT, sponsored the Institute of Commercial Management, co-sponsored by the International Council for Research and Innovation in Building and Construction (CIB), and supported by by Pinsent Masons Solicitors and the Chartered Institute of Building. We wish to record our thanks to these organisations for their support.

The term commercial management has been used for some time, not least in construction; while the job title commercial manager can be found across a spectrum of industries, especially those that are predominantly project based, for example, Aerospace, Construction, IT, Pharmaceutical and Telecommunications. Despite this, to date, these terms have no acknowledged definition and, as a direct consequence, there is a paucity of research categorised as commercial management; these proceedings seek to address this omission.

Commercial organisations increasingly use projects as tools, contributing to the execution of organisational strategies, to address corporate objectives, goals and missions. Based on the fundamental assumption that the key objective for any commercial organisation is to generate profit, commercial issues, and thus commercial management, play an integral part in this. In particular, we contend that the commercial management function is vital in linking operations at the project level and multiple projects (portfolios/programmes) at the organisational level with the organisational (corporate) core of the company. The function, therefore, can be found at the interfaces between organisations as well as between divisions within an organisation.

There are compelling arguments for considering commercial management, not solely as a task undertaken by commercial managers, but as a discipline in itself, which bridges traditional project management and organisational theories. While differences in approach and application both between and within industry sectors have been established, sufficient similarity and synergy in practice has been ascertained to identify a specific role of commercial management within project-based organisations. These areas of similarity encompass contract management and dispute resolution; whereas the areas of divergence include a greater involvement in financial and value management within construction and bid management within defence/aerospace.

As a first step towards the creation of a body of knowledge and a research agenda for the development of an underlining theory relevant to commercial management, two seminars were held as part of the conference:
1. to facilitate the establishment of a community of practice for commercial management, which involved academics in the field, senior practitioners from key project-based organisations, e.g. BT, Rolls Royce and the major construction companies etc, and relevant professional organisations

2. to create a new multi-disciplinary network of academics, researchers and practitioners with an interest in commercial management, and to identify and define a new inter-disciplinary research agenda for commercial management.

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David Lowe
Margaret Emsley
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The Institute of Commercial Management

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Supported by:

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