



# Developing Excellence in Procurement & Supply Chain

# Course Description:

- Procurement and Supply Chain Management are recognized as core competencies for organizations wanting to achieve world-class performance. This program explores key concepts forming the basis of strategic procurement, supply chain management and logistics by moving through leading-edge issues that confront purchasing and logistics organizations today.



## The Training Course will highlight:

- The first module consists of a fast-paced advanced topics program designed for those wanting to develop high performance purchasing organizations. This begins with a thorough understanding of what constitutes procurement best practices and then moves to establishing the procurement mission, vision, and knowledge needed to successfully implement the processes and methods needed to reach world-class performance.
- In the second module, the program is aimed at both suppliers and buyers who need an overview of the key drivers involved when viewing supply chains from a logistics/demand point of view. This covers the key techniques in controlling time and the movement of goods and materials to customers and users. Emphasis is made of finding the right cost and service balance.

# Course Objective:

- **Participants attending the program will:**
- Review the meaning of strategic procurement.
- Viewing supply chains from a logistics/demand point of view
- See the procurement job descriptions of the future.
- Apply key techniques in controlling time and the movement of goods and materials to customers and users.
- Be given examples of best practices in procurement.
- Learn techniques of finding the right cost and service balance in logistics
- Review how to obtain best pricing.
- Understand methods of focusing on the more important areas of procurement
- Learn how to improve the image of purchasing and logistic operations.
- Be taught how to develop spend analysis
- Consider Key Performance Indicators (KPI) for Procurement and Logistics
- Rules for Effective Supply Chain Management

# WHO Should attend?

- Contracts, Purchasing, Logistics, Materials, Supply Chain and Procurement personnel.
- Project, Engineering, Operational, and Maintenance, personnel who are involved in the planning, and execution of purchases and contracts.
- All involved in the acquisition of materials, equipment, and services and who are in organizations whose leadership want high levels of competency in those involved in these activities.
- All of those who are looking for business gains and benefits from managing their supply chains more effectively.



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# Training Methods:

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- Participants will increase competencies through a variety of instructional methods including lecture by an experienced practitioner and consultant, exercises, review published articles, and group discussions covering current practices and their relationship to the implementation of new concepts. A supportive comprehensive course manual enabling practical application and reinforcement is provided.

# Course outline

## **PART 1**

### **PROCUREMENT BEST PRACTICES**

#### **Day 1 It Is Time for Procurement to Become Strategic**

- Defining Supply Management
- Strategic Sourcing
- New Job Descriptions for Purchasing
- Identifying Competencies and Weaknesses
- Benchmarks For Purchasing
- Reengineering And Restructuring Organizations

#### **Day 2 Developing the Procurement Vision & Mission**

- Developing The Strategic Plan
- Supplier Classification Systems
- Supplier Qualification Methods
- Developing Quantitative Evaluations
- Supply Chain Management
- Defining Strategic Supplier Alliances
- The Strategic Alliance Process

# Course outline

## **Day 3 The Steps to Strategic Procurement**

- Developing Spend Analysis
- Excel Tools For Analysis
- Strategic Sourcing Software
- Methods Of Commodity Coding
- Commodity Management
- Developing Key Performance Indicators (KPI) For Procurement
- Supplier Performance Metrics

## **Day 4 The Demand for Continuous Improvement In Total Cost Of Ownership**

- Driving Down Prices Through Cost/Price Analysis
- Determining And Tracking Cost Drivers
- Cost Containment
- Supplier Collaboration Technologies
- The E-Reverse Auction-What Is The Future?
- Improving the Purchasing of Maintenance, Repair, Operating (MRO)

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## **Day 5 Improving the Image of Procurement**

- Developing And Maintaining A Customer Focus
- Integrating Procurement With Other Functions
- Strategies For Identifying And Managing Supply Risk
- Exception Management
- Basic Issues In Corruption And Fraud Prevention
- Increasing The Level Of Procurement Professionalism

# Course outline

## **PART 2**

### **LOGISTICS & SUPPLY CHAIN MANAGEMENT**

#### **Day 6 Understanding What Logistics and the Supply Chain are about**

- Definitions Of Logistics And Supply Chain Management
- The Interrelations And Connections Of Buying, Making, Moving, And Selling Activities
- History And The Development
- Understanding The Supply Chain Dynamics
- Supply Chain Operations Reference Models (SCOR)
- The Theory Of Constraints (TOC)

#### **Day 7 Key Aspects and Rules of Supply Chain Management**

- The Cost/Service Balance
- Customer Service Principles
- Lead Times Throughout The Supply Chain
- Adding Value
- Production Options/Changes
- Trade off opportunities

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## **Day 8 The Benefits of adopting a Supply Chain Approach**

- Understanding the sub functional conflicts
- Benefits within and between functions
- Taking a supply chain view of total acquisition costs
- Looking at demand amplifications, and the "Forester" effect
- Appreciating the effects of uncertainty and unresponsiveness
- Seeing how we currently manage the supply chain
- Changing the way, we manage the Supply Chain for effectiveness

## **Day 9 Impacts to Supplier/Customer relationships**

- Practical effects on lot sizes/order quantities
- Interfacing versus integrating relationships.
- Segmentation and product formatting
- Considering outsourcing
- Using postponement and consolidation logistics
- Examining demand planning
- Approaches of Quick Response (QR), Vendor Managed Inventory (VMI) and
- Collaborative Planning and Forecast Requirements (CPFR)
- The Lean Supply Chain

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## Day 10 Making Supply Chain Improvements

- Manufacturing and Retailer case studies
- Oil and Gas in the UK experiences
- UK Construction experiences
- Implementing a Logistics/Supply Chain management approach
- The "doing nothing" future, with "lessons from experience"
- Guarding against futures of higher stock levels and competition gains
- A 5-step approach to Logistics and Supplier Development
- The Supply Chain Rules (Encore)
- The rules to give competitive advantage from effective Supply Chain Management