



**Procurement and Supply Chain Management Best Practices**

# Course Description:

- The development and implementation of carefully crafted strategies for the acquisition of all materials, goods, equipment, and services has become a critical issue in all organizations wishing to reduce operating cost while improving quality and productivity.



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## The Training Course will highlight:

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- This program explores key concepts forming the basis of procurement and supply chain management and moves through leading edge issues that confront organizations today.
- This fast-paced program is designed for those wanting to develop high performance purchasing and supply chain organizations as we will in this seminar:
  - Achieve a thorough understanding of what the best practice is.
  - Establish the mission, vision, and knowledge needed to successfully implement the processes and methods needed to reach world-class performance.
  - Provide an overview of the key drivers involved when viewing supply chains from a logistics/demand point of view.
  - Explain what procurement and supply chain management are fundamentally about so that delegates can apply key techniques in controlling cost, time and the movement of goods and materials to customers and users.
  - Provide practical skills to take back to the workplace to enable delegates to change current methods and activities and work better with all supply chain players.

# Course Objective:

## **Participants attending the program will:**

- Review the meaning of strategic procurement.
- Be given examples of best practices in procurement and the supply chain.
- Review how to obtain best pricing.
- Be taught how to develop spend analysis.
- Develop a functional and cross functional view of the supply chain.
- See that better working with all the supply chain players pays!
- Consider Key Performance Indicators (KPI's)

# WHO Should attend?

- Contracts, Purchasing, and Procurement personnel.
- Project, Engineering, Operational, and Maintenance, personnel who are involved in the planning, and execution of purchases and contracts.
- Supply, Buying, Purchase, Logistics, Materials and Supply Chain Professionals
- All those 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.
- Those who need to develop their limited understanding about Logistics and Supply Chain Management
- 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 experienced practitioners and consultants, exercises, review published articles, and group discussions covering current practices and their relationship to the implementation of new concepts. Additional use will be made of case studies, videos and delegates will receive a comprehensive course manual enabling practical application and reinforcement.

# Course outline

## **Seeing Procurement as a dynamic, interactive system**

- The System Approach vs. the traditional Functional Approach
- What is the goal of Procurement?
- Developing the Strategic Procurement Plan
- An overview of the procurement process
- Procurement as part of the Supply Chain

## **Developing the Strategic Procurement Decisions**

- Make/buy decision.
- Vertical integration
- Alliances and partnerships
- Inter-company trade
- Reciprocity and counter trade
- Supplier strategy
- The coordination strategy
- The Purchasing organization

# Course outline

## **Implementing the Tactical Procurement Decisions**

- Supplier involvement
- Value analysis
- Quality Assurance
- Supplier selection
- Supplier rating and ranking
- Contract management
- IT systems and e-Procurement
- Policies and procedures
- Staffing the Procurement Department

## **Dealing with Operational Procurement Decisions**

- Selecting the most appropriate ordering process
- Addressing quality issues
- Follow up!
- Overdue orders
- Expediting
- The payment processes.
- Reducing the cost of procurement: small value purchase orders

# Course outline

## **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)

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

- The cost/service balance
- Customer service principles
- Internal organizational structures
- Inventory principles
- Lead times throughout the supply chain
- Adding value
- Production options/changes
- Trade off opportunities

# Course outline

## **Making Supply Chain Improvements and Implementing a Logistics/Supply Chain Management Approach**

- Manufacturing and retailer case studies
- The major lessons and key aspects from experience
- Oil and Gas in the UK experiences
- Key questions to be answered.
- The changes needed with suppliers and customers.
- The changes need to internal organization and management practices.
- Potential action needed.
- The 'doing nothing' future, with 'lessons from experience.'
- Guarding against futures of higher stock levels and competition gains
- Breaking down traditional silo/closed management
- 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