

€ TRAINING

Advanced Procurement and Supply Chain
Management Best Practices



Advanced Procurement and Supply Chain Management Best Practices

Introduction:

The development and implementation of carefully crafted strategies for the acquisition of all materials, goods, equipment, and services have become a critical issue in all organizations wishing to reduce operating costs while improving quality and productivity. This program explores key concepts forming the basis of procurement and supply chain management and moves through leading-edge issues that confront organizations today.

Course Objectives:

At the end of this course the participants will be able to:

- Achieve a thorough understanding of what is the best practice.
- 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 is fundamentally about
- Review the meaning of strategic procurement
- Give examples of best practices in procurement and the supply chain
- Review how to obtain the best pricing
- Understand how to develop spend analysis
- Develop a functional and cross-functional view of the supply chain
- See that better working with all of the supply chain players pays
- Consider Key Performance Indicators KPIs

Targeted Audience:

- 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 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 of Logistics and Supply Chain Management
- Those who are looking for business gains and benefits from managing their supply chains more effectively

Course Outlines:

Unit 1: 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

Unit 2: Developing Strategic Procurement Decisions:

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

Unit 3: Implementing 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

Unit 4: Dealing with Operational Procurement Decisions:

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

Unit 5: Contingency Procurement Decisions:

- The different contingency situations
- Contingency management

Unit 6: Procurement Performance Measurement:

- Spend analysis
- The total cost of ownership
- Supplier performance measurement

Unit 7: 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

Unit 8: 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

Unit 9: The Benefits of Adopting a Supply Chain Approach And Appreciating The Changes Needed To Traditional Ways:

- Understanding the sub functional conflicts
- Benefits within and between functions
- Taking a supply-chain view of total acquisition costs
- Accepting that competitive advantage comes from the Supply Chain
- Looking at demand amplification, 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 greater effectiveness

Unit 10: Strategic Approaches And Impacts To Supplier/Customer Relationships:

- Practical effects on lot sizes/order quantities
- Reducing costs
- Sharing developments and collaborating
- Eliminating internal and external barriers
- Interfacing versus integrating relationships
- Segmentation and product formatting
- Business strategies and the supply chain
- Supply chain planning
- Gaining competitive advantage
- 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

Unit 11: 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
- The 5 steps approach to Logistics and Supplier Development
- The Supply Chain Rules Encore
- The rules to give competitive advantage from effective Supply Chain Management