

Suite No. 129 295 Chiswick High Road LONDON W4 4HH



# The 2 weeks program in Supply-Chain Management

PIK166-1225 IST-2





Management

If you can't train them, you can't blame them!

# **Short 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. 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 course: ï,§ Achieve a thorough understanding of what is the best practice. ï,§ Establish the mission, vision, and knowledge needed to successfully implement the processes and methods needed to reach world-class performance. ï,§ Provide an overview of the key drivers involved when viewing supply chains from a logistics/demand point of view. ï,§ Explain what procurement and supply chain management are fundamentally about so that delegates are able to apply key techniques in controlling cost, time and the movement of goods and materials to customers and users. ï,§ 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 Overview:**

The seminar is split into two modules:

- 1. MODULE I Procurement Best Practices
- 2. MODULE II Logistics & Supply Chain Management

Each module is structured and can be taken as a stand-alone course; however, delegates will maximise their benefits by taking Module 1 and 2 back-to-back as a two-week seminar. *Objectives* 



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#### 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 of the supply chain players pays.
- Consider Key Performance Indicators (KPI's).

#### Training Methodology

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.

#### **Organisational Impact**

The organisation will benefit by:

- Higher productivity of personnel involved in procurement activities.
- Better outcomes in transactions with contractors and suppliers.
- Reduced total cost of materials & services.
- Better integration between internal functions.
- Improved contractor/supplier performance.
- Succeed in improving operations.

#### Personal Impact

#### Attendees will gain by participation in this program as a result of:

- Increased skill sets.
- A greater ability to lead, plan, and manage the procurement and supply chain process.
- A greater sense of professionalism and being able to contribute to the organisation.
- Increased recognition from the organization due to improved personal performance.
- Be able to understand, recall and apply improvements after the seminar for work-based application.
- Applying best in class practices.

# **Program Outline:**



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#### PROGRAM CONTENT

#### **MODULE I: Procurement Best Practices**

#### Day 1: Seeing Procurement as a Dynamic, Interactive System

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

#### D 2: Developing the Strategic Procurement Decisions

- 1. Make/buy decision and Vertical integration.
- 2. Inter-company trade.
- 3. Reciprocity and counter trade.
- 4. Supplier strategy and the coordination strategy.
- 5. The Purchasing organisation.

#### Day 3: Implementing the Tactical Procurement Decisions

- 1. Supplier involvement, Value analysis and Quality Assurance.
- 2. Supplier selection and Supplier rating and ranking.
- 3. Contract management.
- 4. IT systems and e-Procurement.
- 5. Policies, Procedures and Staffing the Procurement Department.

#### Day 4: Dealing with Operational Procurement Decisions

- 1. Selecting the most appropriate ordering process.
- 2. Addressing quality issues.
- 3. Follow up and Overdue orders.
- 4. Expediting and The payment Process.
- 5. Reducing the cost of procurement: small value purchase orders.

#### **Day 5: Contingency Procurement Decisions**

1. The different contingency situations.



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- 2. Contingency management.
- 3. Spend analysis.
- 4. Total cost of ownership.
- 5. Supplier performance measurement.

## Module II: Logistics and Supply Chain Management Day 6: Understanding What Logistics and the Supply Chain Are About

- 1. Definitions of logistics and Supply Chain management.
- 2. The interrelations and connections of Buying, Making, Moving, and Selling activities.
- 3. Understanding the Supply Chain dynamics.
- 4. Supply Chain Operations Reference Models (SCOR).
- 5. The Theory of Constraints (TOC).

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

- 1. The cost/service balance
- 2. Customer service principles
- 3. Internal organizational structures and Inventory principles.
- 4. Lead times throughout the supply chain.
- 5. Production options/changes and Trade off opportunities.

# Day 8: The Benefits of Adopting a Supply Chain Approach and Appreciating The Changes Needed To Traditional Ways

- 1. Understanding the sub functional conflicts.
- 2. Benefits within and between functions.
- 3. Taking a supply chain view of total acquisition costs.
- 4. Accepting that competitive advantage comes from the Supply Chain.
- 5. Looking at demand amplifications, and the "Forester" effect.

## Day 9: Strategic Approaches And Impacts To Supplier/Customer Relationships



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- 1. Practical effects on lot sizes/order quantities.
- 2. Sharing developments and collaborating.
- 3. Eliminating internal and external barriers.
- 4. Segmentation and product formatting.
- 5. Gaining competitive advantage and Considering outsourcing.

## Day 10: Making Supply Chain Improvements and Implementing a Logistics/Supply Chain Management Approach

- 1. The changes needed with suppliers and customers.
- 2. Potential action needed.
- 3. The 'doing nothing' future, with 'lessons from experience'.
- 4. Guarding against futures of higher stock levels and competition gains.
- 5. The Supply Chain Rules (Encore); the rules to give competitive advantage from effective Supply Chain Management.