



LPM 343

Effective Purchasing Management

Course Introduction:

It is time for Purchasing to move from the low value, transaction, and administrative focus to being the high value strategically focused organization that's adds competitive advantage to the organization. Bringing competitive advantage means applying the best practices implemented by world-class purchasing operations. The best procurement practices covered in this highly motivating seminar provide significant tactical and strategic value to the organization and strong recognition to the purchasing and those in it.

Course Objectives:

Upon completion of this seminar, participants will know:

- Best practices in key areas of organization, performance measurements
- Strategic Supply Management
- Knowledge of Continues Improvement Programs
- How to Develop Commodity Plans
- Methods of Price and Cost analysis
- Value Analysis
- How to Purchase Price Indexes
- Reducing Low Value Activities
- Best practices in qualifying suppliers and improving relations
- Best practices in the procurement process, and supplier performance
- How to develop a purchasing strategic plan that will world class performance

Who Should Attend?

Materials or Purchasing Managers, Contracts and Purchasing professionals, or any other Managers or Professionals interested in being part of an organization that has knowledge of and is implementing Purchasing Best Practices that improve the performance of not only the purchasing operation but also increased productivity of the entire organization.

Course Outline:

Setting the Director for World Class Purchasing

- Introduction
- Winning and Purchasing as a core competency
- Change and becoming more strategic

Relationship with other functions

- How Do Other Functions View Purchasing
- Purchasing Impact On the Bottom Line
- How Does Senior Management Measure Purchasing
- Purchasing Accountability
- Measuring Purchasing Performance
- Strategic Sourcing
- Commodity Coding
- Developing Spend Profiles
- ABC Analysis
- Demonstration of using MS Excel Pivot tables

Best Practices in Personnel and Planning

- Purchasing Skills Sets
- Purchasing Personnel Requires Skill Sets
- Skill Set Assessment Process
- Training Programs
- Professionalism
- Standards Of Ethics In Purchasing And Contracting Conduct

Best Practices in Planning & Specifying

- Benchmarking
- Mission Statement
- RFQs/RFPs/ Tenders
- Purchasing And Supplier Involvement In Early Stages

Degree of Automation

- Developing An Effective Electronic Procurement Strategy
- Process Mapping To Eliminate Low Value Activities

Strategic and Global Sourcing

- Price Indexes
- Using Published Commodity Price Indexes
- Developing A Company Price Index

Strategic Planning For Repetitive Purchases

- Tools For Understanding Commodity Markets
- Model Commodity/Service Plan

Global Sourcing

- The Global Sourcing Process
- International Labor Rates Comparison
- Advancing Supplier Relationships
- Supplier Categories
- Strategic Alliances
- Supplier Performance Measurement
- Supplier Qualification And Supplier Recognition

Is the Price Right?

- Price Justification
- Model For Selecting Analysis Methods

Methods of Price Analysis

- Competition
- Historical Prices
- Use Of Price Indexes

Methods of Cost Analysis

- Breaking Down The Elements Of Cost
- Developing "Should Cost" Exercise

Continuous Improvement in Purchasing

- Advanced Practices in Procurement Process
- Eliminating Low Value Added Processes
- Long-Term Agreement

Supplier Reduction Programs

- Inventory Reduction Programs

Cost Reduction Initiatives

- Total Cost Of Ownership Concepts
- Cost Reduction Reporting Procedure
- Value Analysis
- Target Costing
- Activity Based Costing
- Negotiations
- Supply Chain Management

Course Certificate:

International Center for Training & Development (ICTD) will award an internationally recognized certificate(s) for each delegate on completion of training.

Course Methodology:

A variety of methodologies will be used during the course that includes:

- (30%) Based on Case Studies
- (30%) Techniques
- (30%) Role Play
- (10%) Concepts
- Pre-test and Post-test
- Variety of Learning Methods
- Lectures
- Case Studies and Self Questionnaires
- Group Work
- Discussion
- Presentation

Course Fees:

International Center for Training & Development (ICTD) will award an internationally recognized certificate(s) for each delegate on completion of training.

Course Timings:

Daily Course Timings:

08:00 - 08:20	Morning Coffee / Tea
08:20 - 10:00	First Session
10:00 - 10:20	Coffee / Tea / Snacks
10:20 - 12:20	Second Session
12:20 - 13:30	Lunch Break & Prayer Break
13:30 - 15:00	Last Session