

THE IN-HOUSE TRAINING COMPANY

Professional procurement

Overview

The proportion of an organisation's total costs which flows through to suppliers is significant, and demands that approaches to managing this expenditure are in line with best commercial practice. This workshop-led approach focuses on how to ensure that your expenditure is fully under control and all savings opportunities are realised. It is an ideal method for identifying the steps needed to bring all members of the purchasing / procurement team up to the same level of peak performance, in line with best practice.

Training objectives

This programme will help participants to:

- Understand what constitutes best practice in each different aspect of the purchasing / procurement function
- Assess their current level of performance and compare it against best practice
- Improve their decision-making at each stage of the buying process
- Ensure that the most common problem with suppliers are avoided altogether and that any other problems that do arise are dealt with swiftly and successfully
- Manage supplier performance
- Reduce cost and improve efficiency
- Make an even greater contribution to overall organisational performance

Audience

This performance improvement workshop delivers most benefit when the entire purchasing / procurement team takes part.

Format

A highly inter-active two-day workshop, with a strong emphasis on practical exercises.

Special features

The outline below is an example of the type of programme we can construct and deliver. The content, duration, objectives and material used can all be tailored to suit your specific needs.

One of the benefits of a tailor-made programme is that we can build the programme, case studies and exercises around real situations facing your organisation. This degree of customisation helps participants to see much more easily how the key points from the workshop can be applied to their situation.

This unique workshop programme is a cost-effective way of arriving at the identification and resolution of performance issues without engaging expensive consultants. The format has been developed and refined by the expert trainer over a number of years and has now proven itself time and time again.

The expert trainer

Eric is a highly experienced and very popular management consultant, trainer and business coach specialising in procurement. A visiting fellow at Cranfield University and a Fellow of both the Chartered Institute of Purchasing & Supply and the Institute of Logistics, he began his career as Commercial and Supplies manager with Dunlop before becoming a senior lecturer in purchasing and supplies management at the North West Regional Management Centre and then Director of Ernst & Young's UK Purchasing Consulting Practice. He was seconded from Ernst & Young to the NHS as National Director of Purchasing and Logistics for three years and then established his own consultancy practice in 1992, which has taken him to clients in Europe, North America, the Middle

East, China and Africa. From 1998 to 2000, Eric was Director of Procurement within the wines and spirits division of Diageo, where he restructured the Global Procurement operations and delivered savings of £120m on a spend of £850m.

Over the last twenty years he has developed and managed a range of training courses for some of the best known companies in the world, including IBM, Norwich Union, Mercedes Benz, Nokia, Shell, Tesco and BUPA. His practical experience encompasses the entire procurement field, including commercial awareness, negotiating, contract and supplier management, business strategy, e-commerce and outsourcing.

Course outline

1 The role of those who are buying

- Understanding roles, responsibilities, rules and requirements
- Working with others within the organisation to enhance effectiveness
- Defining core competences and means of developing them
- Focusing on value-adding activities
- Measuring success

2 Influencing the specification

- Understanding why the specification is critical
- Exploring different forms of specification
- Guidance on when and how to use each of them
- Taking cost out at the specification development stage
- Dealing with the five biggest problems caused by poor specifications

3 Finding and assessing suppliers

- How to find suppliers anywhere in the world
- Available sources of information and tools for sourcing
- Tools for assessing and vetting suppliers
- Techniques for comparing suppliers
- Preventing the wrong suppliers from being selected

4 Understanding legal and contractual rights and remedies

- Bringing clarity to the need for contracts
- Keeping contracts simple, but effective
- The battle of the forms – and how to win it
- Major contractual pitfalls and how to avoid them
- Specific legal requirements which need to be understood

5 Negotiation

- The most commonly made negotiating errors
- Simple approaches that bring commercial success
- An effective framework for negotiation planning
- Analysing your own negotiating style
- Moving from win/perceived to win/win

6 Managing supplier quality and lead time performance

- Tools for preventing quality problems
- Guaranteeing on-time problems
- Moving towards stockless buying
- Understanding the benefits of supply chain management
- Measuring supplier performance

7 Cost-reduction approaches

- Five basic tools that deliver savings and how to use them
- Typical barriers to cost reduction and how to overcome them
- Managing prices
- Sources of quick wins and how to exploit them

- Working with cross-functional teams and suppliers to take cost out

8 Purchasing trends and hot topics

- E-procurement – myths and reality
- Internet auctions and how to use them
- Category management and what it really means
- Outsourcing
- Modularity in manufacturing and service provision

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