

2 – DAY

PROCUREMENT AND INVENTORY MANAGEMENT

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INTRODUCTION

This Training program covers the skills required to lead procurement and inventory teams to world class performance by running organisations leaner, effectively and efficiently. The pressure to reduce costs, while maintaining customer service levels is essential in both procurement and inventory management.

Adopting sound procurement and inventory management principles will lead to better return on investment, improved quality, lower costs, and reduced working capital.

In an environment characterised by many unknowns, procurement professionals must assist general management by providing purchasing expertise for strategic decisions as it plays an important role in the profitability and success of the business.

The Objective of this program is to highlight to procurement/purchasing personnel the various methods and techniques to achieve savings. Participants will be exposed to the basic principles of purchasing, sourcing and evaluation of vendors, quality control and negotiate better to achieve cost savings. Understanding the impact of Inventories on purchasing decisions.

METHODOLOGY

This stimulating program will maximize understanding and learning through Interactive Lectures, Course notes, Learning Assessment after each Module

COURSE OBJECTIVES

By the end of this course, you will be able to:

- Develop the understanding of the importance of the Procurement function and how it impacts the business as a whole
- Make decisions effectively as to how much quantity to order, when to order and why only that quantity to order
- Negotiate better in procurement with suppliers
- Understand Procurement and Sourcing Strategy
- Design Selection and Evaluation process of supplier base
- Understand Procurement Policies, Procedures & Ethics
- Understand the importance of inventory & its impact on the profitability
- Apply best methods to optimise the investment in inventory
- Learn techniques to increase productivity and achieve savings through effective purchasing & cost reduction techniques
- Understand the KPIs to drive Operations Excellence
- Understand the implications and Learnings from COVID 19
- Understand Trends Shaping the Future of Sourcing & Procurement Beyond 2021

WHO SHOULD ATTEND?

- Purchasing Managers
- Purchasing Executives
- Purchasing Officers
- Supply Chain professionals

PROGRAM OUTLINES

MODULE 1: OVERVIEW OF PROCUREMENT FUNCTION

- Procurement Vs. Purchasing – Is There a Difference?
- Objectives & Roles of Purchasing
- Principles of Purchasing Management – 7 Rs
- Determining Procurement and Sourcing Strategy
- Design of Purchasing Organisation
- Understanding E- Procurement

MODULE 2: CONCEPT OF ECONOMIC ORDER QUANTITY (EOQ)

- What is EOQ
- Definition of EOQ
- Importance of EOQ
- How EOQ works

MODULE 3: NEGOTIATION FOR RESULTS

- Establish objectives to be achieved by negotiation.
- Understand What is Negotiation in Procurement
- Identify a range of outcomes from the desired ideal
- Using interpersonal skills to influence others in both informal and formal situations
- Recognise the importance of preparing for the negotiation process

MODULE 4: SUPPLIER SELECTION AND EVALUATION

- To identify appropriate Supplier selection techniques.
- Single sourcing & Multi Sourcing
- How to carry out Supplier Consolidation
- Strategic supplier relationship management
- Understand how Supplier evaluation is accomplished

MODULE 5: PROCUREMENT POLICIES, PROCEDURES & ETHICS

- Policy Overview
- Policies provide Guidance, Direction, Compliance & Ethics
- Environmental Issues
- Steps to achieve Policy Objectives

MODULE 6: MATERIALS & INVENTORY MANAGEMENT

- To identify the Activities of Materials management.
- Manufacturing Operational efficiencies
- Identify the 5 functions of inventory
- Requirements for Effective inventory management
- To learn about ABC analysis
- Inventory Stock Valuation

MODULE 7: PROCUREMENT COST MANAGEMENT

- What is EOQ
- Potential Procurement Savings
- Conducting Spend Analysis
- Uncovering Profit opportunities in Purchasing functions
- Areas to look for in Procurement Cost Management and Improvement
- Lean Management Cost reduction

MODULE 8: OPERATIONS & INVENTORY EXCELLENCE/ RECENT TRENDS

- Inventory Performance Measures/ KPIs
- Best Practices in Inventory Management
- 7 keys to profit improvement in business operations and inventory
- Reimagining procurement for the next normal
- Trends Shaping the Future of Sourcing & Procurement Beyond 2021

MODULE 9: COURSE SUMMARY – DEVELOPING YOUR ACTION PLAN

- Policy Overview
- Recap of Procurement and Inventory Management
- Formulate your Procurement and Inventory Opportunities
- Critical Initiatives and Key Action areas