

#### Introduction:

This advanced procurement specialist course is designed to enhance the capabilities of procurement professionals and senior buyers within organizations. It covers advanced negotiation and procurement techniques, as well as business continuity and contingency planning, using practical simulations to reinforce learning.

The course emphasizes the strategic role of procurement departments, applying key concepts to increase efficiency and reduce costs across the entire supply chain.

A special focus of the training is to help organizations minimize risks, reduce expenses, and prevent disputes by understanding, drafting, and negotiating contracts effectively.

#### Intended Participants:

- Procurement Managers and Senior Managers
- Procurement Professionals
- Contract Administrators and Claims Handlers

#### Course Objectives:

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

- Define the strategic role of the purchasing department within the organization.
- Conduct accurate supplier evaluations.
- Develop and apply effective negotiation strategies with suppliers.
- Assess departmental performance using appropriate key performance indicators.
- Understand the concept of strategic procurement.
- Review major drivers from the perspective of logistics and demand within supply chains.
- Examine important supply strategies.
- Understand the principles of activity-based costing.
- Acquire skills necessary for building and maintaining strong supplier relationships.
- Learn techniques to obtain the best pricing.
- Understand how contracts help in managing risk.
- Identify and avoid common pitfalls in contract drafting.
- Learn approaches to handle performance failures.
- Successfully negotiate deals, contracts, and resolve disputes.

Targeted Competencies:

Upon completion, participants will be proficient in:

- Strategic sourcing
- Managing supplier relationships
- Contract negotiation
- Cost reduction methods
- Risk management
- Market analysis
- Category management
- Procurement analytics
- Ethical procurement practices
- Using technology in procurement
- Ensuring regulatory compliance
- Supply chain management
- Stakeholder communication
- Project management
- Performance measurement using key performance indicators

Course Content:

Unit 1: Supplier Relationship Management:

- Transforming the relationship with suppliers
- Developing clear product specifications
- Collaborating with end-users
- Criteria for evaluating suppliers
- Appropriate methods for supplier engagement
- Applying a total cost approach
- Aligning supplier relationships with organizational mission
- Being a good customer: communication, trust, and credibility
- Reducing the number of suppliers strategically
- Approaches to supplier/customer relationships: strategic impacts
- Practical considerations such as lot sizes and order quantities
- Cost reduction through collaboration and information sharing
- Removing internal and external barriers
- Integrating relationships versus merely interfacing
- Segmenting suppliers and formatting products

- Business strategies connected to supply chains
- Supply chain planning and gaining competitive advantage
- Outsourcing considerations
- Using postponement and consolidation logistics
- Demand planning methodologies
- Quick Response and Vendor Managed Inventory concepts
- Collaborative planning, forecasting, and replenishment requirements
- Lean supply chain principles

#### Unit 2: Tactical Procurement Decisions:

- Involving suppliers early in product development
- Applying value analysis and quality assurance
- Selecting, rating, and ranking suppliers
- Managing contracts effectively
- Utilizing information technology and electronic procurement systems
- Establishing policies and procedures
- Staffing the procurement team appropriately

#### Operational Procurement Decisions:

- Choosing proper ordering processes
- Managing quality issues, follow-ups, overdue orders, and expediting
- Streamlining payment processes
- Reducing procurement costs, especially for small-value purchases

#### Contingency Procurement Decisions:

- Understanding various contingency scenarios
- Managing procurement contingencies effectively

#### Measuring Procurement Performance:

- Conducting spend analysis
- Focusing on total cost of ownership
- Measuring supplier performance
- Applying key performance indicators
- Promoting continuous development for buyers

- Selecting appropriate purchasing key performance indicators

#### Advancing Procurement Contribution:

- Attracting and retaining talent in supply management
- Measuring and rating suppliers
- Developing performance-based contracts
- Planning actions for improvement
- Business continuity and contingency planning in procurement
- Understanding activity-based costing
- Analyzing price, cost, and value
- How advanced procurement improves organizational finances

#### Unit 3: Pricing:

- Understanding pricing cycles and basic strategies
- Value-based pricing, price skimming, and market penetration
- Psychology behind pricing
- Demand curves, reference pricing, and discount handling
- Ladder pricing, bundling, price complexity, and product versioning

#### Introduction to Risk Management:

- Basic concepts and definitions
- Identifying and analyzing stakeholders and their risk tolerances
- Developing price and price management plans
- Scope, cost, quality, and risk management planning
- Critical success factors in risk management
- Identifying risks related to projects and resources
- Qualitative and quantitative risk analysis tools and techniques
- Planning and controlling risk responses
- Monitoring and measuring risk management effectiveness

#### Unit 4: Negotiation:

- Avoiding confrontational negotiation approaches
- Building active listening skills
- Handling negotiations with difficult or angry parties

- Addressing covert sales tactics
- Recognizing and countering power plays in negotiation
- Managing pressure points and untrustworthy counterparts
- Negotiation tactics and countermeasures
- Planning negotiation strategies with suppliers
- Understanding the thirteen powers of negotiation
- Achieving agreements and promoting strong supplier partnerships
- Selecting appropriate suppliers based on performance evaluation

#### Unit 5: Drafting Quality Manuals and Commercial Contracts:

##### Quality Concepts:

- Definition, history, and benefits of quality management
- Quality management systems such as ISO 9001 and total quality management
- Costs associated with poor quality
- Quality philosophies and methodologies including Six Sigma, Lean, and 5S
- Process mapping and failure mode analysis

##### Ethical Principles in Quality Management:

- Seven principles of ethics
- Professional conduct guidelines

##### Drafting Commercial Contracts:

- Purpose, formation, and validity of contracts
- Key principles and selecting appropriate strategies
- Document structure and language considerations
- Avoiding common drafting errors
- Use of international standard contract forms

##### Main Contract Clauses:

- Delivery, performance, and acceptance criteria
- Transfer of title and risk
- Programming and completion schedules
- Managing changes and variations
- Pricing and payment terms

- Security measures and withholding rights

Other Important Clauses:

- Force majeure
- Intellectual property rights
- Indemnities and insurance provisions
- Bonds, guarantees, and warranties
- Remedies for default
- Damage limitations and exclusions of liability

Dispute Management:

- Choice of law, forum, and jurisdiction issues
- Contractual methods for dispute resolution
- Alternative dispute resolution strategies
- Litigation versus arbitration considerations
- Enforcement of dispute decisions