



Category Management in Procurement



9 - 20 December 2024



Rome (Italy)

# Category Management in Procurement

course code: M1017 From: 9 - 20 December 2024 Venue: Rome (Italy) - course Fees: 6750 Euro

## The Course

This new approach maximizes value from procurement by combining traditional techniques, with newer tools, techniques and approaches. We will give an understanding of the Category Management methodology with the necessary working knowledge of how this approach can be used, and is now being used, by World Class companies.

This seminar shows how Category Management maximises value from procurement by integrating supplier sourcing, supplier management, supplier development and supplier relationships management.

Effective Category Management of procurement and the supply chain can create economic profit for World Class supply chains; we will also demonstrate how this can be achieved.

## The Goals

- Apply a thorough understanding of supply chain activities
- Identify, analyse and evaluate procurement opportunities
- Understand the keys aspects in category management
- Use tools and techniques
- Make procurement and supply chain organisational improvements

## The Process

- Discussion and lectures using international best practice
- Practical applications
- Case studies
- Extensive course manual
- Visual media
- Presented by the author of many books on supply chain and procurement topics

## The Benefits

- Understanding the role procurement in the total supply chain
- Understand what drives your other supply chain players
- Use analytical tools to identify procurement opportunities
- Make cost and service improvements
- Gain a framework for continual improvement
- Use best in class practices like economic profit

## The Results

- Understand the current procurement and supply chains activities
- Access these for value opportunities
- Examine how to maximize value from procurement
- Apply appropriate tools

- Make continual improvements

### **The Core Competencies**

- Analysis
- Evaluation
- Improving
- Make change
- Sharing and understanding others points of view

### **The Programme Content**

#### ***Understanding procurement and category management***

- Procurement and purchasing definitions
- A vision for procurement
- The 21st century procurement challenge
- Procurement and the Supply Chain
- The 8 Supply Chain Rules
- Supply chain excellence and shareholder value
- Competitive advantage
- The 2008 economic crisis and the consequences for the supply chain
- Procurement structure options
- Supply Chain Models and Types
- The Global Supply Chain
- Category Management definitions
- The evolution of Category Management
- Category grouping overview
- The three aspects to be considered in category groups
- Category Management structures

#### ***Maximising value and procurement excellence by using varied routes***

- The procurement excellence roadmap
- The Purchasing and Supplier loops
- Why we should use Category Management
- How category management improves value
- How category management builds from P2P and the procurement cycle
- Integrating approaches
- The two outcomes to maximise value from procurement
- The value opportunities that come from using Category Management

#### ***Understanding the supplier sourcing and selection routes***

- Traditional purchasing revisited
- The P2P and procurement cycle
- Value and risk analysis

- Kraljic matrix
- The Category management and value opportunities
- Volume concentration
- Best price evaluation
- Low cost country sourcing

### ***Understanding collaborative supplier management***

- Supplier management objectives
- Supplier customer connections
- Supplier service
- Supplier management and contract management
- Best practice contract management
- Supplier relationship management definitions and aims
- Applying Supplier relationship management
- Collaboration
- Supplier development definitions and aims
- Best practice in supplier development
- Changed views and lessons
- Benefits and improvements
- The Category Management outcomes and value opportunities
- Specification improvements
- Joint process development and linking price with suppliers
- Value chain disruption and managing supply chain risk
- Best practice in supplier management

### ***Recognising and overcoming the barriers to Category Management***

- Common barriers and challenges
- Internal conflicts
- Perception of procurement
- Lack of creativity
- Skill sets
- Trust
- Fear of change
- Overcoming such barriers
- Best Practice in the implementation of new ideas

### ***The 4 step model for introducing Category Management***

- Understand the current situation
  - Key questions
  - Research and analysis
- Design and improvement
- Key questions
- What needs doing

### ***The 4 step model for introducing Category Management, continued***

- Plan the new processes and structures
  - What needs doing
  - Key questions
- Operate and review the new processes
- Key questions
- What needs doing
- Making strategy a continuous process

### ***Category Management and rethinking the supply chain***

- Supply chain futures, predictions and what needs to done
  - Agility
  - Network design
  - China supply chain effects
  - Going “Green”
- Professional leaders/manager development
- The 10 improvement for reengineering end to end supply chains
- Supply chain excellence and shareholder value
- Generating economic profit
- The 5 steps to supply chain excellence
- Developing the supply chain strategy
- Supply chain strategy best practice
- A vision for the future