

## 2 Days Program

# Strategic Procurement and Inventory Management System with Introduction to Contract Management

**Date : 12 & 13 Nov 2024 (Wed & Thu)**

**Venue : Wyndham Grand Bangsar Kuala Lumpur Hotel**

### Who Must Attend:

This training program is highly recommended for employees involve in the managing of the supply chain function in the company, for example, personnel from procurement, warehouse, logistics and planning department and finance.

### Methodology:

This training will involve the following area to enhance learning:

- Power point presentation
- Case studies & Brain storming session
- Discussion on subject of learning
- Facilitating by trainer to enhance understanding of subject matter
- Exercise to evaluate participants understanding

### Learning Objective / Outcomes:

By the end of the 2 days session, the learning curve achieve will enable the following:-

- UNDERSTAND** the key elements of strategic sourcing to ensure effective sourcing
- UNDERSTAND** the key differences on the different types of tendering system
- DIFFERENTIATE** the main different between traditional sourcing and tendering
- IDENTIFY** The type of strategy to be in place to manage the procurement and inventory operation
- UNDERSTAND** the effective method of cost saving
- DEVELOP** action plan to implement supplies management strategies
- CARRY OUT** risk assessment of suppliers during selection and supplies to prevent issue of non supplies and other issue from occurring
- UNDERSTAND** key issue in procurement contract management system
- UNDERSTAND** the key principle and concept of inventory management and take step to overcome any issue in supplies disruption



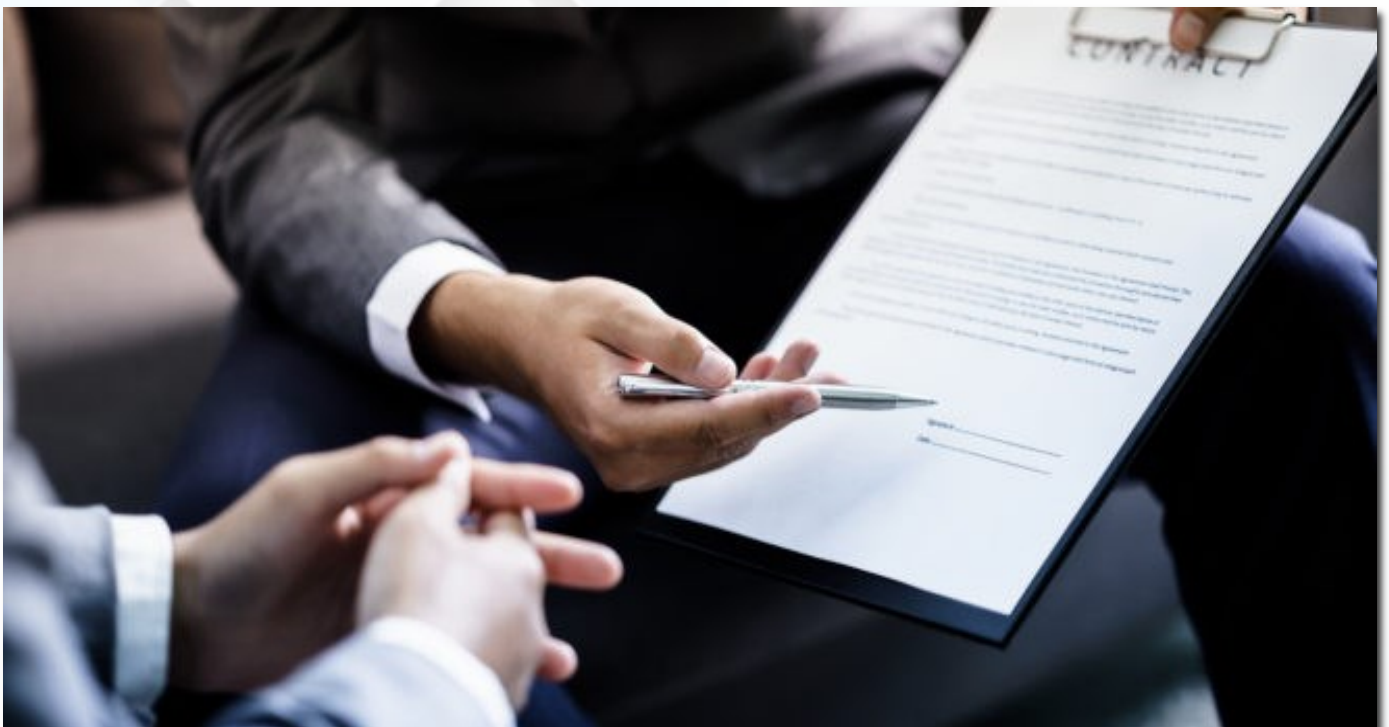
## COURSE OVERVIEW

Procurement function is one of the main strategic, if not the most important function in a business organization. Company profitability and ability to drive up market share usually relying on an effective and efficient procurement management system

This 2 days training program is designed to bring awareness, knowledge, skill, and technique to managing a effective and strategic procurement operation.

In this program, driven by a trainer with over 30 years experiences in supply chain and procurement management, participants will learn the key principal of strategic procurement management and how to implement action plan to correct any weaknesses in their current operation.

**Key areas covered by this training related to procurement management are role of procurement and business challenges, strategic and tactical strategies of procurement, inventory management, managing procure to pay system and contract management.**



## COURSE CONTENT

### Module 1 – The Role of Procurement & Purchasing

- Definition of Purchasing versus Procurement
- Role and Job function of Purchasing versus Procurement
- Cycle of Procurement
- Key Fundamental of Effective and Efficient Procurement

### Module 2 – Strategic and Tactical Objective and Goal of Procurement

- Definition of Strategic versus Tactical
- The Ps, Q, and Rs of Procurement
- Key Objectives of Procurement and Purchasing
- Strategic and Tactical role of Procurement

### Module 3 – Supplier Sourcing, Management and Cost Evaluation

- Strategic Sourcing Strategy and the different level of sourcing
- Competitiveness Model for Strategic Procurement system
- Value Chain creation in procurement
- Supplier Quality Management
- Supplier Relationship Management
- Supplier Performance Management
- Supplier Management Process Cycle
- Cause and Effect Technique (5 Why and 1 How) for problem evaluation
- Strategic Cost Evaluation with Should Costing
- Strategic Cost Analysis for best pricing
- Price Analysis versus Cost Analysis
- Supplier Segmentation Management
- Breakout room discussion

### Module 4 – Preventing Procurement disruption - Third Party Risk Management

- Definition of 3rd party risk management
- Cycle of 3rd party risk management
- 1st, 2nd and 3rd Tier suppliers
- Securing supplies with 10 C selection and evaluation
- Conducting audit and key areas of audits

### Module 5 – Cost Reduction and Cost Avoidance

- Cost Reduction versus Cost Avoidance
- Area of Cost Reduction and Cost Avoidance
- Key Factors to consider in Cost Reduction
- Dynamic discounting
- ERRANT cost reduction and avoidance strategy
- Break out room discussion

### Module 6 – Inventory Management System

- Type of Inventory
- Principal of Inventory Management
- Best Practices of Inventory Management
- Cycle Counting
- Pareto Analysis
- Lean Inventory Management

### Module 7 – Introduction to Procurement Contract

- Purpose of contract
- Life Cycle of contract
- Dispute clause
- Liability of each party
- Ethics of supply chain
- Termination and extension
- Law on contract in Malaysia (Sales of Good Act Malaysia)
- Cost plus contract versus Fixed Cost Contract
- Incoterms rule of delivery