

# **In-Company Training Workshops**



**International Institute for  
Advanced Purchasing & Supply**

## The IIAPS Way to Professional ‘Best Practice’

IIAPS offers a unique web-based approach to training and continuous professional development. This approach focuses primarily on activity and task-based competence development for all of the pre- and post-contractual steps in the strategic sourcing process.

Since some people learn best in face-to-face (F2F) environment we also offer traditional 2-day instructor-led, in-company workshops providing a lecturing, case study and classroom-based learning experience. These workshops provide a more traditional way of learning about general business management issues, and all of the key activities and tasks within the procurement and strategic sourcing process.



IIAPS provides a number of 2 day in-company training workshops (as listed below). All IIAPS instructors are experts in the purchasing and supply management field, with extensive academic and/or practical experience. The workshops can be modified for 1 day or longer.

IIAPS is also able to provide bespoke in-company training programmes about any, and all, aspects of purchasing and supply management. Please contact us for further details.

### The IIAPS In-Company Training Workshops

The following standard 2-day in-company training workshops are currently available:

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|---|--|
| 1. Foundations of Sustainable Business Success            | 14. Defining Business Needs, Value Propositions & KPIs   |
| 2. Business-to-Business Relationship Management           | 15. Understanding Demand & Supply Levers                 |
| 3. Managing International Business and Political Risks    | 16. Activity-Based Costing & Target Costing              |
| 4. Effective Insourcing and Outsourcing Management        | 17. RFIs & Purchase Price Cost Analysis (PPCA)           |
| 5. Effective Marketing and Demand Management              | 18. Selecting Strategic & Tactical Sourcing Options      |
| 6. People and Process Alignment                           | 19. Pre-Qualifying & Selecting Suppliers for Market Test |
| 7. Effective Supply Chain Management                      | 20. Managing the Bidding & Market Test Process           |
| 8. Principles of Effective Project Management             | 21. Managing Negotiation & Contract Award                |
| 9. Principles of Strategic Sourcing & Category Management | 22. Managing Supplier Relationships                      |
| 10. Strategic Source Planning Techniques                  | 23. Supplier Performance Management                      |
| 11. Managing Lean and Efficient Operations                | 24. Risk & Opportunity Management                        |
| 12. Introduction to Procurement Operations                | 25. The QV® Sourcing Strategy Development Workshop       |
| 13. Segmentation, Strategy Team & Stakeholder Management  |  |

The contents and deliverables from each of these workshops are explained in more detail overleaf.

IIAPS also provides 27 e-Learning Theory Modules and 31 e-Learning Praxis Modules, as part of an on-line advanced international professional qualification for purchasing and supply chain management managers. For further information about these and our *Green Belt*, *Red Belt* and *Black Belt* programmes please contact IIAPS through [www.iiaps.org](http://www.iiaps.org).

# Training Workshop 1

## Foundations of Sustainable Business Success

### Target Audience

*Workshop aimed at:*

- Senior and Middle Managers in all Functions and Divisions
- High-flying Junior Managers and New Entrants

### Deliverables

*An understanding of:*

- The basic principles of business success and failure
- How to create customer “lock-in” and market closure
- Leveraging value from upstream and downstream business relationships

### Day One: Foundations of Business Success

- ***The Business Strategy Debate:*** Competitive Market Advantage, Core Competence and Distinctive Capabilities Thinking
- ***The Importance of Critical Asset Management:*** Creating Rent-Earning rather than Normal Returns from Supply Chain Resources
- ***First Principles of Strategy:*** Strategic Positioning in Supply Chains, Value Chains and Markets
- ***The Essence of Success:*** Power through Market Closure, Choke Points and Isolating Mechanisms

### Day Two: The Four Principles of Sustainable Strategic Focus and Leverage

- ***Downstream Customer Focus:*** Segmenting and Differentiating Customer Value Propositions and the Functional Utilities in Supply Relationships
- ***Horizontal Competitor Focus:*** Industry and Market Structure, Competitive Rivalries, Horizontal Joint Ventures and Alliances and Substitutes
- ***Internal Differentiation Focus:*** Linking and Leveraging Employee Competencies with Unique Internal Supply Offerings and the Treadmill of Operational Effectiveness
- ***Vertical Supply Chain Focus:*** Buyer and Supplier Power, Forward and Backward Integration, Supply Joint Ventures and Alliances

# Training Workshop 2

## Business-to-Business Relationship Management

### Target Audience

*Workshop aimed at:*

- All Senior and Middle Managers involved in managing vertical, horizontal and associational business-to-business relationships
- High-flying Junior Managers and New Entrants

### Deliverables

*An understanding of:*

- The three major types of business-to-business relationships
- How success and failure occurs in each type of relationship
- The major tools and techniques available for forecasting tensions and resolving crises in relationships

### Day One: Managing Vertical and Horizontal Relationships

- ***Understanding Vertical Business-to-Business Relationships:*** Tools and techniques for analysing and managing relationships between buyers, suppliers and customers
- ***Managing Vertical Business-to-Business Relationships:*** Cases in the successful and unsuccessful management of vertical business-to-business relationships
- ***Understanding Horizontal Business-to-Business Relationships:*** Tools and techniques for analysing and managing relationships with competitors
- ***Managing Horizontal Business-to-Business Relationships:*** Cases in the successful and unsuccessful management of horizontal business-to-business relationships

### Day Two: Managing Relationships and Problems in Relationships

- ***Understanding Associational Business-to-Business Relationships:*** Tools and techniques for analysing and managing relationships with non-competitors, public bodies, quangos, suppliers and customers
- ***Managing Associational Business-to-Business Relationships:*** Cases in the successful and unsuccessful management of associational business-to-business relationships
- ***Forecasting and Measuring Tensions in Business Relationships:*** Equity and non-equity-based relationship assessment tools and techniques
- ***Resolving Crises in Business-to-Business Relationships:*** Tools and techniques for analysing and managing the structure of power before and after relationships are created

### Training Workshop 3

# Managing International Business and Political Risks

#### Target Audience

*Workshop aimed at:*

- All Senior and Middle Managers involved in managing overseas business relationships
- High-flying Junior Managers and New Entrants

#### Deliverables

*An understanding of:*

- The basic principles of business and political risk
- How globalisation will impact on business performance
- How political risk may limit, or provide opportunities for, business success

#### Day One: Understanding and Managing Business Risks

- **Defining Business Risks:** Types of business risk in international trade and globalisation
- **International Trade and Global Sourcing Risks:** Selecting between arm's-length international trading; franchising and licensing; strategic joint ventures; and, global integrated sourcing
- **Trends in International Trade and Globalisation:** Recent and future trends in tariff policy; trade Flows; and, Foreign Direct Investment (FDI)
- **Managing Financial and Currency Exposure:** Causes of short-term and long-term currency risks; types of exposure; and, techniques for managing exposure risks

#### Day Two: Understanding and Managing Political Risks

- **Defining Political Risks:** The meaning of political risk and the types that companies commonly experience in globalised operations
- **Political Risk Analysis:** Types of political risk; types of political philosophies and ideologies; systems of political economy; and, standard policy measures
- **Forecasting and Measuring Political Risks:** Institutional, actor-based, decision-tree and scenario approaches; extrapolation; regression; indexing; judgmental; and, brainstorming techniques
- **Linking Political and Business Risks:** Tools and techniques for measuring the quantum of the opportunity with the risk of occurrence and the risks to operational sustainability of business and political risks

### Training Workshop 4

# Effective Insourcing and Outsourcing Management

#### Target Audience

*Workshop aimed at:*

- All Senior and Middle Managers in Procurement and Supply, Production, R&D and Finance Functions and Divisions
- High-flying Junior Managers and New Entrants

#### Deliverables

*An understanding of:*

- The basic principles of make/buy and Insource/outsource decision-making
- The importance of understanding dynamic buyer and supplier relationships after outsourcing
- How to improve the performance measurement and control of material, financial and information flows after outsourcing

#### Day One: Principles of Strategic Sourcing

- **Retaining Critical Assets:** A methodology is provided to allow delegates to understand which resources and competencies should be retained in-house at all costs. An introduction to the exchange relationship between supply and value chains and the dynamic nature of supply chain resources is provided
- **Break-out Session on Insourcing Critical Assets:** Delegates will work through case studies and/or their own examples of make/buy decision-making to understand which resources and competencies are critical and should be retained in-house at all costs
- **Avoiding, Adverse Selection Unforeseen Transaction Costs & Moral Hazard:** An introduction is provided to the key reasons why adverse selection, unforeseen transaction cost & moral hazard decisions are normally made. A sourcing selection methodology is provided to allow delegates to understand the key issues that must be addressed
- **Break-Out Session on the Avoidance of Adverse Selection:** Delegates map out the key sources of adverse selection in a series of case studies and/or use their own examples

#### Day Two: Appropriateness in Managing Outsourced Supply Relationships

- **Flow Management in Supply and Value Chains:** Recognising the three types of flow in outsourcing relationships - material, finance and information
- **Performance Measurement and Control for Materials Flow:** Understanding the customer value proposition and the power barriers in the supply chain network of buyer/supplier relationships
- **Performance Measurement and Control for Financial Flow:** Understanding the transparency of the financial relationship between quality and cost in the supply chain
- **Performance Measurement and Control in Information Flow:** Understanding the points of information asymmetry in the supply chain and the impact of new Internet technology on existing power structures

# Training Workshop 5

## Effective Marketing and Demand Management

### Target Audience

*Workshop aimed at:*

- All Senior and Middle Managers involved in Marketing, Business Strategy, R&D, Production and Procurement and Supply
- High-flying Junior Managers and New Entrants

### Deliverables

*An understanding of:*

- The basic principles of marketing and demand management
- How to think effectively about customer value propositions and functional utilities
- How to create effective offensive and defensive marketing strategies for sustainable and competitive markets

### Day One: Understanding Demand Management

- **Segmenting Types of Customers:** Recognising the importance of differentiating between individual and business-to-business customers
- **Segmenting Types of Value Propositions:** Understanding the relationship between quality and cost in the preferences of different types of customers
- **Segmenting Functional Utilities:** Understanding the types of functional utility that specific categories of customers value
- **Managing Demand Effectively:** Linking customer types to value propositions and functional utilities

### Day Two: Devising Effective Marketing Strategies

- **Creating Customer Lock-in Through Innovation in Supply:** Understanding the dilemma of the first-mover and the need for effective knowledge management
- **Defining the Boundary of the Firm for New Product Development:** Understanding the need for a sustainable operational margin through effective make/buy and outsourcing
- **Sustaining Customer Lock-in:** The role of isolating mechanisms and uncertain imitability as the basis for market closure in new product offerings
- **Constructing Marketing Strategies:** Tools and techniques for creating offensive and defensive strategies in sustainable and agile marketplaces

# Training Workshop 6

## People and Process Alignment

### Target Audience

*Workshop aimed at:*

- All Managers involved in Creating, Delivering and Sustaining Operational Processes and Systems
- High-flying Junior Managers and New Entrants

### Deliverables

*An understanding of:*

- The principles of organisational theory and structure
- The relationship between people and process in delivering effective and efficient performance
- How to construct an operational improvement path for competence development

### Day One: Understanding Organisation Theory and Structure

- ***The Importance of Organisations:*** Organisations as social entities, goal achievers, co-ordinated activity centres and links to the external environment
- ***The Problems of Organisations and Change Management:*** The structural reification of the past and the barriers to innovation in existing organisational designs and fads
- ***The Problem of Misaligned People and Process Competencies:*** The specification and measurement of core competencies versus the need to establish dynamic stretch targets
- ***Creating a Knowledge-Based and Learning Organisation:*** The problem of learning and knowledge transfer, information asymmetry and closure issues in product and organisational design

### Day Two: Aligning the Competence of People with Process Requirements

- ***Understanding the Alignment Process:*** The importance of supply chain and value chain thinking and the demystification of structures based on functionality
- ***Specifying People Competencies:*** Linking supply and value chain delivery to human process and skill capabilities
- ***Creating an Appropriately Dynamic Internal Organisational Structure:*** Selecting process and matrix structures to link people capabilities to the types of supply and value chains within the organisation
- ***Creating an Appropriate Internal Performance Measurement System:*** Models for specifying and defining appropriate improvement paths to achieve internal strategic and operational effectiveness

# Training Workshop 7

## Effective Supply Chain Management

### Target Audience

*Workshop aimed at:*

- All Senior and Middle Managers in Procurement and Supply, Production, R&D and Finance Functions and Divisions
- High-flying Junior Managers and New Entrants

### Deliverables

*An understanding of:*

- The basic principles of Supply and Value Chain Mapping
- The concept of Power Regimes and Sub-Regimes
- When and how to use Lean and/or Agile Supply Chain Management approaches

### Day One: Understanding Types of Supply Chain Power Regime

- **Managing Value Chains and Supply Chains:** Delegates are introduced to the 3 value flows (information, material and money) in supply chains. The differences between value chains and supply chains are explained and a methodology is provided to differentiate between types of process and project supply chain, and between agile and lean supply chain management approaches
- **Break-Out Session Mapping Types of Supply Chain:** Delegates map-out a range of supply and value chains and different supply chain management approaches using case examples and/or their own examples
- **Understanding Power Regimes:** Having mapped the descriptive properties of supply chains delegates are introduced to the concept of power regimes and the problem of appropriate sub-regime management approaches in supply chain networks
- **Break-Out Session Mapping Power Regimes:** Delegates map-out a series of power regimes and link these to appropriate ways of managing using cases and/or their own examples

### Day Two: Selecting the Supplier and Negotiating the Deal

- **Tools and Techniques for Lean Supply Chain Management:** Delegates are introduced to the main waste reduction value stream mapping tools and techniques for lean supply chain management
- **Break-out Session Mapping Opportunities for Waste Reduction and Lean Supply Chain Management:** Delegates use value stream mapping tools and techniques to ascertain the scope for waste reduction and performance improvement using case studies and/or their own examples
- **Tools and Techniques for Agile Supply Chain Management:** Delegates are introduced to the main innovation tools and techniques for flexible response and agile supply chain management
- **Break-Out Session Mapping Opportunities for Innovation and Agile Supply Chain Management:** Appropriate delegates use flexible response and agile supply management tools and techniques to improve innovation capability using case examples and/or their own examples

# Training Workshop 8

## Principles of Effective Project Management

### Target Audience

*Workshop aimed at:*

- All Managers involved in the management of complex projects

### Deliverables

*An understanding of:*

- How to create a rigorous and robust pre-contractual project management process in different types of project environment
- How to create a rigorous and robust post-contractual project management process in different types of project environment

### Day One: Creating the Pre-Contractual Project Management Process

***Creating a Rigorous & Robust Management Process Pre-Contractually by focusing on:***

- How to identify the appropriate project make/buy decision
- How to identify the appropriate relationship management approach at the Client-Design-Contractor Interface (EPC / EPIC / SCM Integration)
- How to determine and assign project risks and create project risk mitigation strategies
- How to quantify project risks using Return on Investment (ROI) techniques
- How to prioritise project risk management strategies
- How to link alternative forms of relationship management (arm's-length or collaborative) and contracts (comprehensive clause or relational) to types of projects

***Pre-Contractual Project Management Break-Out Session:***

- Analysing Alternative pre-contractual project management processes for different types of project environment

### Day Two: Managing the Project Post-Contractually

***Creating a Rigorous & Robust Project Management Process Post-Contractually by focusing on:***

- How to assign roles & responsibilities and manage project interfaces in short-term arm's-length project management models
- How to assign roles & responsibilities and manage project interfaces in long-term collaborative project management models
- Post-contractual incentivisation models for project performance improvement
- Post-contractual conflict management and dispute resolution

***Post-Contractual Project Management Break-Out Session:***

- Analysing alternative post-contractual project management processes for different types of project environment

# Training Workshop 9

## Principles of Strategic Sourcing and Category Management

### Target Audience

*Workshop aimed at:*

- All Managers in Procurement and Supply, Marketing, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

### Deliverables

*An understanding of:*

- The principles governing strategic sourcing decisions and the construction of an effective category management processes pre- and post-contractually
- The major positioning tools and techniques used in strategic sourcing and category management
- How to apply the principles of value for money leverage in different categories of spend

### Day One: Principles of Strategic Sourcing

*The Principles of Strategic Sourcing focusing on:*

- The meaning of value in buyer and supplier exchange
- The problem of win-win in buyer and supplier exchange
- Understanding the 8-step strategic sourcing process
- Understanding the competence and congruence requirements of suppliers
- Understanding the link between pre-contractual and post-contractual leverage

*Strategic Sourcing Break-Out Session:*

- Analysing supplier competence and congruence for different types and criticality of spend

### Day Two: Principles Of Category Management

*The Principles of Category Management focusing on:*

- The use of positioning tools and techniques for effective strategy selection
- Five Forces and Competition Analysis
- Power Positioning Analysis
- Supplier Customer Positioning Analysis
- Relationship and Performance Management Positioning Analysis
- Portfolio Analysis techniques

*Category Management Break-Out Session:*

- Analysing suppliers and strategic opportunities and threats using positioning tools and techniques

# Training Workshop 10 Strategic Source Planning Techniques

### Target Audience

#### *Workshop aimed at:*

- All Senior and Middle Managers involved in Managing Business-to-Business and Supplier and Supply Chain Relationships
- High-flying Junior Managers and New Entrants

### Deliverables

#### *An understanding of:*

- The QV® Strategic Sourcing Methodology
- The appropriate demand and supply focus needed to improve buyer leverage
- Sourcing scenario options under very different supply chain and buyer and supplier circumstances

### Day One: Principles of Strategic Source Planning

- ***Tools and Techniques for Power Positioning, Relationship Management and Leverage with Power:*** A brief introduction to the QV® Strategic Sourcing Methodology, including an outline of the Criticality of Spend Matrix, the Power Matrix, as well as the Relational Competence and Congruence Matrix, and the Relationship Matrices. Detailed presentation of the Power and Value Mapping Methodology.
- ***Break-out Session Mapping the Existing Buyer and Supplier Relationship:*** Delegates map-out the current criticality of a category of spend they are analysing, before plotting the current power circumstance and relationship management styles of themselves and the key suppliers they are currently working with.
- ***Introduction to Demand Management Leverage Opportunities:*** Having mapped the current power and relationship management approaches of the buyer and supplier for the category of spend to be analysed, delegates are introduced to the key demand management questions that must be answered to understand the scope for augmentation of buyer power and redefinition of competence, congruence and relational performance metrics in the Power and Value Mapping Matrix.
- ***Introduction to Supply Management Leverage Opportunities:*** Delegates now focus on the key supply management questions that must be answered to understand the scope for augmentation of buyer power and redefinition of competence, congruence and relational performance metrics in the Power and Value Mapping Matrix.

### Day Two: Operationalisation of Strategic Source Planning

- ***Power and Value Mapping in Practice:*** This session outlines how Power and Value Mapping is operationalised using all of the Matrices introduced during Day 1. Worked through examples of effective leverage under particular project and process supply chain and power regime environments are explained.
- ***Break-out Sessions on Project and Process Strategic Source Planning:*** Delegates are provided with two distinct case studies. One is in a process and one is in a project environment. The aim is for delegates to develop their own Power and Value Maps for the category/item of spend to be sourced and then arrive at improvement scenarios for more effective leverage of supplier relationships.
- ***Plenary Discussion and Feedback:*** Having presented their own sourcing options for improved leverage these options are then compared with Newpoint sourcing scenario options and a general discussion about operationalising the QV® Strategic Source Planning Methodology completes the workshop.

# Training Workshop 11

## Managing Lean and Efficient Operations

### Target Audience

#### *Workshop aimed at:*

- All Managers involved in creating, delivering and sustaining internal operational processes and systems & supply chain & logistics processes
- High-flying Junior Managers and New Entrants

### Deliverables

#### *An understanding of how to:*

- Develop a competence in Process Mapping to create codified knowledge and understanding of the business and its supply chain relationships, activities and resources
- Provide an operational improvement migration path to remove all unnecessary waste and inefficiency from current processes and to improve the performance of supply chain management

### Day One: The Principles of Lean and Effective Operations

- ***The Principles of Demand and Supply Alignment:*** The power of customer value propositions and functional utilities, and the need to align these non-functionally with supply capabilities
- ***The Principles of Lean Thinking:*** Attacking the ten major areas of waste and inefficiency in all operational processes and systems plus how to identify which resources and activities in the process are essential and value adding (EVA), which are required but non-value adding (RNVA) and which are unnecessary and non-value adding (UNVA)
- ***Linking Demand and Supply Alignment and Lean Thinking:*** Tools and techniques to align demand and supply effectively and efficiently, and tools and techniques to take-out waste
- ***Understanding Power in Alignment and Lean Thinking:*** Tools and techniques to understand positive and countervailing power within organisations

### Day Two: Operationalising Lean and Effective Management

- ***Cases in Successful Alignment and Lean Thinking:*** Break-out sessions benchmarking current performance against best-in-class practice
- ***Cases in Unsuccessful Alignment and Lean Thinking:*** Break-out sessions benchmarking current performance against worst in-class practice
- ***Recognising the Key Obstacles to Alignment and Lean Operations:*** Tools and techniques for specifying and prioritising standard obstacles to operational innovation
- ***Creating Implementation Strategies for Alignment and Lean Operations:*** The Operational Alignment and Lean Management Matrix and Resource Allocation Model

## Training Workshop 12

# Introduction to Procurement Operations

### Target Audience

#### *Workshop aimed at:*

- All Junior and Middle Managers in Procurement and Supply, Production, R&D, Marketing and Finance Functions and Divisions
- All New Entrants in these Functions

### Deliverables

#### *An understanding of:*

- The basic principles of procurement and negotiation
- The major tools and techniques that are used in the pre-contractual phases of supplier selection and development
- How to undertake a rigorous approach to pre- and post-contractual negotiation

### Day One: Understanding the Buying Circumstances

- ***The Context of Professional Procurement and Sourcing:*** The trade-off between value for money, time and buyer and supplier power
- ***Cost and Value Analysis:*** Tools and techniques for understanding cost drivers, price and value for money
- ***Quotation Analysis:*** Tools and techniques for undertaking an effective quotation analysis exercise
- ***Power and Competition Analysis:*** Tools and techniques to segment power structures and to undertake effective competition analysis

### Day Two: Selecting the Supplier and Negotiating the Deal

- ***Contract and Relationship Management:*** Tools and techniques for selecting “fit-for-purpose” relationships and contracts
- ***Supplier Selection:*** Tools and techniques to assist in the formation of the appropriate internal team and in the making of the correct choice of supplier
- ***Supplier Development:*** Tools and techniques for measuring the performance and developing the competence of suppliers
- ***Effective Negotiation Management:*** Tools and techniques for the professional management of pre- and post-contractual negotiation

### Training Workshop 13

# Segmentation, Strategy Team and Stakeholder Management

#### Target Audience

*Workshop aimed at:*

- All Managers in Procurement and Supply, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

#### Deliverables

*An understanding of:*

- The principles of spend criticality analysis and the use of segmentation techniques by types of category of spend
- The principles of strategy team selection by types of category of spend
- The principles of stakeholder management by types of category of spend

#### Day One: Principles of Category Segmentation

- **Segmentation Options for Category Management:** The strengths and weaknesses of different category and sub-category aggregation and disaggregation models for different types and criticality of spend
- **Organisational Options for Category Management:** The strengths and weaknesses of different organisational aggregation and disaggregation models for different types and criticality of spend
- **Geographical Options for Category Management:** The strengths and weaknesses of different geographic aggregation and disaggregation models for different types and criticality of spend
- **Segmentation Break-Out Session:** Testing the utility of alternative segmentation models and methods by spend criticality for different types and criticality of spend

#### Day Two: Principles of Strategy Team and Stakeholder Management

- **Appropriateness in Strategy Team Selection:** Selecting appropriate teams and roles for different types and criticality of spend
- **Team Selection Break-Out Session:** Testing the utility of alternative teams and roles for different types and criticality of spend
- **Appropriateness in Stakeholder Management:** Selecting appropriate stakeholders and communication strategies for different types and criticality of spend
- **Stakeholder Management Break-Out Session:** Testing the utility of alternative stakeholder management and communication strategies for different types and criticality of spend

### Training Workshop 14

# Defining Business Needs, Value Propositions and KPIs

#### Target Audience

*Workshop aimed at:*

- All Managers in Procurement and Supply, Marketing, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

#### Deliverables

*An understanding of:*

- The principles of value in use and exchange in buyer and supplier relationships
- How to define alternative value propositions for customers and clients
- How to create, measure and weight value proposition KPIs and understand supplier competence and congruence

#### Day One: Defining Business Needs and Value Propositions

**Understanding Customer & Client Needs:** The principles of internal demand management focusing on:

- The meaning of value in buyer and supplier exchange
- The concepts of use and exchange value
- Understanding and specifying trade-offs between use and exchange value
- Differentiating between wants and needs
- Creating a value proposition Trade-Off and Outcomes Matrix for different technical options

**Value Proposition Break-Out Session:**

- Testing the utility of alternative value proposition trade-offs and outcomes for different types and criticality of spend

#### Day Two: Linking Value Propositions and KPIs

**Designing, Specifying Value Propositions & KPIs:** The principles of value proposition design and KPI management focusing on:

- Designing and specifying technical / functionality (quality) aspects of value
- Designing and specifying technical / service (delivery) aspects of value
- Designing and specifying commercial / price (cost of ownership) aspects of value
- Creating, measuring and weighting appropriate Key Performance Indicators (KPIs) for supplier evaluation and selection
- Techniques for evaluating supplier technical competence and commercial congruence

**KPI Break-Out Session:**

- Testing the impact of alternative KPI measurement and weighting approaches on supplier evaluation outcomes for different types and criticality of spend

## Training Workshop 15

# Understanding Demand and Supply Levers

### Target Audience

#### *Workshop aimed at:*

- All Managers in Procurement and Supply, Marketing, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

### Deliverables

#### *An understanding of:*

- The principles behind, and techniques used for, effective internal demand management
- The principles behind, and techniques used for, effective external supply market, supplier and supply chain management
- How to apply the principles for different types of spend criticality

### Day One: Principles of Effective Demand Management

#### ***Understanding Demand Levers:*** The principles of internal demand management focusing on:

- Redefinition of customer and client value propositions
- Aggregation and consolidation techniques
- Disaggregation and lot optimisation techniques
- Redefinition of design and specification techniques
- Demand management techniques
- Key demand management questions and issues

#### ***Demand Management Break-Out Session:***

- Testing the utility of alternative demand management techniques for different types and criticality of spend

### Day Two: Principles of Effective Supply Management

#### ***Understanding Supply Levers:*** The principles of external supply management focusing on:

- Supply Market Analysis techniques
- Supplier analytical techniques
- Supply chain mapping and management techniques
- Key supply market, supplier and supply chain management questions and issues

#### ***Supply Management Break-Out Session:***

- Testing the utility of alternative supply management techniques for different types and criticality of spend

# Training Workshop 16

## Activity-Based Costing and Target Costing

### Target Audience

*Workshop aimed at:*

- All Managers in Procurement and Supply, Marketing, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

### Deliverables

*An understanding of:*

- How to apply the principles of activity-based costing for different types of spend criticality
- How to apply the principles of target costing for different types of spend criticality

### Day One: Activity-Based Costing Techniques

*The Principles of Activity-Based Costing focusing on:*

- The principles of zero-based cost analysis
- The principles of Process Mapping
- The measurement techniques for value adding (VA), non-value adding (NVA) and essential non-value adding (ENVA) activities
- Understanding when activity-based costing is, and is not, appropriate

*Activity-Based Costing Break-Out Session:*

- Testing the utility of activity-based costing techniques for different types and criticality of spend

### Day Two: Target Costing Techniques

*The Principles of Target Costing focusing on:*

- Techniques for understanding operational, overhead and profit allocations
- Techniques for understanding supplier fixed costs
- Techniques for understanding supplier variable costs
- Techniques for understanding supplier semi-fixed / semi-variable costs
- Techniques for understanding supplier asset turn ratios

*Target Costing Break-Out Session:*

- Testing the utility of target costing techniques for different types and criticality of spend

## Training Workshop 17

# RFIs and Purchase Price Cost Analysis (PPCA)

### Target Audience

#### *Workshop aimed at:*

- All Managers in Procurement and Supply, Marketing, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

### Deliverables

#### *An understanding of:*

- How to construct a rigorous and robust Request for Information (RFI) process
- How to create a rigorous and robust approach to Purchase Price Cost Analysis (PPCA)

### Day One: Creating Requests For Information (RFIs)

**The RFI Process:** How to construct a rigorous and robust Request for Information (RFI) process focusing on:

- Key technical / functionality (Quality) issues to address
- Key technical / service (Delivery) aspects to address
- Key commercial / price (cost of ownership) aspects to address
- How to evaluate responses in terms of supplier technical competence and commercial congruence

#### **RFI Break-Out Session:**

- Creating RFIs for different types and criticality of spend

### Day Two: Undertaking Purchase Price Cost Analysis (PPCA)

**Understanding Purchase Price Cost Analysis:** How to construct a rigorous and robust PPCA process focusing on:

- Techniques for understanding operational, overhead and profit allocations
- Techniques for understanding supplier fixed costs
- Techniques for understanding supplier variable costs
- Techniques for understanding supplier semi-fixed / semi-variable costs
- Techniques for understanding supplier asset turn ratios

#### **PPCA Break-Out Session:**

- Creating PPCAs for different types and criticality of spend

# Training Workshop 18

## Selecting Strategic and Tactical Sourcing Options

### Target Audience

*Workshop aimed at:*

- All Managers in Procurement and Supply, Marketing, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

### Deliverables

*An understanding of:*

- How to understand and select between alternative strategic sourcing options under different circumstances and types of spend
- How to understand and select between alternative tactical sourcing options under different circumstances and types of spend throughout the business

### Day One: Selecting Strategic Sourcing Options

***Understanding the Strategic Sourcing Selection Process:*** How to select between strategic sourcing options focusing on:

- The 6 key strategic sourcing options available for buyers
- The key power and leverage positioning techniques available for buyers
- The key marketing and Sales positioning techniques available for Suppliers
- The key relationship and performance management techniques available for buyers
- The key portfolio management techniques available for buyers
- The appropriateness of strategic sourcing options under different buyer and supplier circumstances

***Strategic Options Break-Out Session:***

- Providing different strategic sourcing options to select from under changing buyer and supplier circumstances and for different types and criticality of spend

### Day Two: Selecting Tactical Sourcing Options

***Understanding the Tactical Sourcing Selection Process:*** How to select between 100+ tactical sourcing options focusing on:

- The key design and specification levers available for buyers
- The key volume levers available for buyers
- The key demand management levers available for buyers
- The key internal value and process improvement levers available for buyers
- The key supply market levers available for buyers
- The key contractual levers available for buyers
- The key external value and process improvement levers available for buyers
- The appropriateness of tactical sourcing options under different buyer and supplier circumstances

***Tactical Options Break-Out Session:***

- Providing different tactical sourcing options to select from under changing buyer and supplier circumstances and for different types and criticality of spend

# Training Workshop 19

## Pre-Qualifying and Selecting Suppliers for Market Test

### Target Audience

*Workshop aimed at:*

- All Managers in Procurement and Supply, Marketing, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

### Deliverables

*An understanding of:*

- How to create a rigorous and robust Pre-qualification Questionnaire (PQQ) process
- How to undertake a rigorous and robust pre-qualification and evaluation process

### Day One: Defining the Pre-Qualification Questionnaire (PQQ) Process

*Creating the PQQ Process focusing on:*

- Understanding and defining the technical competence requirements from suppliers
- Understanding and defining the commercial congruence requirements from suppliers
- Understanding and defining the internal barriers to successful sourcing strategy implementation
- Understanding and defining the external barriers to successful sourcing strategy implementation
- Creating a rigorous and robust evaluation framework
- Creating a rigorous and robust PQQ process

*The PQQ Break-Out Session:*

- Creating PQQ processes for different types and criticality of spend

### Day Two: Managing the PQQ Process

*Evaluating and Pre-Qualifying Suppliers focusing on:*

- How to evaluate technical competence requirements
- How to evaluate commercial congruence requirements
- How to evaluate internal and external constraints
- How to select suppliers against evaluation criteria

*The Evaluation Break-Out Session:*

- Undertaking a range of different evaluation exercises for different types and criticality of spend

# Training Workshop 20

## Managing the Bidding and Market Test Process

### Target Audience

*Workshop aimed at:*

- All Managers in Procurement and Supply, Marketing, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

### Deliverables

*An understanding of:*

- How to create a rigorous and robust bid evaluation process for different RFQ / RFP / ITT requirements
- How to evaluate and select preferred suppliers for negotiation and contract award for different RFQ / RFP / ITT requirements

### Day One: Creating the Bid Evaluation Process

*Creating the Bid Evaluation Process focusing on:*

- Developing rigorous and robust bid documentation for RFQ / RFP / ITT requirements
- Creating a rigorous and robust bid evaluation process for RFQ / RFP / ITT requirements
- Creating a rigorous and robust scoring methodology for RFQ / RFP / ITT requirements

*Bids Evaluation Break-Out Session:*

- Creating bid evaluation processes for different types of RFQ / RFP / ITT requirements and criticality of spend

### Day Two: Evaluating & Selecting Preferred Suppliers

*Evaluating and Selecting Preferred Suppliers focusing on:*

- How to evaluate technical competence requirements
- How to evaluate commercial congruence requirements
- How to evaluate internal and external constraints
- How to select suppliers for negotiation and contract award against evaluation criteria

*The Evaluation Break-Out Session:*

- Undertaking a range of different evaluation exercises for different types of RFQ / RFP / ITT requirements and criticality of spend

## Training Workshop 21

# Managing Negotiation and Contract Award

### Target Audience

#### *Workshop aimed at:*

- All Managers in Procurement and Supply, Marketing, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

### Deliverables

#### *An understanding of:*

- How to create a rigorous and robust negotiation and contract award process
- How to recognise the key marketing and sales strategies and tactics available to suppliers and the key negotiation strategies and tactics available to buyers
- How to conduct a negotiation in real-time

### Day One: Managing the Negotiation Process

#### *Understanding How to Construct a Rigorous and Robust Negotiation Process by focusing on:*

- The key marketing and sales strategies and tactics adopted by suppliers
- The key negotiation strategies and tactics available to buyers
- How to create a structured negotiation Process
- How to understand the outcomes from negotiation
- How to manage the problem of win-win and information asymmetry in negotiations
- How to construct a contract award process

### Day Two: Practical Negotiation

- ***Planning for Negotiation:*** Using a case study simulation exercise delegates undertake detailed negotiation planning to conduct a real negotiation exercise
- ***Negotiating the Deal:*** Using a case study simulation exercise delegates conduct a real negotiation exercise either as buyers or suppliers
- ***Understanding the Deal:*** Having completed the negotiation a feedback session is provided to analyse and understand the deal struck and buyer and supplier outcomes

# Training Workshop 22

## Managing Supplier Relationships

### Target Audience

*Workshop aimed at:*

- All Senior and Middle Managers involved in managing business-to-business and supplier relationships
- High-flying Junior Managers and New Entrants

### Deliverables

*An understanding of:*

- The major types of buyer and supplier relationship management styles, under different power circumstances
- How success and failure in performance delivery occurs in each type of relationship scenario
- The major tools and techniques available for forecasting tensions and resolving crises in buyer and supplier relationships

### Day One: Understanding Relationship Management Choices

- **Relationship Management in the Context of Power:** An introduction to the Power Matrix and the exchange relationship circumstances in which buyers and suppliers find themselves. An introduction to the Relationship Management Matrix and the four essential relationship management choices that are available to each party in any exchange relationship. Introduction to the Relationship and Power Matrix, and its sixteen relationship management choices.
- **Break-out Session Mapping Existing Buyer and Supplier Relationships:** Delegates map-out the current power circumstance and relationship management styles of themselves and a number of their key suppliers both pre-contractually and post-contractually.
- **Understanding the Performance Requirements of the Supplier in any Relationship:** Having mapped the current relationship management approaches of the buyer and supplier, delegates are introduced to the Relational Competence and Congruence Matrix. Buyers are introduced to the differences between competence and congruence performance measures under different relationship and power circumstances.
- **Break-out Session Mapping Required Supplier Performance Metrics:** Delegates map-out the competence and congruence metrics that are required from their suppliers in key relationships.

### Day Two: Building, Sustaining and Driving Performance in Relationships

- **Understanding the Bottlenecks to Performance Delivery in Supplier Relationships:** This session outlines the different performance bottlenecks that can occur under different types of relationship. A distinction is made between avoidable and unavoidable obstacles to performance delivery.
- **Break-out Session Mapping Current Bottlenecks to Performance Delivery:** Delegates map-out the currently avoidable and unavoidable obstacles to performance improvement on both the buyer and supplier-side of the relationship, and then rank order the ease with which avoidable obstacles can be resolved.
- **Developing Buyer and Supplier Enabled Improvement Relationships:** Having rank ordered the avoidable obstacles to performance improvement attention is focused on the enablers that will allow for effective joint relationship assessment, crisis management and goal setting to enable delivery of agreed performance improvement delivery.
- **Break-out Session on Joint Buyer and Supplier Relationship Management Strategies:** Delegates create an operational improvement migration path to assess and jointly work through with their suppliers to resolve avoidable conflicts in their current relationships.

# Training Workshop 23

## Supplier Performance Management

### Target Audience

*Workshop aimed at:*

- All Managers in Procurement and Supply, Marketing, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

### Deliverables

*An understanding of:*

- How to create and operate rigorous and robust supplier performance measurement processes

### Day One: Creating the Supplier Performance Measurement Process

*Understanding How to Create a Supplier Performance Measurement Process focusing on:*

- The establishment of the roles and responsibilities for performance measurement
- The creation of scorecards to measure supplier performance against contractually agreed technical and commercial requirements
- The creation of a rigorous and robust performance review and collaboration process
- The creation of a rigorous and robust performance reporting process

*Supplier Performance Measurement Break-Out Session:*

- Creating supplier performance measurement processes for different types and criticality of spend

### Day Two: Managing Supplier Performance

*Understanding How to Create a Supplier Performance Management Processes focusing on:*

- How to create and operate arm's-length supplier performance management processes
- How to create and operate in partially collaborative supplier performance management processes
- How to create and operate in fully collaborative supplier performance management processes

*Supplier Performance Management Break-Out Session:*

- Creating supplier performance management processes for different types and criticality of spend

# Training Workshop 24

## Risk and Opportunity Management

### Target Audience

*Workshop aimed at:*

- All Managers in Procurement and Supply, Marketing, Production, R&D and Finance Functions and Divisions involved in sourcing decisions

### Deliverables

*An understanding of:*

- How to create a rigorous and robust sourcing risk management and mitigation process
- How to create a rigorous and robust sourcing opportunity delivery process

### Day One: Managing Sourcing Risks

*Creating a Rigorous & Robust Sourcing Risk Management Process by focusing on:*

- How to identify sourcing risks in the 8-step strategic sourcing process
- How to create risk mitigation strategies
- How to quantify risks using Return on Investment (ROI) techniques
- How to prioritise risk management strategies

*Risk Management Break-Out Session:*

- Using Monte Carlo Simulation techniques to analyse, develop and prioritise 'real' risk mitigation strategies

### Day Two: Delivering Sourcing Opportunities

*Creating a Rigorous & Robust Sourcing Opportunity Delivery Process by focusing on:*

- How to Identify sourcing opportunities in the 8-step strategic sourcing process
- How to create opportunity delivery strategies
- How to quantify opportunities using Return on Investment (ROI) techniques
- How to prioritise opportunity delivery strategies

*Opportunity Management Break-Out Session:*

- Using Monte Carlo Simulation techniques to analyse, develop and prioritise 'real' opportunity delivery strategies

## Training Workshop 25

# The QV® Sourcing Strategy Development Workshop

### Format and Pre-Workshop Requirements

- Normally 2-day facilitated workshop with 3-day report writing post-workshop.
- It is normally required that participants will have to prepare by collecting relevant data prior to the workshop. Participants are provided with a list of pre-working questions that must be completed prior to attending to enable productive use of the time in the workshop.

### Day One: Understanding Current Strategy and Demand & Supply Variables

- **An Introduction to the QV Methodology:** A brief introduction to the QV® Strategy Development Methodology.
- **Mapping the Current Strategy:** IIPSM staff facilitate a mapping of the current supply chain structure, the current make/buy strategy and the current downstream (customer-facing) and upstream (supplier-facing) strategies in place for the particular business and relationship category being analysed. Key problems with the current strategy are outlined.
- **Introduction to Demand Management Leverage Opportunities:** Having mapped the current power and relationship management approaches of the buyer and supplier for the category being analysed, delegates are introduced to the key demand management questions that must be answered to understand the scope for augmentation of buyer power and redefinition of competence, congruence and relational performance.
- **Introduction to Supply Management Leverage Opportunities:** Delegates now focus on the key supply management questions that must be answered to understand the scope for augmentation of buyer and supplier power and redefinition of competence, congruence and relational performance metrics in the Power and Value Mapping Matrix.

### Day Two: Formulating Future Strategy Options

- **Power and Value Mapping in Practice:** This session outlines how Power and Value Mapping is operationalised using the Matrices introduced during Day 1. The aim of the session is to demonstrate what is known about the physical structure of the supply chain and how revenue and profitability flows amongst the participants in the supply chain.
- **Formulating Strategy Options:** IIPSM staff facilitate a discussion around the theoretically available strategic options for the category being analysed. Following a discussion of the opportunity costs of the available strategic options, the final session focuses on the development of an operational improvement migration path for the organisation to implement within the business to improve leverage and performance.

### Post-Workshop

- **Preparation of Final Report:** A final report is prepared providing: a detailed analysis of the current strategy; the underlying demand and supply characteristics being managed; and, the current power and value map for the category under analysis. This is followed by a description of the theoretically available strategic options for this category and an assessment of the currently most advantageous options for effective leverage of performance. The final report normally requires 3 days work to prepare.

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