

# Procurement Planning and Bid Management

## Why Attend

- Planning is both the most critical and the most challenging phase of any procurement operation. It provides direction towards how the function intends to secure the supply security of the organization. When it comes to bid management, a sound procurement plan will help balance the often conflicting goals of generating savings and satisfying internal customers. In this course, we provide a thorough explanation on how to approach the planning of procurement objectives and initiatives. We delve into the different qualitative and quantitative forecasting techniques as they relate to inventory planning and we demonstrate how different vendor integration strategies can be applied to help sustain operations and projects.

## Course Methodology

- This course uses a variety of individual exercises, team exercises, case studies and videos.

## Course Objectives

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

- Write strategic procurement objectives and initiatives to support long term directions
- Arrange 'spend items' into categories that support planning of go-to-market strategies
- Apply demand forecasting techniques to improve planning of procurement activities
- Generate vendor integration strategies to ensure supply security
- Evaluate vendor bids in a scientific manner to support selection decision making

## Target Audience

- Purchasing and supply chain professionals at all levels of the organization who are involved in planning, sourcing, buying and bid selection activities, as well as personnel who are involved in the purchasing process.

## Target Competencies

- Procurement planning
- Business analysis
- Structured thinking
- Business forecasting
- Inventory planning
- Performance evaluation

### Strategic procurement planning

- Setting procurement mission and objectives
- Selection of improvement initiatives
- Structure-related initiatives
- Systems-related initiatives
- Workstreams-related initiatives
- Culture-related initiatives
- Performance measures and targets
- Communication of procurement plan
- Stakeholder engagement

### Spend category planning

- Spend category profiling
- Spend impact analysis
- Financial impact
- Vendor segmentation
- Market risk analysis
- Value chain analysis
- SWOT analysis
- Porter's five forces
- Risk heat maps
- Vendor risk scores
- Category report consolidation



### Forecasting and demand planning

- The soft side of forecasting
- Tetlock's foxes and hedgehogs
- Taleb's black swan
- Principles of demand planning
- Quantitative forecasting techniques
- Qualitative forecasting techniques

## Vendor integration

- Vendor prequalification process
- Vendor prequalification criteria
- Legal criteria
- Financial criteria
- Technical criteria
- Staff criteria
- HSE criteria
- Service Level Agreements (SLAs)
- Strategic partnering
- Supplier diversity programs

## Bid evaluation and selection

- Bid management process
- Bid evaluation criteria
- Scoring systems and protocols
- Selection and award
- Total Cost of Ownership (TCO) for complex purchases

