



Project Managers Network

Creating capability in Project Management

Project Managers Network Pty Ltd

GPO Box 3558, Sydney NSW 1043, Australia

Fax: (02) 9416-1574

Web: www.pmnetwork.com.au

Course - Managing Supplier Relationships

As organisations have more of their work performed by external Suppliers they also need to increase their level of expertise in managing these relationships to ensure beneficial outcomes for all parties. This very intense one day course covers all the principles and processes of procurement, including contract development and administration, negotiations, resolving issues that arise and finding ways to share risk with Suppliers.

The course whilst mainly focussed on the Principal or Client side, also considers what the Supplier needs to do to engage with the Client.

The course is Suitable for Project or Line Managers and any staff involved in procurement, or in managing Suppliers once items are procured. Also Supplier staff who work closely with Principals/Clients and need to understand their procurement process will find it useful.

The focus is on specialised procurement rather than procurement of commodity items.

Learning Outcomes

At the end of the course Participants will understand:

- The components of the Procurement process
- Techniques to use in applying the process
- A broad understanding of contractual issues and contract administration
- Models for risk sharing with Suppliers
- How to build improve relationships with Suppliers to obtain outcomes which satisfy all parties

Attendance

One day from 9.00 am to 5.00 pm with short breaks for morning /afternoon refreshments and for lunch.

Learning Approach

Each topic will commence with discussion on the general challenges we face in that area of Procurement and ideas for improving our performance. Then we will move onto presentation of ideas and practices drawn from various industry sources.

Some topics will include group exercises on a question based around mini-case scenarios.

A comprehensive workbook of course material including possible templates, and suggested worked solutions for workshop exercises will be provided to each attendee. The workshop draws upon industry sources such as the PMBOK™.

Course Outline

	Topic	Content
1	Introduction and Context	<ul style="list-style-type: none"> • Course format, objectives and resources • Why we use suppliers – issues that arise for both client and supplier • Definitions of terms used and Resource materials • Some “war stories”
2	Process overview	<ul style="list-style-type: none"> • Outline of the Procurement Process and the benefits • View from the Suppliers perspective • Special situations – eg. Outsourcing, Alliances and other relationships • Large and small jobs, formal and informal approaches
3	Procurement planning	<ul style="list-style-type: none"> • Deciding to “make” or “buy” • Defining the Scope of Supply • Approach to procurement - and type of relationship / contract • Risk sharing with Suppliers
4	Solicitation planning	<ul style="list-style-type: none"> • Which Supplier to use – understand the other party’s drivers • Develop procurement documents for Suppliers • Evaluation criteria / process established
5	Solicitation	<ul style="list-style-type: none"> • Issue documents – manage the process • resolve queries – receive proposals
6	Source selection	<ul style="list-style-type: none"> • evaluation of proposals • negotiating the final “deal”- principles of negotiation • principles of contracts • contract development/execution
7	Contract administration	<ul style="list-style-type: none"> • contract changes • performance reporting, SLA’s • payments • disputes and escalation
8	Contract close out	<ul style="list-style-type: none"> • acceptance and closure • evaluation of Suppliers
9	Wrap-up	<ul style="list-style-type: none"> • Skills required for managing Supplier relationships • Improving the organisations performance in Supplier management • Multiple choice questions to review the course material (optional)