

CATEGORY MANAGEMENT

'Getting Behind Price and Cost' Course



This training course is aimed at those in the organization who interface or interact with suppliers, or who are responsible for managing contracts or suppliers where there is significant spend or risk to the business.

The course is designed to provide delegates with some key skills to better understand supplier's pricing and the true cost of what we are buying, and where we can influence this. Essential tools and approaches are included to help be more effective at contract and supplier management where price and cost are key considerations. It will also help to get the most from suppliers and the supply base.

The course is designed to be highly interactive with group work sessions to bring key concepts to life and delegates leave equipped with some key tools to help get behind price and cost. The event is fully customizable and modules can be adapted to meet specific client requirements.

This course is suitable for:

- Anyone who manages a supplier
- Anyone who interfaces with a supplier
- Anyone who wants to learn how to get behind price and cost

You may also be interested in:

- **The Buyer's Toolkit** – Complete online toolkit and resource centre for effective buying, with the option of a program of training to upskill your team. Also summarized in the book by Jonathan O'Brien entitled 'The Buyer's Toolkit'.
- **Procleus®** – The complete online strategic procurement academy, toolkit and resource centre for purchasing professionals. Our Procleus platform enables global procurement teams to deliver remarkable benefits and unlock significant potential from the supply base. Featuring a digital learning library, competency assessment and managed learning programs alongside a suite of processes, tools and templates for procurement and negotiation.
- **Capella** - This world-leading tool will guide you towards creating powerful category strategies that will deliver game-changing value from the supply base for your organization. Also available with Procleus, Capella is intelligent, online, and helps secure supply into the future, deliver cost savings/mitigate price rises, reduce supply-side risk and drive in sustainability in your supply base.
- **Category Determination, Segmentation, Opportunity Analysis and Governance** – Tailored workshops to help you successfully implement category management and realize game changing benefits in your organization. We will work with your senior team to help identify, segment and prioritize the categories you will work on. We can also help you establish the governance necessary to make category management a highly successful contributor to business success. This includes helping you to structure your team, program planning, capability development, benefits tracking and reporting, and internal communications.
- **Digital negotiation platforms** – A range of platforms that provide everything you need to enhance negotiation capability and secure winning outcomes every time. Powered by the Red Sheet negotiation methodology, they bring together a proven process, expert tools, resources and the option of digital learning. Choose from Ruby, the guided negotiation plan creator® with intelligent workflow to collaborate and plan negotiations with your global team, or Ruby With Learning which takes your negotiation planning a step further with an added suite of resources. Available on an annual subscription basis, with significant discounts if purchased with online/classroom training.

We charge per program or event based on a maximum of 20 delegates for classroom events or 30 for our online programs (depending upon the degree of live online facilitation for breakout sessions selected). Our fees include trainers, any travel time (within the EU or US), preparation, basic customization and standard course hand-outs (provided in-person or mailed out to delegates for online programs) but exclude venue and facilities hire, reasonable expenses for classroom events and VAT/sales tax where applicable. Certain locations are subject to fees for additional travel time (although our global network of staff means we have most major locations covered). Unless otherwise agreed, all intellectual property used in training or in hand-outs remains the property of Positive Purchasing Ltd and is provided on the basis that it is for use by the delegate who attends the training event in the course of their work for the company who engages us. Unless otherwise agreed, no electronic versions of the training materials will be provided. Making copies of, transmitting or distribution of any Positive Purchasing training materials is strictly forbidden unless we have provided a license to do so. For classroom events, the client is responsible for the provision of the training venue, delegate invitations, logistics and any equipment (as per our specification available upon request). We will supply a summary of course evaluations and feedback post event. Our payment terms are strictly 30 days from receipt of invoice.

Course Content

Getting behind price

- The price we pay – introduction to the basics of buying and the difference between price and cost, and value
- How does price get determined? We show you some real examples
- Price model – the different types of pricing approach that suppliers use
- What we can do to improve our price position
- Getting behind cost - Purchase Price Cost Analysis
- Group work - do a cost breakdown

Getting behind cost

- Sources of information, and data gathering and analysis
- Total Cost of Ownership
- Group work - build a total cost model
- Acting on findings and using insights to leverage better buying outcomes or negotiate better deals
- Driving change in business behavior and making it happen

Learning Objectives

By the end of this course delegates will be able to:

- Describe the difference between price and cost
- Describe and identify the different ways price gets determined by the supplier
- Conduct a cost breakdown for a simple product or service
- Determine when it is appropriate to use cost breakdowns
- Determine where we are able to influence or improve the pricing that suppliers present
- Build a Total Cost of Ownership model
- Apply the insight gained from working with price and cost tools, to improve their buying position or negotiate more effectively

What You Will Get

This training is delivered by a highly experienced procurement expert and can be delivered either live online as a series of workshops, or as a 1-day classroom event, exclusively for your company at almost any location worldwide.

Different language options are available, and a summary of course evaluations and feedback will be provided after the training.

Delegates will receive:

- 3P agenda and joining pack sent out in advance to all delegates
- Full colour workbook hand outs
- A certificate for all delegates who complete the course