



## STRATEGIC PROCUREMENT AND INVENTORY MANAGEMENT

Duration

**2 days**

Time

**9.00am to 5.00pm**

### INTRODUCTION:

This training program equips participants with the essential skills to lead procurement and inventory teams toward world-class performance by operating organizations in a lean, effective, and efficient manner. In today's environment, the need to reduce costs while maintaining high customer service levels is critical in both procurement and inventory management.

By implementing robust procurement and inventory management principles, organizations can achieve a higher return on investment, enhanced quality, lower costs, and reduced working capital requirements.

In a landscape filled with uncertainties, procurement professionals play a pivotal role in supporting general management with their purchasing expertise, contributing significantly to strategic decision-making, profitability, and overall business success.

The program explores the strategic sourcing process in depth, covering the identification of procurement needs, supplier evaluation and selection, contract negotiation, and supplier relationship management. Participants will learn how to conduct market analysis, evaluate supplier capabilities, and create effective criteria for supplier selection.

A key focus is on supplier relationship management, where the training provides valuable insights into building and maintaining strategic supplier partnerships. Attendees will discover how to implement supplier performance management systems, foster effective communication and collaboration with suppliers, and manage supplier risks and conflicts.

Efficient management of warehouse and inventory functions is vital for supporting an organization's operations dynamically. This program aims to provide participants with the latest knowledge and methodologies in inventory control and management.

This program introduces procurement professionals to various methods and techniques for achieving

cost savings. Participants will gain a solid understanding of the fundamental principles of purchasing, sourcing, vendor evaluation, quality control, and negotiation strategies to drive savings. Additionally, the program emphasizes the impact of inventory on purchasing decisions.

### **COURSE OBJECTIVE:**

- ✦ Understand the concept and significance of strategic procurement for business objectives.
- ✦ Recognize the role of procurement within overall business strategy.
- ✦ Apply the strategic sourcing process to identify and assess procurement needs.
- ✦ Evaluate and select suppliers based on capabilities and performance.
- ✦ Develop supplier scorecards and evaluation criteria.
- ✦ Build and maintain strategic supplier partnerships.
- ✦ Implement supplier performance management systems for effective relationships.
- ✦ Communicate and collaborate with suppliers for better outcomes.
- ✦ Increase productivity and achieve savings through effective purchasing & Cost reduction techniques.
- ✦ Leverage technology and data analytics in procurement decision-making.
- ✦ Understand emerging trends shaping the future of sourcing and procurement.
- ✦ Recognize the importance of inventory and its impact on profitability.
- ✦ Apply best practices to optimize inventory investment.
- ✦ Enhance efficiency, accuracy, and traceability in warehouse and inventory management.
- ✦ Appreciate the significance of cost management in warehouse and inventory operations.
- ✦ Identify and analyze key cost drivers in warehousing and inventory management.
- ✦ Implement strategies to optimize inventory levels and reduce costs.
- ✦ Utilize inventory tracking and control systems to improve accuracy and reduce errors.
- ✦ Understand key performance indicators (KPIs) to drive operational excellence.

## PROGRAM OUTLINE

### MODULE 1: FUNDAMENTALS OF PROCUREMENT

- Distinguish between Purchasing and Procurement
- Understand the 7 Rs of Purchasing Management principles
- Identify objectives and roles of Procurement
- Learn about Purchasing Interfaces and the Procurement Cycle
- Examine the design and structure of Procurement Organizations
- Gain insight into Category Management
- Overview of E-Procurement systems and processes

### MODULE 2: INTRODUCTION TO STRATEGIC PROCUREMENT

- Define Strategic Procurement and its significance
- Outline key objectives and benefits of Strategic Procurement
- Learn how to determine Procurement and Sourcing Strategy
- Review current trends and challenges in Strategic Procurement

### MODULE 3: STRATEGIC SOURCING PROCESS

- Introduction to the concept of Strategic Sourcing
- Steps to conduct Strategic Sourcing effectively
- Identify and assess Procurement needs
- Sourcing process: identifying vendors, issuing RFIs, RFPs, and RFQs
- Understand the importance and benefits of Strategic Sourcing

### MODULE 4: MARKET ANALYSIS AND SUPPLIER EVALUATION

- Methods for conducting market research and analysis
- Supplier evaluation and selection processes
- Assess supplier capabilities and performance metrics
- Develop supplier scorecards and evaluation criteria
- Key aspects of negotiation and contracting
- Supplier segmentation and relationship mapping techniques
- Compare single versus multiple sourcing strategies
- Make or buy decision-making process
- Understand vertical and horizontal integration in procurement
- 2 Case Studies – Group Activity

### MODULE 5: MATERIALS & INVENTORY MANAGEMENT

- Identify key activities involved in materials management.
- Explore methods for achieving operational efficiency in manufacturing.
- Understand the five primary functions of inventory.
- Examine the requirements necessary for effective inventory management.
- Learn the principles and application of ABC analysis.
- Review various methods for inventory stock valuation.

## **MODULE 6: INTRODUCTION TO WAREHOUSE AND INVENTORY COST MANAGEMENT**

- Define the concept of a supply chain.
- Discuss the primary objectives of a supply chain.
- Identify the three main decision phases in supply chain management.
- Analyze the role of effective warehouse management within supply chain operations.
- Provide an overview of warehouse and inventory management practices.
- Highlight the significance of cost management in warehouse operations.
- Identify key cost drivers associated with warehousing and inventory management.

## **MODULE 7: INVENTORY MANAGEMENT STRATEGIES**

- Explore fundamental principles and techniques of inventory management.
- Identify the core activities involved in materials management.
- Define the objectives and importance of inventory management.
- Recognize the main functions performed by inventory.
- Understand various inventory management strategies.
- Learn how to determine optimal inventory levels.
- Case Study – Group Activity

## **MODULE 8: INVENTORY TRACKING AND CONTROL SYSTEMS**

- Emphasize the importance of maintaining accurate inventory records.
- Examine different inventory control methods, including ABC analysis, cycle counting, and just-in-time approaches.
- Explore inventory tracking technologies such as barcoding, RFID, and warehouse management systems (WMS).
- Discuss strategies to minimize excess inventory and prevent stockouts.

## **MODULE 9: PROCUREMENT COST MANAGEMENT**

- Identify potential areas for procurement cost savings.
- Understand the concept of Total Cost of Ownership (TCO).
- Utilize data analytics for strategic decision-making, including conducting spend analysis.
- Discover profit opportunities within Procurement function
- Case Study – Group Activity

## **WHO SHOULD ATTEND?**

This course is ideal for:

- ✚ Purchasing Managers
- ✚ Purchasing Executives
- ✚ Manufacturing personnel and
- ✚ Supply Chain professionals

## METHODOLOGY:

The course will utilize a mix of the following methodologies:

- ✚ Interactive lectures
- ✚ Group discussions
- ✚ Case studies
- ✚ Practical exercises
- ✚ Q&A sessions

## TRAINER PROFILE: NAKULAN THARMALINGAM

- Chartered Accountant
- Fellow Member of Chartered Association of Certified Accountant - FCCA (UK)
- Member of the Malaysian Institute of Accountants
- Certified Trainer: Finance and Supply Chain Programs
- Certified HRD Corp Trainer

Nakulan Tharmalingam (FCCA, RA), a Fellow of Certified Chartered Accountant, UK is a Principal Consultant with NT Business Consulting and Training responsible for Finance Transformation, Operational Effectiveness and Supply Chain Management solutions.

Nakulan is a talented professional with over 35 years of progressive accomplishments leading Finance, Sales and Supply Chain and project management initiatives for major businesses. Strong strategic planner, problem solver and persuasive leader. Committed to managing operations and projects effectively while consistently delivering desired results and contributing positively to revenue generating activities.

Nakulan comes with extensive practical work experience in auditing, financial accounting, treasury functions, corporate finance, administration, general management and corporate training.

Specialties: Auditing, Finance, Financial Accounting, Treasury, Accounts Payable, Accounts Receivables, Reconciliation, Fixed Asset and Project accounting, Solution development, F&A Training, Fraud risk assessment, Capital Budgeting and Process streamlining. Corporate Finance: Analyzed and evaluated potential acquisition targets, including financial modeling of the target company's value and brand value in relation to its purchase price.

Developed a detailed understanding of the client's business model, market position, strengths/weaknesses, growth opportunities and risks. Assessed the attractiveness of various companies for M&A activity.

28 years working with a major Global MNC – Colgate Palmolive Malaysia- Finance, Commercial and Supply Chain operations. Director with the MNC with responsibility for all Customer Service & Logistics functions including Demand Principal Planning /Inventory Management, Customer Service, Distribution Operations and Logistics Alliances.

Led the implementation of SAP Finance, Sales and Distribution Modules for Colgate-Palmolive. Specialist in Forecasting & Budgeting Business Modelling, Long Range Strategic Business Planning. And Competitive Analysis Variance Analysis Cost Analysis / Control

## PARTICIPATION REGISTRATION & FEE

To register and to obtain the latest participation fees either for Public Training or In-House Training Series, please email to marketing department at [mytrain2@mytrainingmalaysia.com](mailto:mytrain2@mytrainingmalaysia.com)

Registration via online can be done thru our website at [www.eliteedge.com.my](http://www.eliteedge.com.my)

## ORGANISED BY

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