

LOG315 Category Management and Supplier Evaluation

Level: 3

Credit Units: 5 Credit Units

Language: ENGLISH

Presentation Pattern: EVERY JAN

Synopsis:

LOG315 Category Management and Supplier Evaluation covers two important areas in procurement. Category Management is a part of strategic cost management techniques to analyse organisations' spending by discrete groups of products and services. Products and services purchased by the organisation are segmented into groups according to their functions. Effective application of category management enables an organisation to aggregate their procurement efforts on products and services of similar functions to gain substantial cost savings. This course will also cover Spend Analysis, one of the key tools for Category Management.

There are two aspects in Supplier Evaluation. The first aspect is to evaluate potential suppliers. The techniques for selecting suppliers include; supplier surveys, financial condition analysis, facility visit, evaluation conference and capability analysis on quality, capacity, management, service, flexibility and information technology. The second aspect of supplier evaluation is supplier performance evaluation. The techniques to monitor and control suppliers' performance include: categorical plan, weighted point plan and cost ratio plan.

Topics:

- Aligning supply management and organisation's objectives
- Three foundations and four pillars of category management
- Spend analysis
- Category strategy development
- 5 stages of category management
- Benefit measurements and tracking
- Types of supply management strategies
- Supplier evaluation and selection process
- Key supplier evaluation criteria
- Carter's 10 Cs model
- Recognition and rewards
- Best practices and case studies

Textbooks:

Jonathan O'Brien: Category Management in Purchasing: A Strategic Approach 4 Kogan Page
ISBN-13: 9780749482619

Learning Outcome:

- Analyse procurement requirements of common goods and services to assess feasibility of demand aggregation.
- Develop category management strategy to identify demand aggregation opportunities to achieve economies of scale.
- Formulate data analysis plan to anticipate impacts of market trends and changes on organisations.
- Indicate methods to identify potential suppliers and develop evaluation criteria for selecting suppliers.
- Draft evaluation criteria for evaluating the performance of existing suppliers.
- Examine the best practices in procurement to improve organisations' category management and sourcing practices.
- Illustrate how to communicate demand aggregate contracts through the whole organisation.
- Modify category management and supplier evaluation approach to maximise benefits within the organisation according to agreed KPIs.
- Appraise the competitiveness of the potential supply base.

Assessment Strategies (Evening Class):

Components	Description	Weightage Allocation (%)
Overall Continuous Assessment	PRE-COURSE QUIZ 1	2
	PRE-CLASS QUIZ 1	2
	PRE-CLASS QUIZ 2	2
	PARTICIPATION 1	6
	TUTOR-MARKED ASSIGNMENT 1	18
	GROUP BASED ASSIGNMENT 1	20
Overall Examinable Components	Written Exam	50
Total		100