Developing Purchasing Policies, Processes and SLAs

Why Attend

- Purchasing policies, processes and Service Level Agreements (SLAs) guide the activities of purchasing professionals and their business partners, and provide a functional and moral compass. To ensure effectiveness, these documents must be aligned to the strategic intent and the broader environment of the organization. They must also be written using an appropriate language level and style. In this course, we will demonstrate how to develop such policies, process flowcharts and SLAs in a simple, specific and appropriate style that meets the requirements of a modern organization. We will also illustrate how performance against processes and SLAs can be measured and analyzed for continuous improvement.

Course Methodology

- This course uses a highly interactive workshop setting involving activities to plan and draft policies. We will also be designing, mapping and evaluating processes as well as drafting SLAs.

Course Objectives

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

- Outline the strategic role of purchasing in the organization
- Practice the latest business writing techniques suited for the development of policies, processes, procedures and SLAs
- Formulate policies to effectively govern the organization's purchasing activities
- Design cross functional processes and procedures that optimize effort, cost, time, output and controls
- Develop SLAs that set smart rules of engagement between the purchasing department and the rest of the organization

Target Audience

- Purchasing and supply chain management professionals at all levels of the organization, as well as other company personnel involved in the purchasing process.

Target Competencies

- Procurement management
- Policy development
- Processes design
- Process evaluation
- SLA development
- Business writing

The strategic role of purchasing

- Purchasing terms and definitions
- Evolution of purchasing into a strategic function
- Purchasing relationships within the organization
- Purchasing process
- Ethical principles governing the purchasing function

Using an appropriate writing style

- Writing in an impersonal style
- Organizing paragraphs and sentences
- Writing applications
- Simple language
- Specific language
- Positive language
- Using active verbs
- Applying easy and effective grammatical rules
- Gunning fog index for writing complexity

Writing purchasing policies

- Purchasing policies: what are they and why do we need them?
- Guidelines for writing purchasing policies
- Purchasing policy scope
- Policy contents and exclusions
- Developing purchasing policies - practical application

Designing purchasing processes and procedures

- Defining processes and procedures
- Considerations in developing processes and procedures
- Process development
- Artistic processes
- Scientific processes
- Process hierarchy
- Abstract processes

Developing service level agreements

- The role of SLAs
- Understanding departmental inter-dependencies
- Principles for developing SLAs that add real value
- Typical SLA table of contents
- Writing SLA practical applications
- Service level management
- Internal SLAs
- External SLAs
- Measuring the purchasing function performance against SLAs