



**Advanced Purchasing Skills
Petrochemicals, Derivatives & Related Raw Materials
Time zone: 2:00PM London time**

Module 1 (3 hours and 15 mins)

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| 14:00 – 14:15 | Overview of the course and class introduction |
| 14:15 – 15:45 | Understanding the petrochemicals industry and markets <ul style="list-style-type: none">• Key petrochemical value chains and their inter-relationship• Market Intelligence |
| 15:45 – 16:00 | Break |
| 16:00 – 16:10 | Pre-session interactive poll |
| 16:10 – 17:15 | Analytical approaches to purchasing (part 1) <ul style="list-style-type: none">• Opportunity Analysis – a tool for identifying and ranking opportunities based on return, effort and probability of success• Examples of formulas used in petrochemicals purchasing |

Module 2 (2 hours and 45 minutes)

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| 14:00 – 15:15 | Analytical approaches to purchasing (part 2) <ul style="list-style-type: none">• Price history vs. market or formula• Cost Models, price forecasting and margins |
| 15:15 – 15:30 | Break |
| 15:30 – 16:30 | Analytical approaches to purchasing (part 3) <ul style="list-style-type: none">• Contract Model – legal & mathematical• Price versus total cost |
| 16:30 – 16:45 | Key terms quiz |



Module 3 (2 hours and 45 minutes)

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| 14:00 – 14:15 | Interactive live poll |
| 14:15 – 15:15 | Strategy development: Spend classification and Risk Management <ul style="list-style-type: none">• Spend Classification<ul style="list-style-type: none">○ Strategic, Critical, Tail spend• Risk management<ul style="list-style-type: none">○ Internal vs External Sourcing○ Hedging○ Global vs Regional○ Contract vs Spot○ Supplier viability & natural disasters○ Strategy alignment via supply/sales agreements |
| 15:15 – 15:30 | Break |
| 15:30 – 16:30 | Strategy development: Strategic sourcing and improving supplier cooperation <ul style="list-style-type: none">• Strategic Sourcing to insure the lowest cost.• Improving supplier cooperation |
| 16:30 – 16:45 | Interactive poll |

Module 4 (2 hours and 45 minutes)

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| 14:00 – 15:30 | Execution <ul style="list-style-type: none">• Alignment with strategy• Tracking to plan• Purchasing procedures• RFQ (Request for Quote) process• Supplier development = competition; Supplier Score Cards with weighting that reflects impact on cost• Quarterly supplier meetings - to provide feedback• Negotiation |
| 15:30 – 15:45 | Break |
| 15:45 – 16:15 | Evaluation – Performance metrics <ul style="list-style-type: none">• PPV – tracking to budget – short term performance• YoY price inflation / deflation vs. index – longer term performance• Price - volume - mix analysis• Individual metrics aligned |
| 16:15 – 16:35 | Class insight exchange |



16:35 – 16:45

Summary & Conclusion