

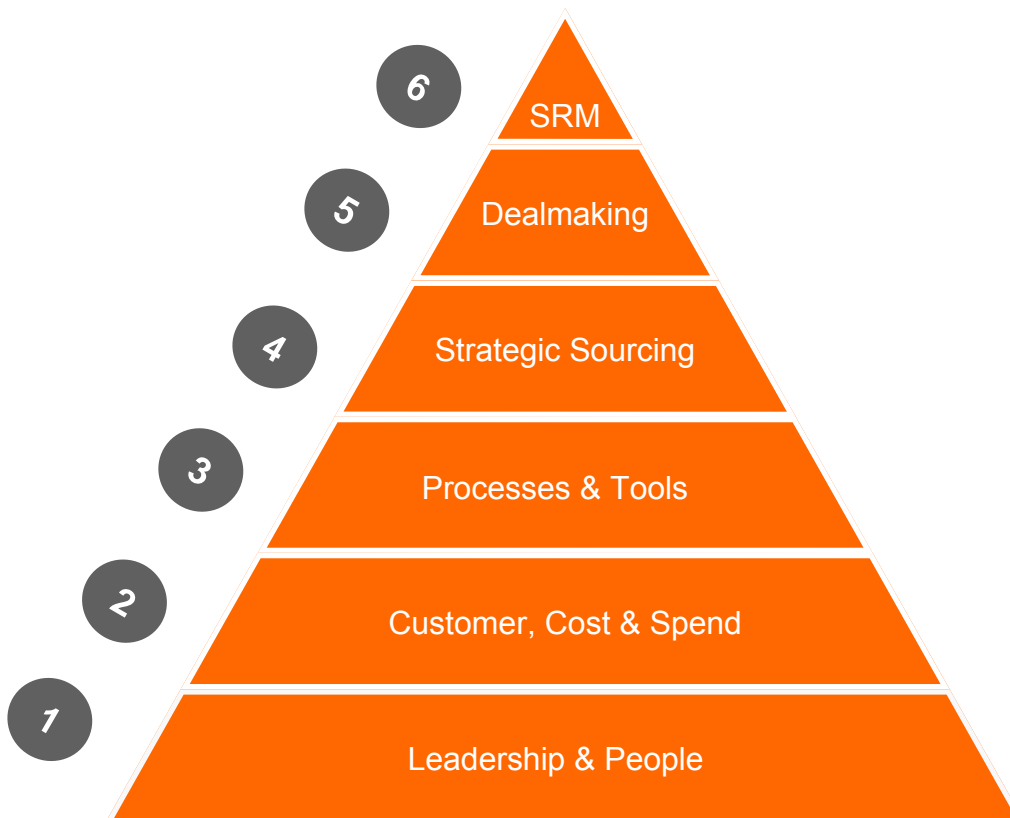


IMPROVING PROCUREMENT

The Six Dimensions of Procurement



THE SIX PROCUREMENT DIMENSIONS



6.	Supplier Relationship Management. Examples: Risk Management, Supplier Assessment Programmes, Lean & Agile. Benefits Tracking, Procurement Budget integration, Financial Reporting.
5.	Dealmaking. Examples Top 20, e RFX, Negotiating Capability, Agreement Closure, Value of Agreements, 4 Types of Deal, Supplier Compliance and SJI.
4.	Strategic Sourcing. Examples Product & Service Classification, Lifecycles, Supply Chain Mapping, SIPOC, Sourcing Choices. Single to Multi-Sourcing, Collaborative Supply Chain.
3.	Processes & Tools. Examples E Marketplace, Reverse Auction. Project Management, P Cards, P2P, MRP/ERP, S&OP & Demand Management, Tender Pack & Evaluation, PQQ.
2.	Customer, Cost & Spend. Examples CRM, Total Cost, Cash Management, 6 Sigma Cost Improvement, Spend Coverage.
1.	Leadership & People. Examples Talent Plan, Job Descriptions, Appraisal, Broad Banding, Focus & Goals, Training

CREATE THE SIX DIMENSIONS MODEL ON YOUR INTRANET



Create an intranet / shared drive Procurement Management system with six main folders & their sub folders covering all Procurement elements.

- 1. Procurement – **Leadership & People**
- 2. Procurement – **Cost, Cash & Spend**
- 3. Procurement – **Processes & Tools**
- 4. Procurement – **Strategic Sourcing**
- 5. Procurement – **Dealmaking**
- 6. Procurement – **Supplier & Results Management**



The 6DOP Intranet Model is the Procurement System, Knowledge Base & Reference

1. LEADERSHIP & PEOPLE FOLDER & SUB FOLDER



1. Leadership & People Folder – Sub Folders	Responsibility / Accountability
1.1. Supply / Procurement Organization Structure	Procurement Leader
1.2. Job Descriptions / Categories / Responsibilities	Procurement Leader
1.3. Career & Succession Plans	Procurement Leader
1.4. Quarterly Focus & Smart Goals	Procurement Leader / Category Managers
1.5. Six Dimensions Education & Testing	Procurement Leader
1.6. QHSE, Regulatory, 6 σ / Lean Training	Procurement Leader / Category Managers
1.7. Business Knowledge & Strategy Awareness	Procurement Leader / Category Managers
1.8. Values / Results Grid	Procurement Leader
1.9. Customer, Stakeholder, Supplier Communication Pack	Procurement Leader / Category Managers
1.10. Broadbanding	Procurement Leader

2. CUSTOMER, COST AND SPEND FOLDER & SUB FOLDER



2. Customer, Cost & Spend – Sub Folders	Responsibility / Accountability
2.1. Spend & Customer Territory Map (P&L)	Procurement Leader / Category Managers
2.2. Cost Centre Management - Budget and Reviews	Procurement Leader / Category Managers
2.3. Inventory Management Programme	Category Managers / Procurement Leader
2.4. Asset Management Programme	Procurement Leader / Category Managers
2.5. Capital Expenditure	Procurement Leader / Category Managers
2.6. Lease versus Buy & Asset Register	Category Managers / Procurement Leader
2.7. Standardisation / Rationalisation Programme	Category Managers / Procurement Leader
2.8. Procurement Budgets	Procurement Leader / Category Managers
2.9. Standard Costs	Procurement Leader
2.10. Currency Management	Category Managers / Procurement Leader
2.11. Key Procurement Projects	Category Managers / Procurement Leader

3. PROCESSES & TOOLS FOLDER & SUB FOLDER



3. Processes & Tools – Sub Folders	Responsibility / Accountability
3.1. Procurement Policy, Ethics and Values	Procurement Leader / Category Managers
3.2. How to do Business with us – internal & external guide	Procurement Leader / Category Managers
3.3. Procurement Terms & Conditions	Procurement Leader / Legal / Finance
3.4. Company Authorisation Policy & Limits	Procurement Leader / Finance
3.5. Procurement Process - Cost & Efficiency	Procurement Leader / Finance
3.6. New Supplier Set Up Process	Category Managers / Procurement Leader
3.7. ERP – Requisition 2 Pay Process	Procurement Leader / Finance
3.8. e Commerce / e Tender / e Auction Process	Procurement Leader / Category Managers
3.9. Procurement Cards	Procurement Leader / Finance
3.10. Payment Terms	Procurement Leader / Finance
3.11. Procurement Assessment & Internal Audit	Procurement Leader / Finance

4. STRATEGIC SOURCING - FOLDER & SUB FOLDER



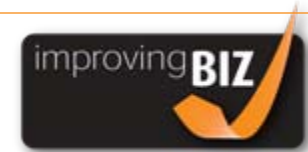
4. Strategic Sourcing – Sub Folders	Responsibility / Accountability
4.1. Product / Service and Supplier Positioning	Category Managers / Procurement Leader
4.2. Global Market Evaluation	Category Managers / Procurement Leader
4.3. Sourcing Process	Category Managers / Procurement Leader
4.4. Risk Maps and Priorities	Category Managers / Procurement Leader
4.5. RFQ's – Templates and Issues	Category Managers / Procurement Leader
4.6. RFQ – Scorecards & Results	Category Managers / Procurement Leader
4.7. Tenders, Negotiation – Results	Category Managers / Procurement Leader
4.8. Sourcing Plans	Procurement Leader / Category Managers
4.9. Sales, Marketing, Negotiation & Meeting Training	Procurement Leader / Category Managers
4.10. Insourcing & Outsourcing	Procurement Leader
4.11. Total Value Planning	Category Managers / Procurement Leader

5. DEALMAKING - FOLDER & SUB FOLDER



5. Dealmaking – Sub Folders	Responsibility / Accountability
5.1. CDA's	Category Managers / Procurement Leader
5.2. Development Agreements	Category Managers / Development
5.3. Supply & Service Level Agreements	Procurement Leader / Category Managers
5.4. Exploitation, Licence and Royalties	Procurement Leader / Legal
5.5. Draft Agreements	Procurement Leader / Legal
5.6. Expired Agreements	Category Managers / Procurement Leader
5.7. e Auction Outcomes	Category Managers / Procurement Leader
5.8. Indirect / Third party deals	Procurement Leader
5.9. e Catalogues	Category Managers / Procurement Leader

6. SUPPLIER & RESULTS MANAGEMENT - FOLDER & SUB FOLDER



6. Supplier Management & Results – Sub Folders	Responsibility / Accountability
6.1. Complete Supplier Spend & Risk Map	Procurement Leader / Category Managers
6.2. Supplier Performance Measures & Reporting	Procurement Leader / Category Managers
6.3. Supplier Volume / Pricing Proposals	Category Managers / Procurement Leader
6.4. Supplier Total Value Plan	Category Managers / Procurement Leader
6.5. Top Supplier Assessment & Performance Maps	Procurement Leader / Category Managers
6.6. Supplier Conference and Awards	Procurement Leader / Category Managers
6.7. Supplier Intelligence / Quality and Lean Audits	Category Managers / Procurement Leader
6.8. Reporting Timetable	Procurement Leader
6.9. Procurement Monthly Reports	Procurement Leader / Category Managers
6.10. Category Plans, Reports and Benefits Tracking	Category Managers / Procurement Leader