

Learning Objectives



To be able to act as internal entrepreneurs to reduce and avoid costs and to improve the value obtained for a given cost.

- Understand cost drivers and their impact on product / service cost
- Generate functional specifications
- Understand principles of value analysis
- Design product or service to fit an intended cost
- Develop TCO models including key-drivers and parameters.

General information



Audience

Category managers, confirmed buyers, strategic buyers.



Prerequisites

- A good command of English or French
- Have the necessary **technical equipment** to follow online courses.



Modalities

Theoretical e-learning through individual selfpaced sessions. This first step has to be considered as the essential pre-work for.



Learning application in online group classes. Participants use actively their knowledge and put into practice in **workshops**, **role-plays**, case studies, presentations and debates.



Graduation

Digital certificate of attendance

Programme of the trainer-led classes



I. Cost Management

- Cost management introduction and Framework
- Value analysis: Value analysis vs Value Engineering, Cost efficiency in design, Value Stream mapping, Types of Wastes
- Case study on Value analysis
- Functional analysis: Drivers of customer satisfaction (kano matrix)
- Key components of a functional specification
- Examples of Functional specifications
- Case study on Functional analysis

II. Cost Breakdown, TCO and KPIs

- Cost breakdown: an analytical approach
- Workshop: Components of an analytical Cost breakdown
- Identifying improvement actions through Supplier Cost models
- Total Cost of Ownership (TCO)
- Lecture: Generic TCO model explanation along with discussions around some sample TCO models
- Workshop on identifying Cost drivers in a TCO model
- Key Performance Indicators (KPIs)
- Workshop on KPIs

Self-learning



7 e-modules

- **Functional analysis - Level 2**
Product lifecycle - Functional analysis - Functional specifications
- **Total cost of ownership (TCO)**
Cost drivers - Specificities - Negotiation & follow up.
- **Cost breakdown analysis**
What is TCO? - Locating costs - Handling costs.
- **Advanced cost breakdown**
Cost structure - Cost breakdown analysis - Method for allocation of Overheads - Cost models.
- **Total costing & concept of value)**
Target costing: process & selling price - Target Costing: Should - costing - Target Costing: Value-based costing - Brief on Value Analysis / Value Engineering.
- **Costing methods & Design to Cost**
TCO - Process Costing - Project Costing - Design to Cost.
- **Key Performance Indicators**
Introducing SRM KPIs - Measuring KPIs - KPI measuring process - Challenges when measuring KPIs.