



Procurement & Supply Chain Operations

Mastering Strategic Supplier Segmentation

Course Introduction

In today's highly competitive and rapidly changing marketplace, effective supplier management is essential for maintaining a robust and agile supply chain. Strategic supplier segmentation allows organizations to categorize suppliers based on critical factors like risk, performance, and strategic value, enabling more targeted management and resource allocation. This course will equip participants with the skills needed to implement a comprehensive supplier segmentation strategy, manage supplier categories effectively, analyze performance data, assess risks, and forecast supply needs for long-term success. Through a combination of lectures, case studies, practical exercises, and discussions, participants will gain hands-on experience with the tools and techniques essential for successful supplier segmentation and category management.

Target Audience

- Supply Chain Managers and Directors responsible for supplier performance and relationship management.
- Procurement Specialists and Category Managers who work with diverse supplier categories and aim to optimize supplier engagement.
- Risk Management Professionals interested in integrating supplier risk assessment and mitigation strategies within supply chain management.
- Analysts and Reporting Managers tasked with generating and interpreting supplier performance data for informed decision-making.
- Strategic Planning and Operations Managers who focus on long-term supply chain resilience and value creation.

Learning Objectives

- Understand and apply strategic supplier segmentation methodologies to categorize suppliers based on risk, performance, and business impact.
- Implement category management strategies that align supplier relationships with organizational objectives to enhance efficiency and value.
- Develop and interpret supplier performance reports using key performance indicators (KPIs), dashboards, and data visualization techniques.
- Identify and manage supplier risks by assessing risk profiles, implementing mitigation strategies, and incorporating risk management into segmentation decisions.
- Utilize forecasting tools and techniques to anticipate supply chain needs and support strategic planning efforts.
- Create a strategic supplier management plan that aligns with organizational goals, ensuring a resilient and proactive supply chain framework.

Course Outline

- **Day 01**

- Introduction to Strategic Supplier Segmentation**

- Understanding Supplier Segmentation**

- Definition and Purpose:**

- What is supplier segmentation, and why is it essential for strategic sourcing?

- How segmentation drives value and optimizes supplier relationships.

- Value to Supply Chain:**

- Benefits of segmentation (cost efficiency, risk reduction, supplier development).

- Real-world examples of successful segmentation.

Segmentation Models and Frameworks

Kraljic Matrix:

Explanation of the Kraljic matrix (leverage, strategic, bottleneck, and non-critical items).

Application exercise: Plotting suppliers on the Kraljic matrix.

Pareto Analysis (80/20 Rule):

Using Pareto for identifying high-impact suppliers.

Other Models:

Introduction to other frameworks (e.g., Supplier Preferencing, Total Cost of Ownership).

Segmentation Criteria and Classification

Key Criteria for Segmentation:

Spend analysis, dependency, risk, and performance as criteria.

Detailed look at criticality of supply, financial health, and innovation potential.

Hands-on Exercise:

Classifying a mock list of suppliers based on segmentation criteria.

Group discussion on chosen classifications and the rationale behind them.

• Day 02

Category Management and Strategic Alignment

Principles of Category Management

Introduction to Category Management:

Definition and benefits of category management within supplier segmentation.

Key steps in category management: understanding needs, setting objectives.

Aligning Category Management with Business Strategy:

How category management supports broader business goals.

Identifying strategic categories that support competitive advantage.

Category Planning and Execution

Setting Category Objectives:

Defining category-specific goals (cost savings, quality, supplier diversity).

Key performance metrics for category evaluation.

Category Strategy Development:

Market analysis, supplier analysis, and strategy formulation.

Creating actionable plans and aligning them with segmentation strategy.

Case Study:

Analyzing a real-world example of category management in action.

Cross-functional Collaboration

Stakeholder Engagement:

Identifying and collaborating with key internal stakeholders.

Best practices for fostering cross-departmental buy-in.

Group Exercise:

Role-playing stakeholder engagement scenarios to align category goals.

• Day 03

Supplier Reporting and Performance Analysis

Supplier Performance Metrics

KPIs for Supplier Performance:

Defining critical KPIs such as on-time delivery, quality, and cost.

Developing scorecards tailored to different supplier segments.

Creating Effective Supplier Dashboards:

Visualizing performance through scorecards and dashboards.

Dashboard design principles for easy reporting and decision-making.

Data-Driven Reporting Techniques

Automated Reporting:

Introduction to tools for automated supplier performance reporting.

Benefits of real-time data and automated notifications for risk detection.

Data Visualization Best Practices:

Techniques to create compelling visuals for performance data.

Practical tips for clear, impactful data presentations.

Workshop: Building Supplier Performance Reports

Hands-on Session:

Participants work in groups to create a mock supplier performance report.

Feedback Session:

Review and critique reports for clarity, effectiveness, and areas for improvement.

• Day 04

Supplier Risk Management

Risk Identification and Analysis

Types of Risks in Supplier Relationships:

Overview of supplier-related risks (financial, operational, compliance).

Risk Assessment Techniques:

Risk scoring, heat maps, and prioritizing high-risk suppliers.

Workshop: Analyzing risk profiles of mock suppliers using a scoring matrix.

Developing Risk Mitigation Strategies

Mitigation Approaches:

Techniques like supplier diversification, inventory buffers, dual sourcing.

Cost-benefit analysis of different risk mitigation tactics.

Integrating Mitigation with Supplier Segmentation:

How segmentation informs risk mitigation.

Case Study:

Reviewing a case where risk mitigation was effectively implemented.

Case Study and Group Exercise

Scenario Planning:

Participants develop mitigation plans for hypothetical supplier risk scenarios.

Group Discussion:

Sharing solutions and discussing real-world feasibility.

• Day 05

Forecasting and Strategic Planning

Introduction to Forecasting in Supplier Management

Role of Forecasting in Supply Chains:

Understanding demand, capacity, and supply forecasting in supplier strategy.

Types of forecasting and their application in supplier segmentation.

Forecasting Challenges:

Addressing common forecasting challenges like data availability and accuracy.

Tools and Techniques for Effective Forecasting

Quantitative Methods:

Time-series analysis, moving averages, and regression analysis.

Qualitative Methods:

Expert opinions, market surveys, and scenario-based forecasting.

Practical Session:

Hands-on activity using basic forecasting tools and methods.

Developing a Strategic Supplier Plan

Crafting a Long-term Plan:

Steps to build a multi-year supplier segmentation and category plan.

Aligning with strategic objectives like cost control, innovation, and flexibility.

Review and Feedback Session:

Presentation of participant plans for peer and instructor feedback.

Course Wrap-Up and Q&A:

Summarizing key learnings from the week.

Open Q&A and distribution of course completion certificates.

Confirmed Sessions

FROM	TO	DURATION	FEES	LOCATION
June 23, 2025	June 27, 2025	5 days	4950.00 \$	England - London
Sept. 8, 2025	Sept. 12, 2025	5 days	4250.00 \$	UAE - Dubai

FROM	TO	DURATION	FEEs	LOCATION
Nov. 24, 2025	Nov. 28, 2025	5 days	4250.00 \$	UAE - Dubai