

Outsourcing and Vendor Management

This is an intermediate level course providing participants with the key skills for successful vendor management. The ability to manage vendors and third-party suppliers is essential for every manager nowadays. Projects inevitably involve equipment vendors, subcontractors or both, whereas more and more operation is outsourced to third-party service providers. It is important to excel in every aspect of a vendor management cycle starting from make-or-buy / insource-or-outsource decision, vendor identification and selection, contract negotiation, to managing the vendor over the life of a contract. This course covers different skills required during the various phases of a contract cycle. Participants learn from lectures, case studies, exercises and role-playing to master the knowledge and skills in working effectively with vendors, purchasing professionals and subcontractors with the view to accomplish key business objectives.

Certified PMP can earn 15 PDU towards maintaining their PMP credentials.

Course Duration: 2 days

Course Format: Lectures, case study, group discussion, case presentation

Key topics:

1. Understanding the life cycle of procurement
 - Selection
 - Contracting
 - Life cycle management
 - Termination or transition to a new procurement contract
2. Selecting vendors and contracting
 - Prepare RFP
 - Determine evaluation criteria
 - Key contract terms and conditions
 - Conduct due diligence in areas including stability of vendors, financial strength, business integrity, confidentiality commitment and practice, business direction, and reference check
 - Perform site visit and reference customer visit
 - Negotiate Service Level Agreement (SLA)
 - Create responsibility matrices and change control mechanism

3. Life cycle management
 - Establish post-contract management infrastructures & processes
 - Change management
 - Benchmark performance
 - Contract change management including ongoing maintenance contract review and negotiation
 - Evaluate user satisfaction
 - Ongoing review of vendor performance and factors that can impact quality of services, e.g. capacity, new technology and so on
 - Ongoing risk review
4. Communication with IT Vendors
 - Managing meeting
 - Managing grievance of vendors
 - Handling misunderstanding, different views, and conflicts
5. Relationship management
 - Soft skills in managing vendor performance
 - Relationship management with vendors: Partnership or arm's length?
6. Termination
 - Performance evaluation
 - Selecting options: renew, insource or search for a new vendor
 - Transition planning
7. Risk management and control
 - Identification of risks in relation to outsourcing
 - Contract/vendor knowledge transfer and role transition in the event of personnel change
 - Change in business condition of incumbent vendor, e.g. acquisition or closure of business
 - Data security and confidentiality
 - Backup and downtime
 - Impact analysis of identified risks
 - Response planning

This is a joint course offer with HP Education.

Contact Hilda Ho (hilda@knowledgecentury.com) for course schedule and additional information.