



PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

Category Management in Procurement

Course code: PSCM-026

SPARK TRAINING

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info@sparktraining.eu

+31 85 115 0004 | sparktraining.eu

— Workshop Overview

Category management enables procurement functions to move beyond individual purchasing transactions and develop coordinated sourcing strategies for groups of related goods and services. By analysing expenditure, understanding supply markets, evaluating business requirements, and managing suppliers strategically, organisations can achieve sustainable cost improvements, strengthen supply continuity, and deliver greater value from procurement activities. However, procurement teams frequently face fragmented spending, inconsistent supplier arrangements, limited market intelligence, and purchasing decisions that prioritise short-term price reductions over long-term business value. Effective category management addresses these challenges by combining commercial analysis, stakeholder collaboration, supplier segmentation, risk assessment, and structured strategy execution. The Category Management in Procurement course provides a practical framework for developing and implementing category strategies across direct materials, indirect expenditure, professional services, technology, facilities, maintenance, and other procurement categories. Participants explore spend analysis, category segmentation, supply market intelligence, demand management, total cost of ownership, strategic sourcing, supplier relationship management, and category performance measurement. Through case studies and practical workshops, participants develop the skills to build category profiles, identify sourcing opportunities, evaluate strategic alternatives, and prepare actionable category management plans that align procurement decisions with organisational priorities.

Why Attend

The programme combines instructor-led discussions, procurement category case studies, spend analysis exercises, supply market assessments, stakeholder mapping workshops, strategic sourcing simulations, and category strategy development activities. Participants work with realistic procurement expenditure data,

Who Should Attend

Category managers and category specialists
Procurement managers and procurement directors
Strategic sourcing managers and specialists
Purchasing managers and senior buyers
Supply chain management professionals
Supplier relationship and vendor management professionals

— Learning Objectives

- Explain the principles and business value of category management in procurement
- Establish a structured category management process and governance framework
- Analyse procurement expenditure and develop meaningful category classifications
- Evaluate category characteristics, business requirements, and supply market conditions

- Apply supplier and category segmentation techniques to prioritise sourcing activities
- Develop category strategies aligned with organisational objectives
- Identify cost reduction, demand management, and value improvement opportunities
- Evaluate total cost of ownership and commercial sourcing alternatives
- Manage category-level supply risks and supplier dependencies
- Engage stakeholders and build cross-functional category management teams
- Establish category performance indicators and implementation controls
- Develop and present a comprehensive procurement category strategy

Course Outline

**DAY
1**

Category Management Fundamentals and Procurement Spend Analysis

- Understanding category management principles and the differences between transactional purchasing, strategic sourcing, and category management
- Establishing category management governance, responsibilities, decision-making structures, and alignment with organisational objectives
- Defining procurement categories and subcategories using expenditure characteristics, supply markets, business requirements, and common sourcing opportunities
- Collecting, cleansing, and classifying procurement expenditure data across suppliers, departments, contracts, and purchasing systems
- Applying Pareto analysis, expenditure concentration analysis, and category profiling to identify strategic procurement priorities
- Practical workshop: Developing a procurement category structure and spend analysis dashboard using illustrative organisational purchasing data

**DAY
2**

Supply Market Analysis, Category Segmentation and Risk Assessment

- Conducting supply market research covering market structure, supplier capacity, competition, pricing drivers, and industry developments
- Applying Kraljic portfolio analysis to classify procurement categories according to supply risk and business impact
- Evaluating supplier concentration, market entry barriers, substitution opportunities, and dependency on critical suppliers
- Assessing category-level risks involving supply disruption, price volatility, quality failures, regulatory exposure, and geopolitical uncertainty
- Mapping stakeholder requirements and analysing demand patterns, specifications, service expectations, and purchasing behaviours
- Practical exercise: Preparing a category market assessment and risk profile to identify strategic sourcing priorities and supply management options

**DAY
3**

Developing Category Strategies and Value Improvement Opportunities

- Translating category analysis into measurable objectives covering cost, quality, supply security, sustainability, innovation, and service performance
- Evaluating sourcing strategies including competitive tendering, supplier consolidation, dual sourcing, framework agreements, and strategic partnerships
- Applying demand management, specification rationalisation, standardisation, and consumption control to improve procurement value
- Using total cost of ownership and lifecycle cost analysis to compare suppliers and alternative sourcing arrangements

- Developing category opportunity assessments that consider financial benefits, implementation complexity, operational impact, and risk
- Strategy workshop: Preparing a category strategy with sourcing objectives, market analysis, value opportunities, supplier options, and recommended actions

DAY
4

Category Strategy Execution, Negotiation and Supplier Management

- Converting category strategies into sourcing projects, tender plans, supplier engagement activities, and implementation schedules
- Developing negotiation strategies based on market intelligence, supplier economics, purchasing leverage, and commercial objectives

- Managing stakeholder engagement, supplier transitions, contract implementation, and organisational resistance to category changes
- Establishing supplier segmentation and relationship management approaches for strategic, preferred, and transactional suppliers
- Monitoring contract compliance, supplier performance, service levels, and delivery of negotiated commercial benefits
- Case study: Implementing a category sourcing strategy while managing supplier transition risks, stakeholder expectations, and performance requirements

DAY

5

Category Performance, Governance and Continuous Improvement

- Establishing category performance indicators covering realised savings, cost avoidance, supplier performance, contract compliance, and supply risk
- Developing category dashboards and management reports to monitor expenditure, sourcing progress, financial benefits, and supplier outcomes
- Evaluating category strategy effectiveness through periodic market reviews, expenditure analysis, stakeholder feedback, and supplier assessments
- Applying procurement analytics and digital tools to improve category visibility, opportunity identification, and strategic decision-making
- Developing category management maturity improvement plans covering governance, data quality, team capabilities, technology, and stakeholder collaboration
- Capstone exercise: Developing and presenting a Comprehensive Procurement Category Management Strategy covering category analysis, market intelligence, risk assessment, sourcing options, value opportunities, implementation milestones, and performance KPIs

— Upcoming Classroom Dates

Schedule available on request. Contact SPARK Training for current dates, locations, and fees.

— Certificate and Registration

Participants who attend and complete the full programme receive a SPARK Training Certificate of Completion. For registration, in-house delivery, or availability questions, contact info@sparktraining.eu or +31 85 115 0004.