

Reducing Total Cost

Total cost of ownership is an easy concept to describe, but not so easy to apply in practice. This workshop aims to explore practical approaches to measuring total cost and, more importantly, to *reduce* total cost.

Program outline

- Total cost of ownership and procurement decision making
- Practical techniques to approximate total cost
- Identifying components of total cost and surfacing assumptions about ‘what?’ and ‘how much?’
- Getting data and validating assumptions
- Using total cost models to develop contract strategy, such as incentivising the supplier
- Using total cost models to make better contract award decisions
- Brainstorming cost levers and drivers
- Generating hypotheses about reducing total cost and gaining stakeholder support
- Reducing total cost in practice

Benefits to the delegates

By the end of the workshop, attendees will be able to:

- Facilitate a stakeholder focused process to model total cost
- Model total cost using a variety of practical approaches
- Make better decisions using a total cost approach
- Lead initiatives to reduce total cost

Benefit to the organisation

This workshop will equip attendees with a range of practical tools and techniques to facilitate a stakeholder-centric approach to model and minimise total cost. The opportunity to learn about total cost management from a variety of perspectives will refresh your thinking and contribute to better decisions and better outcomes.

Duration & level:

1 day. Intermediate level program

Who should attend:

Procurement professionals wishing to understand how to model and effectively reduce cost