

Supply Chain Management/Logistics

Performance-Based Outsourcing: Buying Results, Not Activities!

- ▶ **Location:** Knoxville, Tennessee
- ▶ **Duration:** 3 Days
- ▶ **2009 Dates:** October 27-29, 2009
March 9-11, 2010
June 22-24, 2010
October 26-28, 2010
- ▶ **Tuition:** \$3,850 (includes meals and lodging); \$1,925 if repeating.
- ▶ Program fees are subject to change. Check our web site (<http://TheCenter.utk.edu>) for the latest information.
- ▶ Class size is limited.

Participant Profile

Performance-Based Outsourcing: Buying Results, Not Activities! is designed for corporate managers in charge of outsourcing operations.

Overview

Performance-Based Outsourcing: Buying Results, Not Activities! This class will fundamentally change the approach to how you are currently procuring outsource services such as third party logistics, supply chain management service, IT support, and facilities management. Today, most companies approach their outsourcing by purchasing activities or transactions from their suppliers. Performance-Based approaches turn the traditional approaches to buying outsourced services on their head – and buy results instead of activities. This course is based on the findings from a recent year-long study of how progressive commercial companies are applying Performance-Based sourcing as a key way to improve supplier

performance – at a lower price! Companies looking to outsource – and outsource providers – will leave the class well-grounded in how to apply a 7-step process and best practices for implementing a Performance-Based Outsourcing agreement.

Key Objectives

- ▶ Understand the fundamental business model differences between traditional outsourcing approaches and Performance-Based approaches
- ▶ Develop an appreciation for the power of Performance-Based approaches and learn how progressive companies have adopted these concepts to create win-win outsourcing relationships
- ▶ Learn a proven 7-step model that companies and outsource providers can use to lead them through transitioning to a Performance-Based agreement
- ▶ Get hands-on experience practicing how to link desired outcomes to Performance Work Statements – a key to developing a sound Performance-Based agreement
- ▶ How to view and plan the PBA process in a four-step commercial framework

Methods of Instruction

The program has been designed to ensure the active involvement of all participants. A balance of theory and application is provided through lectures, question/answer sessions, case studies, and small-group exercises. See the program schedule included with this profile sheet.

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Distinguishing Features

- ▶ The only university-based program designed to help both companies outsourcing and suppliers learn how to develop and implement Performance-Based outsourcing agreements
- ▶ This leading-edge course was based on applied research of studying successful Performance-Based agreements that are delivering improved value for companies outsourcing and improved margins for their suppliers
- ▶ Class size is limited in order to ensure interaction with faculty and fellow participants
- ▶ This program, like all Center for Executive Education open enrollment programs, is available as a customized, in-house program for organizations

Faculty

Program faculty consists of key experts in performance-based acquisition, including:

- ▶ **Mike Ledyard**, Partner, Supply Chain Visions. Mike has exceptional credentials in business process design and the management of planning, manufacturing, distribution, product development, and engineering in high-volume consumer goods and food industries. He is able to concisely explain complex supply chain concepts in understandable form to audiences ranging from boardroom executives to shop floor personnel. He is also an author and frequent speaker on process assessment and measurement, and was selected as one of the Top 20 Logistics & Supply Chain Executives of 2001-2002.
- ▶ **Dr. Karl B. Manrodt**, Associate Professor of Logistics, Georgia Southern U. Karl is a well-recognized academic in the area of logistics and supply chain management. He was recently recognized as a “Rainmaker” by DC Velocity magazine for his efforts in helping to build the logistics and supply chain profession. Dr. Manrodt serves on the executive committee of the Council of Supply Chain Management Professionals.

- ▶ **Kate Vitasek**, Founder and Managing Partner, Supply Chain Visions. Kate is a thought leader in the area of supply chain management and is a well-recognized authority on performance management and metrics implementation. She was recently recognized as a “Rainmaker” by DC Velocity magazine for her efforts in helping to build the logistics and supply chain profession. Ms. Vitasek serves on the executive committee of the Council of Supply Chain Management Professionals. She has worked for P&G, Accenture, Microsoft, and Modus Media International.

Facilities

Classes are held in the executive classrooms of The University of Tennessee Center for Executive Education. These facilities are specifically designed for group-interaction programs.

Accommodations are single-occupancy rooms at the nearby Knoxville Hilton Hotel.

Contact

For more information on the *Performance-Based Outsourcing: Buying Results, Not Activities!*, please contact:

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Website

For current news on the Center for Executive Education and its offerings, visit our web site at <http://TheCenter.utk.edu>.

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Related Courses

- ▶ Performance-Based Logistics: The Basics and Beyond
- ▶ Logistics Executive Development Program
- ▶ Integrated Supply Chain Management Program
- ▶ Supply Chain Management Strategy
- ▶ Demand Management in the Supply Chain
- ▶ Logistics & Operations in the Supply Chain
- ▶ The Lean Enterprise and the Supply Chain
- ▶ Supply Chain Resource Management
- ▶ Integrative Supply Chain Experience

COURSE SCHEDULE

DAY 1	DAY 2	DAY 3
Introductions	Review	Review
Background Understanding	Stakeholder Analysis ILS (cont)	Contract Risks ILS
Mind Shift Change of Vested Outsourcing	Assess Thyself	
The 10 Ailments of Outsourcing	Understand the Business	Assess Thyself
Ailments ILS		Desired Outcomes
ILS - Game Theory	Desired Outcomes ILS	Assess Thyself
		Case Study
The Five Rules	Assess Thyself	Getting Started - Tools & Deliverables
Getting Started - Lay the Foundation	Align Interests	Three Things To Do on Monday
Lay the Foundation Market Research & Stakeholders		Assess Thyself
Stakeholder Analysis ILS	Establish Contract	