

COST & PRICE ANALYSIS FOR PROCUREMENT

"Strengthening Procurement Decisions Through Financial Insight and Analytical Rigor"

Schedule

Date	Venue	Fees (Face-to-Face)
19 - 23 May 2026	Kuwait	USD 3495 per delegate

► **Available delivery methods:** Face-to-Face & Online Training

Introduction

Procurement professionals play a pivotal role in achieving cost-effective purchasing while ensuring quality and supplier performance. Effective cost and price analysis enables better negotiation outcomes, supplier selection, and risk mitigation—especially in volatile markets or long-term contracts.

This intensive 5-day course delivers practical tools and strategies for analyzing supplier costs, pricing structures, and value propositions. Participants will learn how to assess total cost of ownership (TCO), conduct price benchmarking, and evaluate supplier quotations with greater precision and confidence.

Objectives

By the end of this course, participants will be able to:

- Distinguish between cost analysis and price analysis in procurement
- Evaluate supplier cost structures, mark-ups, and pricing models
- Apply total cost of ownership (TCO) and lifecycle costing techniques
- Conduct benchmarking and market analysis for price reasonableness
- Develop negotiation strategies based on analytical insights

Why Attend

- Build financial acumen to strengthen supplier negotiations
- Identify hidden costs and achieve true value-for-money purchasing
- Enhance supplier selection and contract evaluation processes
- Support budgeting, planning, and procurement transparency
- Apply structured analysis to complex procurement decisions

Target Audience

This program is designed for:

- Procurement and sourcing professionals
- Contract and category managers
- Cost estimators and pricing analysts
- Finance staff supporting procurement teams
- Project and supply chain professionals involved in purchasing

Individual Benefits

Key competencies that will be developed include:

- Analytical thinking and financial evaluation in procurement
- Understanding supplier pricing, margins, and cost drivers
- Improved confidence in negotiations and pricing decisions
- Ability to assess and compare vendor quotations objectively
- Skills to develop TCO models and savings scenarios

Organizational Benefits

Upon completing the training course, participants will demonstrate:

- Better purchasing outcomes and cost savings
- Enhanced supplier performance monitoring and pricing controls
- Reduced risk of overpayment or missed value opportunities
- Improved procurement planning and transparency
- Alignment of sourcing strategies with financial and operational goals

Instructional Methodology

The course follows a blended learning approach combining theory with practice:

- Concept Briefings - Costing frameworks and analysis techniques
- Case Studies - Real-world procurement pricing and negotiation scenarios
- Hands-On Exercises - Analyze cost elements, TCO, and supplier quotes
- Peer Exchange - Group discussion of supplier challenges
- Tools & Templates - Cost breakdown templates, analysis grids, comparison sheets

Course Outline

Training Hours: 7:30 AM - 3:30 PM Daily Format: 3-4 Learning Modules | Coffee Breaks: 09:30 & 11:15 | Lunch Buffet: 01:00 - 02:00

Day 1: Procurement Cost & Price Fundamentals

- Module 1: Introduction to Procurement Financials (07:30 - 09:30) • The role of cost and price in procurement strategy • Difference between cost analysis and price analysis • Direct vs indirect costs
- Module 2: Understanding Cost Structures (09:45 - 11:15) • Fixed, variable, semi-variable costs • Overheads, profit margins, contingencies • Unit cost analysis
- Module 3: Price Analysis Techniques (11:30 - 01:00) • Comparative analysis, historical pricing, catalog pricing • Market research and benchmarking approaches
- Module 4: Workshop - Break Down a Supplier Quote (02:00 - 03:30) • Analyze a sample quotation and identify cost components

Day 2: Total Cost and Lifecycle Considerations

- Module 5: Total Cost of Ownership (TCO) Analysis (07:30 - 09:30) • Definition and scope of TCO • Examples: product vs service TCO • Use in strategic sourcing
- Module 6: Lifecycle Costing and Investment Planning (09:45 - 11:15) • Asset lifecycle phases and costs • Maintenance, disposal, and sustainability cost impacts
- Module 7: Supplier Cost Modeling (11:30 - 01:00) • Building supplier cost models • Estimating costs when full transparency isn't available
- Module 8: Workshop - Calculate TCO for Competing Bids (02:00 - 03:30) • Compare vendor bids using lifecycle cost metrics

Day 3: Supplier Analysis and Pricing Behavior

- Module 9: Supplier Financials and Pricing Behavior (07:30 - 09:30) • Cost drivers and pricing levers for suppliers • Supplier profit motives and pricing psychology • Strategic pricing: skimming, penetration, cost-plus
- Module 10: Vendor Quotation Evaluation (09:45 - 11:15) • Comparison templates and evaluation grids • Adjusting for scope differences and hidden costs
- Module 11: Risk and Contingency Pricing (11:30 - 01:00) • Price escalation clauses • Currency fluctuation, inflation, and supply risks
- Module 12: Workshop - Evaluate and Adjust a Complex Quote (02:00 - 03:30) • Standardize and score multi-line supplier proposals

Day 4: Negotiation Using Cost & Price Analysis

- Module 13: Using Analysis to Strengthen Negotiations (07:30 - 09:30) • Target pricing and cost-positioning • Negotiation tactics based on supplier analysis
- Module 14: Should-Cost Analysis (09:45 - 11:15) • Estimating what a product or service should cost • Cost drivers by category (e.g., materials, labor, logistics)
- Module 15: Collaborative Cost Reduction (11:30 - 01:00) • Working with suppliers on win-win savings • Understanding supplier constraints
- Module 16: Workshop - Role-Play a Price Negotiation (02:00 - 03:30) • Apply cost knowledge to support your negotiation position

Day 5: Strategic Cost Management and Wrap-Up

- Module 17: Strategic Sourcing and Cost Intelligence (07:30 - 09:30) • Spend analysis and supplier segmentation • Cost modeling in sourcing decisions
- Module 18: Cost Avoidance and Value Engineering (09:45 - 11:15) • Design-to-cost and specification challenges • Cost avoidance vs savings
- Module 19: Capstone Case Study - Cost Analysis Project (11:30 - 01:00) • Work in groups to develop a full cost and price analysis • Present findings to the facilitator
- Module 20: Course Review and Certificate Ceremony (02:00 - 03:30) • Q&A and action planning • Certificate distribution and feedback

Certification

Participants will receive a Certificate of Completion in Cost & Price Analysis for Procurement, validating their ability to analyze supplier costs, evaluate quotations, and make value-driven procurement decisions using structured financial techniques.

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