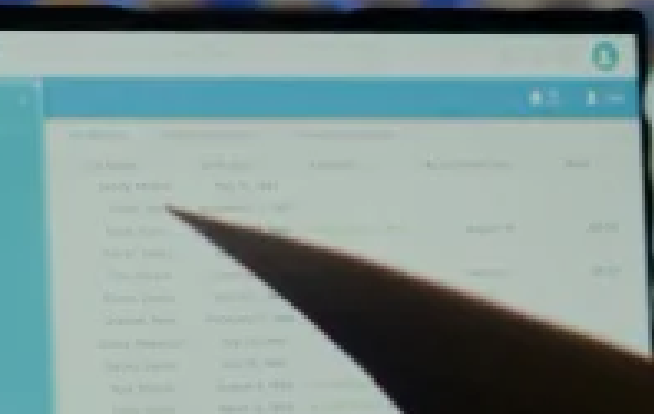




PROCUREMENT AND SUPPLY CHAIN MANAGEMENT | PSCM-023

Strategic Procurement and Supply Management in the Oil and Gas

Industry

Contact

+31 85 7444446
info@aractech.com
https://aractech.com

Address

Waarderweg 50, 2031PB Haarlem - Netherlands.

Course content

Why Attend

Procurement and supply management in the oil and gas industry involve complex technical specifications, high-value contracts, global supplier networks, demanding project schedules, and significant operational and safety risks. From exploration and drilling to production, processing, maintenance, and infrastructure development, procurement decisions directly affect project delivery, asset reliability, operating costs, and business continuity.

Oil and gas organisations must manage specialised equipment, long-lead materials, engineering services, contractors, and critical spare parts while responding to volatile commodity markets, geopolitical uncertainty, supplier concentration, logistics constraints, and strict quality and safety requirements. Effective procurement therefore requires a strategic approach that integrates commercial objectives with technical performance, supply security, contractual risk, and long-term value.

Course Methodology

- The programme combines instructor-led discussions, oil and gas procurement case studies, supplier evaluation exercises, category strategy workshops, commercial negotiation simulations, procurement risk assessments, and supply chain planning activities.
- Participants work with realistic scenarios involving drilling equipment, rotating machinery, pipelines, instrumentation, maintenance materials, engineering services, and major project procurement packages. Exercises focus on integrating technical specifications, commercial evaluation, contractual requirements, delivery performance, and supply risk into effective procurement decisions.

Course Objectives

- Explain the strategic role of procurement across upstream, midstream, and downstream oil and gas operations
- Develop procurement strategies aligned with operational requirements, project schedules, and business objectives
- Apply spend analysis, category management, and strategic sourcing techniques
- Prepare effective sourcing and tendering plans for technical equipment, materials, and services
- Evaluate suppliers using technical, commercial, financial, quality, and risk criteria

Course content

- Apply total cost of ownership and lifecycle costing to procurement decisions

| Target Audience

- This course is suitable for:
- Procurement and purchasing managers in oil and gas organisations
- Strategic sourcing and category management professionals
- Supply chain and materials management managers

Course outline

Detailed course outline

Day-by-day outline for Strategic Procurement and Supply Management in the Oil and Gas Industry.

Day 1 - Strategic Procurement in the Oil and Gas Value Chain

- 09:00-09:34 | Understanding procurement and supply management requirements across exploration, drilling, production, processing, transportation, refining, and petrochemical operations
- 09:34-10:08 | Examining the procurement implications of capital projects, operational expenditure, shutdowns, turnarounds, and maintenance activities
- 10:08-10:42 | Aligning procurement strategies with operational reliability, project objectives, technical requirements, safety expectations, and cost efficiency
- 10:42-11:00 | Applying spend analysis and category segmentation to identify strategic, critical, leverage, and routine procurement categories
- 11:00-11:30 | Coffee break
- 11:30-11:46 | Applying spend analysis and category segmentation to identify strategic, critical, leverage, and routine procurement categories (continued)
- 11:46-12:53 | Developing category management strategies for equipment, materials, engineering services, maintenance contracts, and specialised suppliers
- 12:53-14:00 | Practical workshop: Preparing a strategic procurement category plan for selected oil and gas equipment and service requirements

Course outline

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Day 2 - Strategic Sourcing, Tendering and Supplier Qualification

- 09:00-09:30 | Conducting supply market analysis for specialised oil and gas equipment, materials, contractors, and technical service providers
- 09:30-10:30 | Developing sourcing strategies and tender packages incorporating technical specifications, delivery requirements, quality expectations, and commercial conditions
- 10:30-11:00 | Establishing supplier prequalification criteria covering technical competence, financial stability, production capacity, HSE performance, and quality management
- 11:00-11:30 | Coffee break
- 11:30-12:30 | Designing technical and commercial bid evaluation methodologies with transparent scoring, clarification, and approval procedures
- 12:30-13:00 | Applying total cost of ownership and lifecycle cost analysis to evaluate equipment, maintenance requirements, operating costs, and supplier proposals
- 13:00-14:00 | Practical exercise: Evaluating competing suppliers for a critical equipment package and preparing a documented sourcing recommendation

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Day 3 - Commercial Negotiation, Procurement Contracts and Project Interfaces

- 09:00-10:00 | Developing negotiation strategies for high-value equipment, engineering services, maintenance contracts, and long-term supply arrangements
- 10:00-10:30 | Negotiating pricing structures, payment milestones, delivery schedules, performance guarantees, warranties, and commercial risk allocation
- 10:30-11:00 | Understanding procurement contract structures and interfaces within EPC, EPCM, framework agreements, and long-term service arrangements
- 11:00-11:30 | Coffee break
- 11:30-12:00 | Managing procurement-related contract provisions covering inspection, acceptance, variations, delays, liquidated damages, and dispute escalation
- 12:00-13:00 | Coordinating procurement activities with engineering design, project controls, construction schedules, and commissioning requirements
- 13:00-14:00 | Negotiation simulation: Developing and negotiating commercial terms for a critical oil and gas equipment supply contract

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Day 4 - Supply Chain Risk, Long-Lead Equipment and Materials Management

- 09:00-09:34 | Identifying supply chain risks involving geopolitical disruption, sanctions exposure, transportation constraints, supplier insolvency, market volatility, and material shortages
- 09:34-10:41 | Developing procurement schedules and expediting procedures for long-lead equipment, fabrication packages, and critical project materials
- 10:41-11:00 | Managing supplier inspection, quality documentation, factory acceptance testing, and delivery readiness requirements
- 11:00-11:30 | Coffee break
- 11:30-11:45 | Managing supplier inspection, quality documentation, factory acceptance testing, and delivery readiness requirements (continued)
- 11:45-12:19 | Coordinating international logistics, customs documentation, Incoterms, shipment tracking, and material delivery to remote operating locations
- 12:19-12:53 | Improving spare parts planning, critical inventory management, material availability, and coordination with maintenance and asset management teams
- 12:53-14:00 | Case study: Developing a supply continuity and recovery plan for delayed critical equipment affecting an oil and gas project schedule

Course outline

Detailed course outline

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Day 5 - Procurement Governance, Supplier Performance and Strategic Improvement

- 09:00-09:34 | Establishing procurement governance arrangements covering delegated authority, sourcing approvals, transparency, ethical conduct, and conflict-of-interest management
- 09:34-10:41 | Developing supplier performance scorecards using delivery reliability, technical quality, HSE performance, commercial compliance, and responsiveness
- 10:41-11:00 | Managing supplier relationships through performance reviews, corrective action plans, supplier development, and strategic collaboration
- 11:00-11:30 | Coffee break
- 11:30-11:45 | Managing supplier relationships through performance reviews, corrective action plans, supplier development, and strategic collaboration (continued)
- 11:45-12:19 | Evaluating digital procurement tools, ERP integration, spend analytics, supplier portals, and predictive analytics for supply chain visibility
- 12:19-12:53 | Measuring procurement effectiveness through cost savings, cost avoidance, procurement cycle times, contract compliance, supplier risk, and operational service levels
- 12:53-14:00 | Capstone exercise: Developing a Strategic Oil and Gas Procurement and Supply Management Roadmap covering category priorities, sourcing strategies, supplier risks, contract management, performance indicators, and implementation milestones

Seminar dates

Available seminar dates

Live dates and pricing for Strategic Procurement and Supply Management in the Oil and Gas Industry generated from the course details page.

Date	Location	Format	Fee
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No seminar dates are currently available.