CORE CONCEPT

Oil and Gas Supply Chain and Materials Management Course: Procurement, Inventory and Suppliers

Oil and Gas Supply Chain and Materials Management Course: Procurement, Inventory and Suppliers

Introduction:

Oil and gas supply chain and materials management, covering procurement, inventory and suppliers, is a 1-week course for supply chain, materials, procurement and warehouse staff in oil and gas operators, service companies and EPC contractors, ending with a Materials and Procurement Improvement Plan. Drilling and production stop when a critical spare or long-lead item is late, while surplus stock ties up working capital in remote yards. Nominees already raise requisitions, buy, expedite or hold stock, and teaching is by case study on purchase orders, stock records and supplier data. CoreConcept Training Center delivers this oil and gas supply chain course.

Course Objectives:

- Map the oil and gas supply chain from demand planning for drilling and production to delivery at remote and offshore sites
- Build category strategies for materials and services using spend analysis and total cost of ownership
- Prequalify and select suppliers, then expedite orders and coordinate third-party inspection for long-lead items
- Set stocking policies for MRO and critical spares using ABC and VED classification and reorder points
- Reduce surplus and obsolete stock through vendor-managed inventory, consignment stock and disposal routes
- Measure supply chain performance with OTIF, inventory turns, stock-out rate and procurement cycle time

Target Audience:

- Materials management staff responsible for stock planning, cataloguing and spares availability
- Procurement and buying staff responsible for sourcing materials and services
- Expediting and inspection coordinators responsible for supplier delivery and quality
- Warehouse and yard supervisors responsible for receiving, storage and issue
- Contracts and category staff responsible for frame agreements with suppliers
- Planning and maintenance staff who raise requisitions for drilling and production

Course Outline:

Day 1: Oil and Gas Supply Chain Structure and Current State

- Upstream and Downstream Supply Chain Map From Requisition to Site
- Drilling and Production Campaign Demand Profiles
- Long-Lead Item and Critical Spares Register Review
- Remote and Offshore Logistics Constraints and Lead Times
- Supply Chain Baseline Review Using Spend and Stock Data

Day 2: Procurement and Category Strategy Models

- Spend Analysis by Category, Supplier and Asset
- Category Strategy Development for Materials and Services
- Total Cost of Ownership Model for Equipment Purchases
- Frame Agreements and Call-Off Contract Structures
- Supplier Prequalification Criteria and Approved Vendor Lists

Day 3: Materials, Inventory and Supplier Operations

- ABC and VED Classification of Stock Items
- Reorder Point and Min-Max Setting for MRO Spares
- Material Master and Catalogue Data Quality Rules
- Expediting Schedules and Third-Party Inspection Plans
- Warehouse Receiving, Preservation and Issue Procedures

Day 4: Supply Risk, Surplus and Performance Problems

- Supply Risk Register for Single-Source Critical Items
- Vendor-Managed Inventory and Consignment Stock Arrangements
- Surplus and Obsolete Stock Identification and Disposal Routes
- OTIF, Inventory Turns and Stock-Out KPI Dashboard
- Procurement Cycle Time and Emergency Purchase Analysis

Day 5: Case Study Work and the Improvement Plan

- Drilling Campaign Case Study on Late Long-Lead Items
- Production Shutdown Case Study on Critical Spares Availability
- Surplus Yard Case Study on Inventory Reduction
- Supplier Performance Review and Category Action Priorities
- Materials and Procurement Improvement Plan Completion

Skills You Will Gain:

- Supply Chain Mapping
- Spend Analysis
- Category Strategy
- Supplier Prequalification
- Expediting and Inspection Coordination
- Inventory Classification
- Supply Risk Assessment
- Supply Chain KPI Reporting

Why Attend This Course:

- Deliver a Materials and Procurement Improvement Plan to the supply chain manager and the heads of operations and maintenance
- Decide which items to stock, which to buy on demand and which to place under frame agreements or consignment
- Avoid production losses, emergency purchases and excess stock caused by late long-lead items and poor stocking policies
- Coach buyers, storekeepers and planners on the classification, expediting and KPI methods practised in the case studies

Conclusion:

Back at work, the participant gives the Materials and Procurement Improvement Plan to the supply chain manager and the heads of operations, maintenance and drilling. They use it to agree stocking policies for critical spares, category actions for the largest spend areas and owners for supplier improvement. After the first quarter, the organisation should compare OTIF, inventory value, stock-outs and emergency purchases with the baseline in the plan and adjust the actions that have not moved them.

Frequently Asked Questions FAQ:

What should participants know before an oil and gas supply chain and materials management course?

Participants should already work in procurement, materials, warehousing or expediting for an oil and gas operator, service company or contractor. Bringing anonymised stock lists, purchase order data or a supplier performance report helps them apply the case studies to their own organisation.

How does an oil and gas supply chain and materials management course differ from a general supply chain fundamentals course?

This course is for practitioners and works on oil and gas problems: long-lead items, critical spares, remote and offshore logistics, inspection and surplus yards. A fundamentals course introduces supply chain concepts and flows across sectors without this depth of materials and procurement practice.

Why do oil and gas supply chains hold critical spares that rarely move?

A missing critical spare can stop a well, a compressor or a whole plant, and lead times for such items can run to months. Classification by value and criticality lets the organisation hold these items deliberately while cutting slow-moving stock that carries no such risk.

What do participants take back from the oil and gas supply chain and materials management course?

Participants take back a Materials and Procurement Improvement Plan with a spend and stock baseline, category actions, stocking policies for critical spares, a supply risk register and a KPI dashboard, ready to present to their supply chain manager.