Syllabus
Behavioral and Digital Economics for Effective Management (BDEEM)

Course title	Performance Measurement: Key Performance Indicators
Teacher	Benjamin Hulot
shared course	No X Yes
Hourly volume	12
Evaluation methods	A 45 min exam based on several business cases (risks identification, GHG Emission Scopes mapping, new CSR business models, savings calculation, performance levers mapping...)
Course summary	Facing to several new challenges (inflation, supply chain disruption, decarbonization, new regulation...), procurement function is forced to develop new performance models to demonstrate its value creation. This new performance more multifaceted is focus on economical, CSR and effectiveness (process optimization). This economic performance enables to understand efficiency and cost reduction plans. The use of procurement reduction levers (buy less, buy better and buy less expensive) and the links with a procurement strategic plan. Because a buyer must manage savings action plan, a deep knowledge of the purchasing savings rules is now mandatory (EBITDA impact, recurring vs non-recurring savings, one off savings, cost avoidance...). Main other KPIs related to the spend addressable and spend under contract will be explored through simple examples. With the new challenges on sustainability, the second part of the course will present the new CSR risks and current context with new regulations (Human rights, SBTI, Ecovadis..). To generate more value creation and new source of revenues, the understanding of new CSR business models will be explored as functional, circular, collaborative and inclusive. And how to drive sustainability performance into procurement process (integration into tenders, checks to perform with suppliers, evaluation to proceed...) with a selection of relevant CSR KPIs to implement to meet internal and external requirements.
Skills	Understand the procurement performance dimensions - Implement a procurement savings plan by reduction lever - Be able to find good procurement Key performance indicators - Understand the main definitions and calculate the KPIs through some business cases (savings by project...)

	- Identify the main CSR risks and understand the context with impacting regulations - Know how to handle the main decarbonization concepts (Scopes 1/2/3, carbon neutrality...) - Be able to develop new business models to accelerate the procurement impact - Integrate sustainability levers into category management