



SNS COLLEGE OF TECHNOLOGY



[An Autonomous Institution]

Coimbatore - 35

19BAT612 - Operations Management

Unit 5 – Purchasing

Topic: Purchasing organization



Recall

- Sources of Information
- Method of Evaluation and Selection
- Vendor rating
- Rating techniques
- Techniques of vendor rating



Purchasing Organization

- The purchasing organisation is responsible for the provision of materials and services.
- The purchasing organisation negotiates with the provider purchasing conditions and is responsible for all purchasing activities verhandelt
- The following types of purchasing organisations are possible:
 - There is only one single purchasing organisation responsible for the whole enterprise .
 - Each entry range has its own purchasing organisation.
 - Each factory has its own purchasing organisation.



Factors affecting purchasing position

- The nature of a firm, product/service
- The materials/sales ratio
- The importance of supplier management function to senior management
- The talent of purchasing staff and the extent to which they market their value adding contribution





Organizing the PF

- Sourcing and Negotiation
- Operational support and follow up
- Administrative support
- Purchasing research



In Smaller organization...

- Purchasing usually has two functions
 1. Buyers
 2. Administrative support



Summary

- Purchasing Organization
- Factors affecting purchasing organization
- Organizing the purchasing function



Thanks..