

## Chapter 1

### **THE ROLE OF PURCHASING IN THE VALUE CHAIN**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The role and importance of the purchasing and supply function in the value chain.
- The difference between concepts such as ordering, buying, purchasing, procurement, sourcing, supply chain management and value chain management and how these are interrelated.
- New developments in purchasing and supply practices of organizations.
- The most important elements of the purchasing function.

## Chapter 2

### **INDUSTRIAL BUYING BEHAVIOUR: DECISION MAKING IN PURCHASING**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The major differences between organizational and consumer buying behaviour.
- The key elements of the purchasing process.
- The various roles in a buying decision-making unit.
- The involvement of the purchasing department in the acquisition of various goods.
- How to model organizational buying behaviour and network-theory.

## Chapter 3

### **THE PURCHASING MANAGEMENT PROCESS**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The major tasks and responsibilities of purchasing.
- The basic principles on which purchasing policy can be based.
- The major policy areas in purchasing.
- How purchasing may develop over time as a business function.

## Chapter 4

### **PURCHASING AND FACILITIES MANAGEMENT**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The role and position of purchasing in a facilities environment.
- Key success variables for purchasing in a facilities environment.
- Measures aimed at improving the effectiveness of purchasing in a facilities environment.
- How to classify services that are contracted by organisations.
- What it takes to buy indirect products and services.

## Chapter 5

### **BUYING BUSINESS SERVICES**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The increasing importance of buying of services.
- The differences between buying services and buying goods.
- Different views on buying services and the implications for the purchasing process.
- The importance of stakeholder management for buying services.
- Specific areas of attention in specifying services, and selecting and contracting service providers.
- The importance of professional contract management.

## Chapter 6

### **PUBLIC PROCUREMENT**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The principles which are at the basis of public procurement and tendering.
- The specific characteristics of public procurement policy.
- The content and scope of the European Public Procurement Directives.
- The content and all of the six purchasing procedures for public procurement.
- The specific problems that may occur when executing these purchasing procedures.

## Chapter 7

### **MARKET STRUCTURES AND SUPPLY MARKET RESEARCH**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The different supply market structures that purchasing managers may encounter.
- How supply market structures may affect purchasing strategies.
- The role and importance of supply market research in the purchasing management process.
- The most important characteristics and types of supply market research.
- How to organize and conduct supply market research.
- How purchasing managers can use the Internet for supply market research.

## Chapter 8

### **OUTSOURCING AND RISK MANAGEMENT**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- Why companies outsource part of their business processes.
- How to structure the process of outsourcing.
- The most important risks and pitfalls related to outsourcing.
- How to deal with the most important downside risks related to outsourcing.

## Chapter 9

### **PURCHASING AND BUSINESS STRATEGY**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The changing international business context and how companies strategically respond.
- The increasing strategic role of the purchasing function.
- How purchasing can support the company's overall competitive strategy.
- How to develop a differentiated purchasing and supplier strategy.

## Chapter 10

### **CATEGORY SOURCING: GETTING BETTER PERFORMANCE FROM SUPPLIERS**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- Understand why in most deals with suppliers there is room for cost savings.
- What it takes to develop a sourcing strategy.
- Identify the different elements of a category sourcing plan.
- How to assemble a cross functional sourcing team.
- Identify key success factors for successful implementation of sourcing strategies.

## Chapter 11

### **PURCHASING, INNOVATION AND QUALITY MANAGEMENT**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- Why large companies pursue 'open innovation' in their external relationships.
- The challenges of integrating purchasing in technical design and new product development processes.
- What it takes to involve suppliers early in new product development.
- The most important concepts concerning purchasing and quality management.
- Purchasing's role in and contribution to quality management.
- How to set up a Supplier Quality Assurance (SQA) programme.
- How to improve supplier performance.

## Chapter 12

### **PURCHASING, LOGISTICS AND SUPPLY CHAIN MANAGEMENT**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The definition of supply chain management and the basic supply chain concepts
- The most important steps in the materials planning cycle
- How supply chain activities can be structured within organizations
- Characteristics of just-in-time scheduling and purchasing
- The most important elements of a purchasing information system.

## Chapter 13

### **ORGANIZATION AND STRUCTURE OF PURCHASING**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The structure of the purchasing function within organizations
- The underlying factors that determine the role, position and organizational structure of purchasing
- The major tasks, responsibilities and competences of purchasing and how to organize these
- How to get organized for purchasing in single-unit companies
- How to get organized for purchasing in multi-unit companies
- Which criteria to use in deciding on centralized versus decentralized purchasing
- The most important job profiles in purchasing.

## Chapter 14

### **PERFORMANCE MEASUREMENT AND GOVERNANCE IN PURCHASING**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The factors that influence the way performance measurement is executed and evaluated.
- The key areas that should be considered when measuring and evaluating purchasing performance.
- The methods, techniques and performance measures that can be used.
- How to conduct a purchasing audit as a tool to improve purchasing performance.
- The value of benchmarking in purchasing.
- The role and importance of governance rules in purchasing.

## Chapter 15

### **PREPARING FOR PARTNERSHIP WITH SUPPLIERS: COST APPROACHES AND TECHNIQUES**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- How prices are set by suppliers.
- How to use the learning curve technique as a basis for price negotiations.
- Supplier evaluation and vendor rating techniques.
- How to evaluate the financial position of suppliers.
- What it takes to develop suppliers.

## Chapter 16

### **BUYING AND SUPPLY MANAGEMENT IN RETAIL**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The main characteristics and importance of buying and supply in trade and retail companies.
- The most important developments in the buying policies of trade and retail companies.
- The way in which the buying function can be organized in trade and retail companies.
- The profile of the trade and retail buyer.

## Chapter 17

### **PURCHASING, CORPORATE SOCIAL RESPONSIBILITY AND ETHICS**

#### LEARNING OBJECTIVES

After studying this chapter you should understand the following:

- The importance of corporate social responsibility to large international companies.
- Purchasing's contribution to 'People, Planet, Profit'.
- How corporate responsible purchasing can be embedded in a company's culture.
- The importance of integrity codes within purchasing.
- How companies can act responsibly in their relationships with their suppliers.