



Course: Purchasing with Business Ethics for Business Professionals

Contact Hours: 18

Pre-requisite: None

Abstract

This unit enables participants to demonstrate an understanding of purchasing as it evolved through the years to procurement and supply management. Participants will develop an understanding of the driving forces behind this evolution and of the current role and expected outcomes of procurement in the organisational setting. The need for and the nature and importance of the governance of the function through policies, procedures and standards of ethical behaviour are also addressed. The course then takes participants through some of the specialized tools and techniques as well as through some key areas such as supplier selection, negotiating, the legal framework and international purchasing.

This unit will provide learners with the ability to develop an understanding of the purchasing process and the various activities that form part of the process; with special emphasis on the ethical standards required.

Target Audience

The course is designed for purchasing managers, marketing and sales managers, materials and logistics officers, buyers and management personnel involved in purchasing decisions. It is particularly suited to persons looking to buy from low cost countries.

Learning Outcomes

On completion of this course, learners will be able to:

1. Understand the evolution of purchasing from a clerical function to strategic procurement and supply management.
2. Understand the principles and procedures for the effective operations and governance of the function
3. Know the main ethical challenges and the code of behaviour to be followed to overcome them

4. Understand the basics of negotiating and the importance of negotiations in supply management
5. Understand the legal framework within which purchasing operates
6. Become familiar with some of the tools and techniques used in purchasing
7. Become familiar with the key aspects of supplier selection and international purchasing

Course Content

The Evolution and Importance of Purchasing (Learning Outcome 1)

- Purchasing as a clerical function
- The growing importance of purchasing to the organization
- The role and responsibilities of purchasing in the organization
- How the role of the buyer is changing

Purchasing Objectives and Strategies (Learning Outcome 1)

- The need for purchasing objectives and the types of objectives set
- How purchasing strategies are crafted
- The need to balance between conflicting objectives

Purchasing Policies and Procedures (Learning Outcome 2)

- The nature and purpose of purchasing policies
- The nature and purpose of purchasing procedures
- The purchasing cycle

Ethics in Purchasing (Learning Outcome 3)

- To understand the meaning of ethics in purchasing and supply
- To examine how firms foster ethical practices through ethical codes
- To understand the risks associated with poor ethical practices

Selection and Performance Management Techniques

- The sourcing process
- The nature and purpose of purchasing procedures
- The purchasing cycle

Specialized Purchasing Tools

- The different tools and models used in procurement to gather and analyse information and to make and execute decisions.
- How these models can be applied to supply management decisions

Effective Negotiations (Learning Outcome 4)

- Effective negotiations
- The phases in the negotiation process
- Negotiation techniques

Legal Framework of Information Management (Learning Outcome 5)

- The aspects of the legal framework as it relates to purchasing
- The law of agency
- The basics of formation and management of contracts

Transportation

- The importance of transportation in logistics management
- The various transportation modes and the factors influencing the choice determination
- The fundamentals of transportation management

International Logistics (Learning Outcome 7)

- The activities involved in international logistics
- The packaging and handling requirements
- Documentation
- The role of the intermediaries