FEEDBACK TUTORIAL LETTER

1st SEMESTER 2019

ASSIGNMENT 2

PURCHASING MANAGEMENT

BPM611S
FEEDBACK TUTORIAL LETTER FOR PURCHASING MANAGEMENT BPM611S- ASSIGNMENT 2 2019 (SEMESTER 1 OF 2019)
MR M L NELENGE
QUESTION 1
Solution
ESSAY-TYPE QUESTIONS
1.1 What is meant by the statement “We only use fresh unprocessed chicken and monitor everything, from farm to fork” (5 Marks)

Monitoring: from farm, feeding, transportation, storage, preparation of chicken, employing measures such as testing and inspecting the chicken from the point of origin up to the point of consumption.

1.2 Tactics to consider when procuring legal services (10 Marks)

- Identify the scope and the objective of the project: Supply management does not have technical expertise in this area, but it may contribute by asking questions to clarify the scope of the project.
- Assess internal knowledge, skills capabilities in order to assess the option of providing the legal service in-house or outsourcing it. The question also arises whether there is sufficient in-house or outsourcing it. The question also arises whether there is sufficient in-house knowledge and skills to determine the actual scope of the legal project. Perhaps it will be necessary to outsource even this element.
- Select the team leader and team members. Selecting lead council is an important step in developing a project team. Normally the lead outside council is requested to manage the project on a turnkey basis.
- Selecting lead council. This individual has the responsibility of selecting a suitable team jointly with internal users.
- Reach agreement with the service provider on objectives and strategies. Cost is a particular consideration in this regard since external legal services are typically very expensive
- Structure compensation to reward efficiencies and results.
• Put technology to work. The electronic communications systems are able to link team members, store data and give access to legal databases for research purposes.
• Maintain open communication between team members.
• Evaluate performance and provide feedback
• Purchasing advertising services
• Could play a role as advisor regarding contractual details in conjunction with top management and marketing/advertising, and could re-enter the process should the advertising agency perform badly.
• Could influence the decision from a commercial viewpoint
• Could assist in determining overall costs and the cost-effectiveness of the service contract
• Could have an important as supply base managers ensuring that only suitable suppliers are being involved and their performance is in line with user specifications. This implies that supply management should build knowledge and understanding about advertising agencies and agency performance.
• Purchasing temporary personnel services
• Data collection
• Legal implications

1.3 A diagram of a company of choice on the processes to follow during the purchasing of a good or a service (10 Marks)

• A clear diagram is required

1.3.1 Motivation as to whether to agree or disagree with the answer in 1.3 (10 Marks)

• Students are expected to clearly provide the reasons why agreeing or disagreeing

Question 2
2.1 The impact the health of truck drivers have on the performance of the purchasing and supply chain (5 Marks)

The ultimate aim of any supply chain is to meet or exceed the expectations of the end user who is the final customer to the whole chain. Therefore if truck drivers are not healthy, there could be delays in the deliveries,
accidents could occur, drivers could lose their lives due to accidents or illness and all this will have a negative impact on all parties in the whole supply chain. Note: Award marks if students have highlighted those key issues in their answers.

2.2 **Categories of corporate social responsibility** (10 Marks)

- Ethics
- Human rights
- Safety

Note: Those should be highlighted in the student’s discussion

Total Marks for assignment 1 = 100 Marks

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