Introduction to the Module

This course module is intended to equip the trainee with knowledge, skills and attitudes that will enable him/her to effectively carry out purchasing and supply operations. The graduate of this module is expected to serve at middle level management in a purchasing department.

Module Objectives

By the end of the module, the trainee should be able to:

- a) apply principles of theory and practice of management supply chain management
- b) apply purchasing and supply strategies in an organisation
- describe the role of managerial accounting in purchasing and supply operations
- d) manage project and contract
- e) recognise the role of supply chain management operations management
- f) describe the function of international purchasing in supply management

Entry Requirement

The trainee entering this module should have the following minimum entry requirement:

a) Pass in Module II in Supply Chain Management

Module Units and Time Allocation

Code	Module Units	Time
22.3.0	Purchasing and Supply Strategy	Hours
23.3.0	Operations Management	90
24.3.0	Project and Contract Management	90
25.3.0	International Purchasing	90
26.3.0	Managerial Accounting	
27.3.0	Theory and Practice of Management	140
28.3.0	Research Project	110
	Total	50
10131		660

22.3.0 PURCHASING AND SUPPLY STRATEGY

22.3.1 Introduction

This module unit is intended to equip the trainee with the knowledge, skills and attitudes that will enable him/her plan and manage the procurement functions.

22.3.2 General Objectives

By the end of the module unit, the trainee should be able to:

- explain the importance of strategic management in supply chain management
- describe the strategic planning process supply chain management
- outline the importance of developing the purchasing and supply strategy
- d) apply purchasing and supply chain policies in purchasing
- e) discuss the importance of effective performance in the purchasing and supply function.

22.3.3 Module Unit Summary and Time Allocation

Code	Sub-Module Units	Content	Total (Hours)
22.3.01	Introduction to Strategic Management	 Meaning of strategic management Concept and purpose of strategic management Nature of strategic supply chain management Levels of strategy Scope of strategic management 	2

Code	Sub-Module Units	Content	Total (Hours)
29 3 02	Strategic Planning Process	 Meaning of strategic planning Steps in strategic planning process Tools used in environmental scanning Strategy formulation process Factors in strategy selection Factors to be considered in implementing strategic plan Strategy evaluation control and feedback process 	15
22 3.03	Purchasing and Supply Chain Strategies	 Meaning of purchasing strategy and supply strategy Relationship between purchasing and supply strategy and corporate strategy Contribution of purchasing chain strategies to corporate strategy Purchasing and supply strategies 	15
22 3.04 Purchasing And Supply Chain Policies		 Meaning of nature of purchasing and supply policies Nature of purchasing and supply policies Importance of purchasing and supply policies Factors considered in formulating purchasing and supply policies Process followed in formulating purchasing and supply policies Policies in purchasing and supply Process of preparing the purchasing and supply Challenges in implementing purchasing and supply policies 	16

Code	Sub-Module Units	Content	Total (Hours)
22.3.05	Purchasing and Supply Organisation	 Importance of organisational structures in purchasing and supply entities Factors considered in designing an organisational structure for purchasing and supply organisation organisation of purchasing and supply activities Approaches to organisation structures Management levels in purchasing and supply 	16
22.3.06	Measuring Purchasing and Supply Performance	 Concept of performance measurement in purchasing Factors to consider in measuring purchasing and supply performance Methods of measuring purchasing and supply performance 	16
22 3.07	Emerging Trends and Issues an Purchasing and Supply Strategy	 Emerging trends and issues in purchasing and supply strategy Challenges posed by the 	10
		 emerging trends and issues in purchasing and supply strategy Coping with emerging issues and trends in purchasing and supply strategy 	
	Total		90

22.3.01	INTRODUCTION		
	TO STRATEGIC MANAGEMENT	22.3.0174	toperational Nature of strategic supply chain management
22 3.01T	Theory Specific Objectives	22.3.0175	Importance of strategic
	By the end of the sub-module unit, the	22.2.010**	management
	trainee should be able to	22.3.01T6	Scope of strategic management
	 a) explain the meaning of 		Practice
	strategic management	22.3.01P	Specific Objective By the end of the
	b) explain the concept and purpose of		sub-module unit, the trainee should be
	strategic management c) explain the nature		able to illustrate levels of strategy
	of strategic supply		Content
	chain management d) explain levels of	22.3.01P1	Levels of strategy
	strategy	10,	Suggested
	e) explain the	10,	Teaching Learning
	importance of strategic),	Resources
	management		- Textbooks - Professional
22 J.01C	Competence The trainee should		magazines - Chalk/white boards
	have the ability to discuss levels of		Suggested . Teaching/Learning
	strategy		Activities - Discussion
	Content		- Note taking
22.3.0171	Definition of strategic		- Guest speaker
22.2.0176	management		Suggested
22.3.01T2	Concept and purpose of strategic		Evaluation Methods - Written tests
	management		- Assignments
22.3.01T3	Levels of strategy Corporate		
	Business Functional		

22.3.02	STRATEGIC		effectively
	PLANNING		participate in
	PROCESS		strategic planning
			process
	Theory		P
			Content
22.3.02T	Specific Objectives	22.3.02T1	Meaning of strategic
22.0.02.	By the end of the		planning
	sub-module unit, the	22.3.0212	Steps in strategic
	trainee should be	22.3.0271	planning process
	able to:		Environmental
			scanning
	meaning of		Strategy formulation
	strategic		Strategy choice
	planning		Implementation
	b) identify the steps		Evaluation, control
	in strategic		and feedback
	planning process	22.3.02T3	Tools in
	c) discuss tools		environmental
	used in		scanning
	environmental	C	- PESTLE
	scanning	Ci.	- SWOT
	d) describe the	xJe	- BCG
	strategy	3	- Porter's Five
	formulation		Forces Model
	process		- Ansoff's matrix
	e) explain the	22.3.02T4	Strategy formulation
	factors in		process
	strategy		Vision
	selection		Mission
	f) explain the		Objectives ·
	factors to be	22.3.02T5	Factors in strategy
	considered in		selection -
	implementing		Mission statement
	strategic plan		- Stakeholders
	g) describe the		expectation
	strategy		- Product/service
	evaluation,		range
	control and		- Competition
	feedback		- Price
			- Differentiation
	process.		
00 2 00 0			- Focus
22.3.02C	Competence		
	The trainee should		
	have the ability to		
	1		

22 3 027 6 Factors in strategy Suggeried implementation Teaching. Learning organisation Activities structure Discussion Leadership - Note taking Resources Policies and Suggested procedures Evaluation Methods 22 3 02T7 Strategy evaluation. Assignments control and feedback - Term papers process - Reporting 22.3.03 PURCHASING - Budgets AND - Setting SUPPLY performance CHAIN standards STRATEGIES - Benchmarking Theory Practice 22.3.03T Specific Objectives 22 3 02P Specific Objective By the end of the By the end of the sub-module unit, the sub-module unit, the trainec should be trainee should be able to able to formulate a a) explain the strategy using meaning of terms strategic analysis used in strategic tools in a given purchasing business situation b) discuss the relationships 22.3 02PI Formulating between purchasing strategies using and supply strategy strategic analysis to corporate tools in a given strategy business situation c) discuss the contribution of Suggested purchasing and Teaching/Learning supply to corporate Resources strategy - Textbooks d) discuss purchasing - Internet and supply

strategies.

- Chalk/white boards

22.3.03C	Competence	22.3.0374	Purchasing and
	The trainee should		supply strategies
	have the ability to		- Supplier
	apply purchasing and		development
	supply chain		- Quality
	strategies in a given		improvement
	business situation		
			- Supply chain
	Content		information system
22 3.03T1			 Partnership/collabo
22 3.0311	Meaning of terms		rative
	Purchasing strategy		 Cost reduction
20.0.0000	Supply strategy		 Lean, supply back
22.3.03T2	Relationship		- Outsourcing
	between purchasing		- Group sourcing
	and supply strategy		- Innovation
	and corporate		strategies
	strategy		
	- Cascading the		- Agile strategies
	corporate strategies		- Strategic issues in
	to purchasing and		purchasing and
	, 100	10,	supply
	supply strategy	K L	
	- Co-ordination		Practice
	- Monitoring and		
20.2.62***	feedback	22 3.03P	Specific Objective
22.3.03T3	Contribution of		By the end of the
	purchasing and		sub-module unit, the
	supply to corporate		trainee should be
	strategy		able to formulate
	- Provision of		purchasing and
	information about		supply chain
	customer		strategies -
	- Availability of		sharegres.
	materials		Content
	- Stability and	22.3.03P1	
	competitiveness of	22.3.0371	Formulation of
*	the suppliers pool		purchasing and chain
	- Allocation of	2	strategies
	SOURCE OF THE SECOND CONTRACT OF THE SECOND C		
	purchases among		Suggested
	qualified suppliers		Teaching/Learning
			Resources
			- Textbooks
			- Professional
			magazines
	100		- Chalk/white boards

	- Exercise books		purchasing and
	Suggested		supply
	Teaching/Learning		g) discuss the pre
	Activities		of preparing th
	- Discussion		purchasing and
	 Note taking 		supply manual
	Suggested		h) explain the
	Evaluation Methods		challenges in
	 Assignments 		implementing
	- Oral tests		purchasing and
			supply policies
22.3.04	PURCHASING		w while it becomes
	AND SUPPLY	22.3.04C	Competence
	CHAIN POLICIES		The trainee shou
			have the ability
	Theory		implement
	J		purchasing and
22.3.04T	Specific Objectives		supply policies
	By the end of the		subbily bouries
	sub-module unit, the		Content
	trainee should be	22.3.0471	
	able to:	22.3.0411	Meaning of term
	a) explain the		Purchasing police
	meaning of	\$22.3.04T2	Supply policy
	purchasing and	22.3.0412	Nature of purcha
	supply policies	22.3.04T3	and supply polic
	b) explain the nature	44,3,0413	Importance of
	of purchasing and		purchasing and
	supply policies	22.3 04T4	supply policies
	c) explain the	22.3 0414	Factors consider
	importance of		formulating
	purchasing and		purchasing and
	supply policies	22.3.04T5	supply policies
	d) highlight factors	22.3.0413	Process followed
	considered in		formulating
			purchasing and
-	formulating	22.2.04777	supply policies
	purchasing and	22.3.04T6	Purchasing and
	supply policies		supply policies
	e) describe the process		Make/buy
	followed in		Subcontracting
	formulating		Outsourcing
	purchasing and		Partnership
	supply policies		/collaborative
	f) discuss the various		Ethical issues
	policies in		
		320	

-) discuss the process of preparing the purchasing and supply manual
-) explain the challenges in implementing the purchasing and supply policies.

Competence The trainee should have the ability to implement purchasing and

Content Meaning of terms Purchasing policy Supply policy Nature of purchasing and supply policies Importance of purchasing and supply policies Factors considered in formulating purchasing and supply policies Process followed in formulating purchasing and supply policies Purchasing and supply policies Make/buy Subcontracting Dutsourcing Partnership collaborative Ethical issues

22 3 04T8	Process of preparing the purchasing and supply manual - Meaning - Purpose - Content - Procedure - Advantages and Disadvantages of supply manual Challenges in implementing purchasing and		Suggested Teaching/Learning Resources - Textbooks - Flip chart - Exercise books Suggested Teaching/Learning Activities - Note taking - Class presentation
The same of the sa	supply policies		Suggested
	inadequate human		Evaluation Methods
	resources finance		- Written tests
	organisational		- Oral tests
	culture technology		- Assignments
	support of top	22.3.05	PURCHASING
	management	22.0.00	AND
		70,	SUPPLY
	Practice		ORGANISATION
22 3.04P	Specific Objective By the end of the		Theory
	sub-module unit, the	22.3.05T	Specific Objectives
	trainee should be		By the end of the
	able to formulate		sub-module unit, the
	purchasing and		trainee should be
	supply policies prepare the		able to
	purchasing and		a) explain the
	supply manual		importance of an organisational
	Content		structure in purchasing and
22.3.04P1	Formulating of		supply entities
	purchasing and		b) explain the factors
	supply policies		considered in
22.3.04P2	Preparation of the		designing an
	purchasing and		organisational
	supply policies		structure for
			purchasing and
			supply organisation
			No. 100 100 100 100 100 100 100 100 100 10

	c) discuss the organisation for purchasing and supply activities d) describe various approaches to organisational	22 3 0514	Factors considered in designing purchasing and supply organisation Size of the organisation Financial capability
	structure e) explain various management levels in purchasing and supply organisations.	22.3.057.5	Nature of operations Technology Approaches to organisation structure Matrix
22 3 05C	Competence The trainee should have the ability to design appropriate organisational structure in purchasing and supply entities	22.3.0576	Functional Team Management level in purchasing and supply organisation Management level Middle level Operational level
22 3 0511	Content Importance of organisational structure in purchasing and	22.3.05P	Specific Objective By the end of the sub-module unit, the trainee should be
22 3 05T2 22 3.05T3	supply Factors considered in organising purchasing and supply activities organisation of		able to illustrate different types of organisation structures in purchasing and supply entities
	purchasing and supply activities Centralized Decentralized Combined Advantages disadvantages	22.3.05P1	Content Illustration graphically the organisational structures in purchasing and supply entities

	Suggested		supply
	Teaching/Learning		performance.
	Resources	20.2.044	44
	- Textbooks	22.3.06C	Competence
	- Internet		The trainee should
	 Chalk/white boards 		have the ability to
	0		develop purchasing
	Suggested		and supply
	Teaching/Learning		performance
	Activities		measures
	- Discussion		
	 Note taking 		Content
		22.3.0611	Concept of
	Suggested		performance
	Evaluation Methods		measurement
	- Written tests		 Meaning of
	- Assignments		performance measurement
22.3.06	MEASURING		- Significance
	PURCHASING	O_{I}	performance
	AND SUPPLY		measurement
	PERFORMANCE	22.3.06T2	Factors to consider
		1/2	in measuring
	Theory	7	purchasing and
	0,0		supply performance
22.3.06T	Specific Objectives	22.3.06T3	Methods of
	By the end of the		measuring
	sub-module unit, the		purchasing and
	trainee should be		supply performance
	able to:		benchmarking .
	a) explain the		budgets
	concept of		management by
	performance		objectives (MBO)
	measurement in		accounting/
	purchasing		profitability
	b) explain factors to		measures
	consider in		
	measuring		Practice
	purchasing and		
	supply	22.3.06P	Specific Objective
	performance	22.5.003	By the end of the
	c) discuss methods		sub-module unit, the
	used in measuring		traince should be
	purchasing and		able to:
	purchasing and		aute to,

	a) measure the performance of purchasing and supply organisation b) apply appropriate		Suggested Evaluation Methods - Written tests - Assignments
	method in measuring purchasing and supply performance	22.3.07	EMERGING ISSUES AND TRENDS IN PURCHASING
	Content		AND SUPPLY
22 3 06P1	Field visit to		STRATEGY
	purchasing and supply firms in the		Theory
	private and public	22.3.077	Specific Objectives
	sector to measure the		By the end of this
	performance of purchasing and		topic, the trainee
	supply		should be able to:
22 3.06P2	A case study		a) identify the
	appropriate	cOll	emerging issues
	application of	N. Co	and trends issues
	measure	100	in purchasing and b) supply strategy
	performance		c) discuss the
	methods in	5 ,	challenges posed
	purchasing and		by the emerging
	supply		trends and issues
	C		in purchasing and
	Suggested		supply strategy
	Teaching/Learning Resources		d) discuss ways of
	- Textbooks		coping with the
	- Internet		emerging issues
	- Chalk/white boards		and trends in an organisation
	Suggested	22.3.07C	Compotons
	Teaching/Learning	22.3.070	Competence The trainee should
	Activities		have the ability to
	- Discussion		cope with emerging
	- Note taking	*	issues in an
	 Class presentation 		organisation

	Content	
22 3 07T1	Emerging issues and	Suggested
	trends in purchasing	
	and supply strategy	Teaching/Learning
22.3.07Т2	Challenges posed by	Resources
	emerging issues and	- Textbooks
	trends in purchasing	- Internet
	and supply strategy	- Professional
22.3.07T3	Ways of coping with	magazines
	challenges posed by emerging issues and	- Chalk/white boards
	trends	
		Suggested
	Practice	Teaching/Learning
	, actives	Activities
22 3.07P	Specific Objective	- Discussion
	By the end of this	- Note taking
	topic, the trainee	- Guest speaker
	should be able to	
	manage challenges	Suggested
	posed by emerging	Evaluation Methods
	issues and trends in	- Written tests
	purchasing and	- Assignments
	supply strategy	- Examinations
	Subbit suggest	