



# **PROCUREMENT MANAGEMENT**

INSTITUTE FOR PROFESSIONAL AND EXECUTIVE DEVELOPMENT

United Kingdom

## **UNIT SPECIFICATION**

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## Unit Title

Procurement Management

## Credit value

The credit value for this unit is 30

30 credits equivalent to 300 hours of teaching and learning  
(10 hours is equivalent to 1 credit)

Guided learning hours (GLH) = 50 hours

GLH includes lectures, tutorials and supervised study. This may vary to suit the needs and requirements of the learner and/or the approved centre of study.

Directed learning = 50 hours: This includes advance reading and preparation, group study, and undertaking research tasks.

Self-managed learning = 200 hours: This includes completing assignments and working through the core and additional reading texts. It also includes personal research reading via other physical and/or electronic resources.

<b>Learning outcome</b> Learner will:	<b>Assessment criteria</b> Learner can:
1.0 Understand key issues in procurement management	1.1 Examine the nature of procurement management 1.2 Examine the purchasing cycle 1.3 Analyse the contribution of shipping and freight forwarding agents in procurement management 1.4 Describe the stages involved in the preparation of purchase specifications (i.e. enquiry stage, purchase order stage) 1.5 Examine key issues relating to supplier selection 1.6 Analyse the formal bidding procedure 1.7 Discuss the nature and relevance of purchase requisition 1.8 Explore the benefits of expediting 1.9 Examine how purchase quantities affect procurement management 1.10 Analyse the considerations that must be made in making purchase order amendments 1.11 Explore the importance of marking and labelling goods before transit 1.12 Discuss the changing role of purchasing and supply 1.13 Examine the nature and significance of various International Commercial Terms (Incoterms); e.g. EXW: Ex Works, FCA: Free Carrier, CPT: Carriage Paid To, etc.
2.0 Understand the nature of strategic procurement and supply chain management	2.1 Examine the nature of strategic procurement 2.2 Explain what is meant by strategic analysis, strategic development and strategy implementation 2.3 Discuss the function of purchasing and supply in different types of organizations

	<p>2.4 Explain what is meant by supply chain</p> <p>2.5 Discuss the ways of improving the efficiency of the supply chain</p> <p>2.6 Explore the characteristics of the types of supply chain</p>
<p>3.0 Understand key issues relating to outsourcing</p>	<p>3.1 Examine the nature of outsourcing</p> <p>3.2 Describe the methodologies of outsourcing</p> <p>3.3 Discuss the drawbacks of outsourcing and analyse ways of avoiding or managing such drawbacks</p>
<p>4.0 Understand the nature of inventory management</p>	<p>4.1 Discuss the importance of inventory management</p> <p>4.2 Calculate the economic order quantity (EOQ) using given information and interpret the outcome</p> <p>4.3 Give an account on materials requirement planning, manufacturing resource planning, distribution resource planning and enterprise resource planning</p> <p>4.4 Examine stores administration and management with respect to accommodation, labelling, location and retrieval, physical pre-allocation of project materials, preservation, security , record keeping and information system</p> <p>4.5 Give an account on just-in-time system of inventory management</p> <p>4.6 Calculate and interpret the economic order quantity</p> <p>4.7 Discuss the nature of vendor managed inventory (VMI) and examine its advantages and disadvantages</p>
<p>5.0 Understand the nature of negotiations</p>	<p>5.1 Explain the project managers role in negotiations</p> <p>5.2 Discuss the nature of good negotiation skills</p>

<p>6.0 Understand the nature of international and global sourcing</p>	<p>5.3 Evaluate the stages involved in negotiation (i.e. preparation, the introduction stage, the discussion stage, the Agreement stage, the post negotiation stage)  5.4 Evaluate the nature of competition and co-operation in negotiation  5.5 Identify and discuss the strategies of negotiation</p> <p>6.1 Explain what is meant by global sourcing and international procurement  6.2 Discuss the reasons why organizations source internationally  6.3 Give an account on the problems associated with international sourcing and recommend solutions  6.4 Examine the nature of arbitration in international sourcing  6.5 Discuss the implications of customs and countertrade in global sourcing</p>
<p>7.0 Understand the nature and importance of e-procurement systems</p>	<p>7.1 Explain what is meant by an e-procurement system  7.2 Evaluate the benefits of e-procurement  7.3 Examine the barriers to e-procurement  7.4 Explore how the benefits of e-procurement can be effectively measured</p>
<p>8.0 Understand the nature and significance of performance measurement in procurement</p>	<p>8.1 Explore ways of measuring the procurement function using indicators such as cost savings, quality, purchasing improvements, etc.  8.2 Evaluate the benefits of measuring the procurement function</p>

## Recommended learning resources

<b>Indicative reading</b>	Kenneth Lysons et al 2008; Excellence in Procurement: How to optimise costs and add value. ISBN: 978-1903499405 <ul style="list-style-type: none"><li>• For a full list of textbooks and publications relevant to this unit, please contact IPED - UK.</li></ul>
<b>Learning Aid</b>	<ul style="list-style-type: none"><li>• A comprehensive IPED study material is available to aid in learning and research of this unit.</li><li>• We supply IPED course materials free of charge. Our study materials, which offer quick learning start, are comprehensive, use simple English, and are easy to read and understand. The contents are so sufficient and self-explanatory; that in majority of cases readers do not require further support; although support is always available when you need it.</li></ul>