

# Course Competency

## MAN 4570 Purchasing for Industry

### Course Description

Students will learn purchasing for industry concepts and theory, including negotiation skills: mastering the art of deal making strategies, contracts: bidding, evaluation, negotiation & award, purchasing management, tendering & supplier selection, vendor qualification: managing performance & contract compliance, (3 hr. lecture) Prerequisite: None

Course Competency	Learning Outcomes
<p><b>Competency 1:</b>The student will understand purchasing fundamentals, by:</p>	<ol style="list-style-type: none"> <li>1. Numbers / Data</li> <li>2. Critical thinking</li> <li>3. Information Literacy</li> </ol>
<ol style="list-style-type: none"> <li>1. Showing how to conduct a purchasing process, identify the best potential suppliers and effectively prioritize requisitions.</li> <li>2. Categorizing suppliers, such as sole source, single source, preferred and approved.</li> <li>3. Demonstrating when to use competitive bidding, negotiation, or both.</li> <li>4. Conducting competitive bidding using solicitation tools such as RFP's and RFQ's.</li> <li>5. Utilizing price analysis, cost analysis, and total cost of ownership (TCO) analysis to evaluate supplier pricing and offer.</li> <li>6. Evaluating the use of contracts, purchase order, or other method of ordering for certain purchases.</li> <li>7. Deciding when to select the most appropriate shipping terms for a purchase.</li> <li>8. Understanding legal issues impacting the terms and conditions that govern supplier obligations.</li> </ol>	

<p><b>Competency 2:</b>The student will explore Microsoft Excel to create purchasing models by:</p>	<ol style="list-style-type: none"> <li>1. Numbers / Data</li> <li>2. Critical thinking</li> </ol>
<ol style="list-style-type: none"> <li>1. Assessing competitiveness of supplier pricing through developing “Should Cost Models.”</li> <li>2. Assessing elements of supplier capabilities by creating weighted average supplier scorecards.</li> <li>3. Utilizing Excel’s decision support features for procurement analysis.</li> <li>4. Comparing bids, analyze spend, and track supplier performance by creating charts.</li> <li>5. Utilizing PivotTables, functions, and subtotals to summarize large amounts of purchasing data.</li> <li>6. Developing “Target Pricing Models” for negotiation strategy.</li> <li>7. Demonstrating drilling down into complex purchasing spreadsheets by using filtering, conditional formatting, and VLOOKUP.</li> <li>8. Utilizing macros to free up time for strategic purchasing work.</li> </ol>	
<p><b>Competency 3:</b>The student will comprehend Purchasing Best Practices by:</p>	<ol style="list-style-type: none"> <li>1. Critical thinking</li> <li>2. Information Literacy</li> </ol>
<ol style="list-style-type: none"> <li>1. Strategically measuring purchasing performance.</li> <li>2. Implementing a buying plan.</li> <li>3. Selecting suppliers by using cross-functional commodity teams, scorecards, and total cost of ownership analysis.</li> <li>4. Improving vendor performance through a supplier performance management program.</li> <li>5. Understanding how to: Optimize supplier relationships Improve risk management Map and improve processes Leverage technology such as eProcurement and Internet Reverse Auctions Conduct benchmarking Achieve efficiency through the systemization of purchasing operations</li> </ol>	

Utilize a strategic plan	
<b>Competency 4:</b> The student will review Contracts: Bidding, Evaluation, Negotiation & Award by:	<ol style="list-style-type: none"> <li>1. Critical thinking</li> <li>2. Information Literacy</li> </ol>
<ol style="list-style-type: none"> <li>1. Defining the bidding cycle and strategies.</li> <li>2. Identifying the different options of bidding.</li> <li>3. Learning ways to maximize value of supplies and services.</li> <li>4. Defining the essential bid documentation.</li> <li>5. Applying best practices in screening vendors and prequalification.</li> <li>6. Identifying different negotiation styles and tactics.</li> <li>7. Developing advanced practices in bidding and evaluation process.</li> <li>8. Defining the contract pre-award and post award activities.</li> </ol>	
<b>Competency 5:</b> The student will review vendor qualification: managing performance & contract compliance, by:	<ol style="list-style-type: none"> <li>1. Communication</li> <li>2. Critical thinking</li> <li>3. Information Literacy</li> </ol>
<ol style="list-style-type: none"> <li>1. Understanding the structure for a sustainable vendor qualification program.</li> <li>2. Exploring checklists and other vendor qualification documents.</li> <li>3. Determining how to determine the best potential vendor.</li> <li>4. Identifying what a potential vendor needs to supply before qualification.</li> <li>5. Recognizing how to estimate costs and time associated with vendor qualification.</li> <li>6. Defining common pitfalls to avoid when qualifying vendors.</li> <li>7. Developing meaningful performance measures.</li> <li>8. Learning how to use those performance results for continuous improvement.</li> </ol>	