

The Hong Kong Polytechnic University

Subject Description Form

Subject Code	LGT4110
Subject Title	Purchasing Management
Credit Value	3
Level	4
Normal Duration	1-semester
Pre-requisite / Co-requisite/ Exclusion	Nil
Role and Purposes	This subject examines purchasing management as an integration of purchasing operations and supplier relationship management that meets customer requirements (Outcome 8). Applications of purchasing management are studied in strategic and supply chain contexts.
Subject Learning Outcomes	<p>Upon completion of the subject, students will be able to:</p> <ol style="list-style-type: none"> a. outline the theories of purchasing in context of interactive relationships with suppliers and supply chain management b. analyse purchasing operations in assuring supplier quality and maintaining lowest total cost of ownership and use c. evaluate governance and development of supplier relationships that impact purchasing operations and performance d. examine some applications of purchasing management in strategic and supply chain contexts
Subject Synopsis/ Indicative Syllabus	<ul style="list-style-type: none"> ▪ Types and characteristics of organisational and a study framework for purchasing management ▪ Theories of purchasing in interaction and supply chain contexts ▪ Specification quality and supplier quality control ▪ Cost analysis and price analysis in determining competitive purchase price ▪ Contracting and total cost of ownership and use ▪ Sourcing, supplier evaluation and selection ▪ Governance of buyer-supplier relationships ▪ Supplier relationship management and supplier development ▪ Purchased product portfolio and e-procurement ▪ Case studies of total purchasing cost reduction and quality improvement ▪ International outsourcing in a strategic and network context ▪ Purchasing as supply chain management in global business

Teaching/Learning Methodology	Lectures will be used to introduce to students the theory, concept and descriptive cases of the topics. In tutorials, students will be required to participate in discussing context-specific issues. They will also be guided to search new information on the topics.																																																												
Assessment Methods in Alignment with Intended Learning Outcomes	<table border="1" data-bbox="536 427 1485 1066"> <thead> <tr> <th rowspan="2">Specific assessment methods/tasks</th> <th rowspan="2">% weighting</th> <th colspan="6">Intended subject learning outcomes to be assessed (Please tick as appropriate)</th> </tr> <tr> <th>a</th> <th>b</th> <th>c</th> <th>d</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>1. Group presentation in tutorial</td> <td>15%</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td></td> <td></td> </tr> <tr> <td>2. Quiz</td> <td>15%</td> <td>✓</td> <td>✓</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>3. Individual essay assignment assignment</td> <td>20%</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td></td> <td></td> </tr> <tr> <td>4. Exam</td> <td>50%</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td></td> <td></td> </tr> <tr> <td>Total</td> <td>100 %</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table> <p data-bbox="536 1084 1485 1151">Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:</p> <p data-bbox="536 1200 1485 1267"><u>Coursework (50%)</u>: group presentation in tutorial, quiz, and individual essay assignment.</p> <ul data-bbox="555 1285 1485 1496" style="list-style-type: none"> ▪ Group presentation and discussion to further illustrate the contents presented in lectures, ▪ Quiz on the concepts and operational functions of purchasing management ▪ Individual essay assignment: essay in 1500-2000 words, on topics in purchasing decisions /operations and supplier relationship management <p data-bbox="536 1545 1485 1612"><u>Exam (50%)</u>: 3-hour closed-book exam testing students' analytical and integrative thinking and knowledge in purchasing management.</p> <p data-bbox="536 1630 1485 1697"><i>To pass this subject, students are required to obtain Grade D or above in BOTH the Coursework and Exam components.</i></p>							Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)						a	b	c	d			1. Group presentation in tutorial	15%	✓	✓	✓	✓			2. Quiz	15%	✓	✓					3. Individual essay assignment assignment	20%	✓	✓	✓	✓			4. Exam	50%	✓	✓	✓	✓			Total	100 %						
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Student Study Effort Expected	Class contact:																																																												
	▪ Lectures						26 Hrs.																																																						
	▪ Tutorials						13 Hrs.																																																						
	Other student study effort:																																																												
	▪ Private studies and group work						87 Hrs.																																																						
	Total student study effort						126 Hrs																																																						

**Reading List and
References**

Main Reference Books

1. Benton, W.C. (2007), Purchasing and Supply Management, McGraw-Hill
2. Bhote, K.R. (1989), Strategic Supply Management, AMA.
3. Burt, D.N., Petcavage, S.D. and Pinkerton, R.L. (2010), Supply Management, McGraw Hill Irwin.
4. Ford, D., Gadde, L-E., Hakansson, H. and Snehota, I. (2003), Managing Business Relationships, Wiley.
5. Dimitri, N., Piga, G. and Spagnolo, G. (Eds.) (2006), Handbook of Procurement, Cambridge University Press.
6. Emmett, S. and Crocker, B. (2008), Excellence in Procurement, Cambridge Academic.
7. Gadde, L-E. and Hakansson, H. (2001), Supply Network Strategies, Wiley
8. Harris, C., Harris, R. and Streeter, C. (2011), Lean Supplier Development, CRC Press.
9. Johnson, P.F., Leenders, M.R. and Flynn, A.E. (2011), Purchasing and Supply Management, McGraw Hill Irwin.
10. van Weele, A.J. (2010), Purchasing and Supply Chain Management, Cengage Learning.

Main Reference Journals

International Journal of Operations and Production Management

Industrial Marketing Management

Journal of Operations Management

Journal of Purchasing and Supply Management

Journal of Supply Chain Management

MIT Sloan Management Review

Supply Chain Management: An International Journal

Supply Chain Management Review

Supply Management (www.supplymanagement.com)