


# The Art and Science of Purchasing

Discover the key concepts and best practices in the purchasing process, including how to optimize your purchasing cycle, types of purchases, and the importance of traditional inventory management.

 by leheca events

CHASE ORDER LIFE

 Mr.V.M.Mohamed Ali, Assistant Professor, SNS B-SPINE

# The Purchasing Cycle

## 1 Identifying Needs

Understand what you need before making a purchase and create a budget that meets those needs.

## 2 Evaluating Sources

Compare different vendors to find the best possible prices and quality of goods and services.

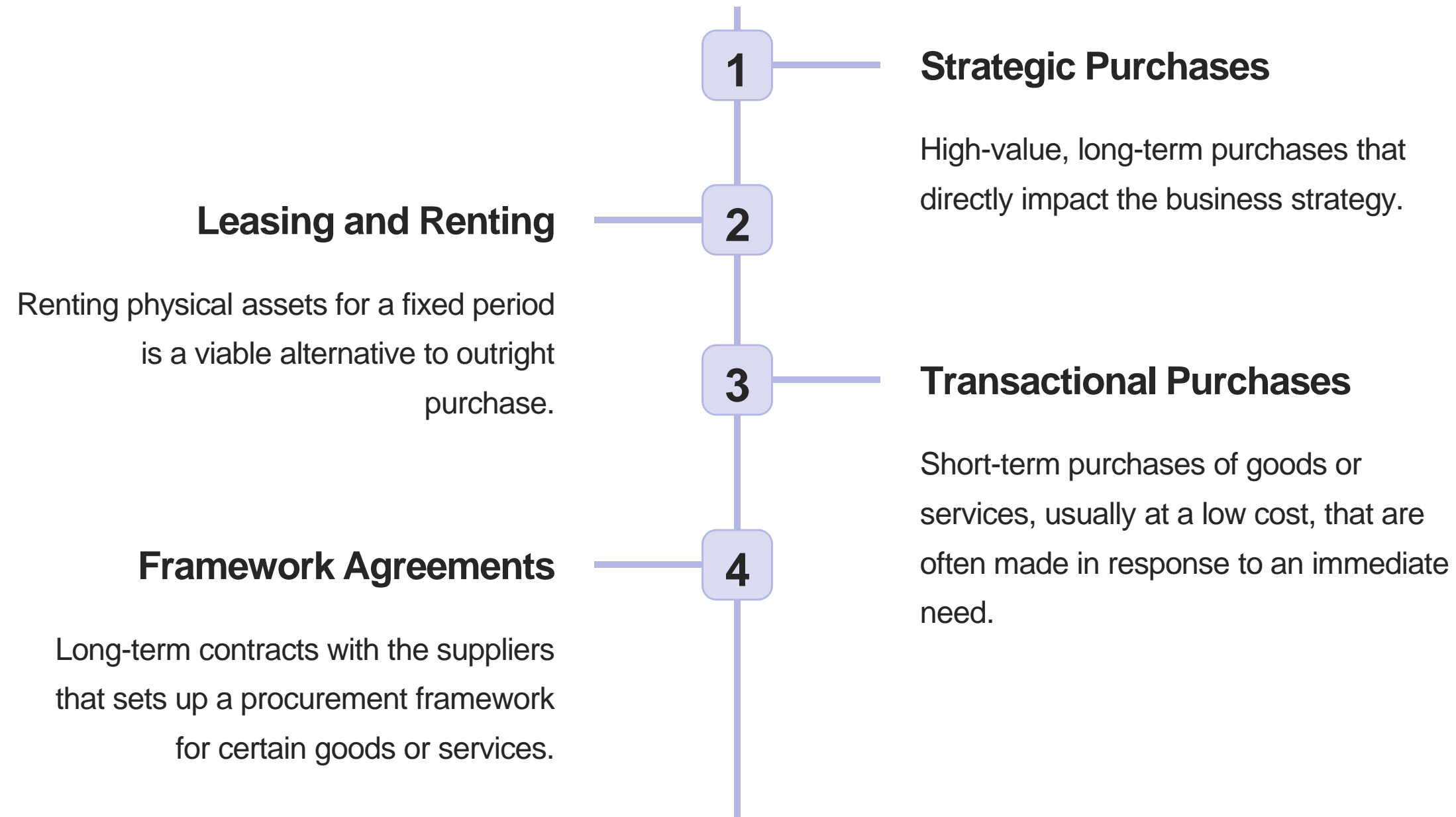
## 3 Placing Orders

Ensure that you have a clear agreement with the vendor, stating the terms, conditions, and delivery dates.

## 4 Delivery and Payment

Check that the goods and services comply with the purchase order and make payment on time.

# Types of Purchases



# Purchasing Goods and Services

## Goods

Make sure you have a clear specification of the item so you don't overlook anything important.

## Services

Before selecting a service provider, ensure that they meet your quality, pricing, and delivery expectations.

## Contractual Agreements

Have a clear and concise contract that outlines expectations, sanctions, and remedies.

# Traditional Inventory Management



## Warehousing

Proper storage of inventory should protect items from damage and be easy to locate for tracking and shipping.



## Reorder Point Optimization

Analyze inventory levels and set a reorder point that enables new shipments to arrive just in time.



## Barcoding and Scanning

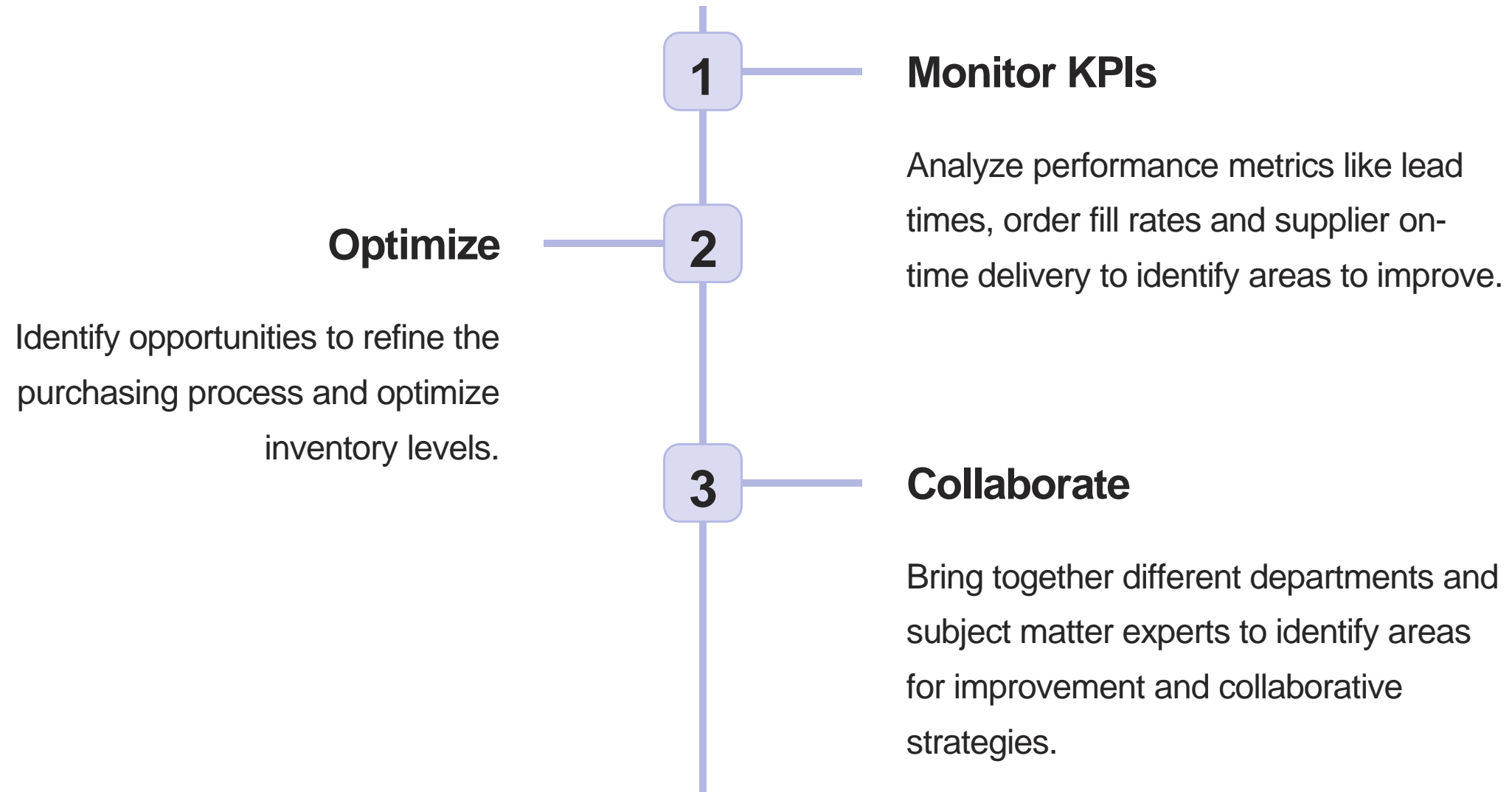
Implement a system that ensures traceability and accountability for all inventory transactions.



## Demand Forecasting

Use data analytics and historical sales trends to project future demand and adjust inventory accordingly.

# Continuous Improvement



# The Future of Purchasing



## Blockchain

The introduction of blockchain technology will help to provide transparency and clarity to the purchasing process.



## Artificial Intelligence

Smart purchasing systems will leverage machine learning and other AI technologies to predict purchasing patterns and optimize supply chains.



## Automation

The increasing use of robotics and automation will revolutionize the manufacturing and delivery of goods and services.



# Conclusion

The purchasing cycle is a critical component of the supply chain, and with modern technology, the entire process has become more efficient and streamlined. No matter what goods or services you are purchasing, following these best practices can help to improve supply chain performance and reduce costs.