Purchasing Department Roles and Responsibilities



Procurement departments have moved far beyond traditional roles limited to contracting goods and services on demand.

The duties and responsibilities of modern procurement organizations are intrinsic to company profitability and productivity.

Organization revenue and liquidity depend on how well the procurement department functions.

Buying goods and services is only the beginning. World-class procurement departments are staffed by procurement professionals highly skilled at negotiating the best deal for the company – the highest quality product available for the lowest price – while meeting company standards, client and public expectations, and industry regulations.

The right software will by easy to understand and use, and help the department meet compliance issues, meet deadlines, and maintain liquidity with timely payments.

Procurement Director, Manager or Purchasing Manager

The role of procurement or purchasing manager is to run the purchasing department.

These highly trained professionals are responsible for crafting effective procurement strategies, finding cost-effective deals and suppliers, and supply chain management from initial requisition to invoice payment.

They evaluate and buy raw materials, products, and services while creating strategies to cut costs and meet company objectives.

A typical procurement director job description includes negotiation skills, chain management experience,

Primary responsibilities include:

- Communicate the value of strategic sourcing and procurement to company stakeholders, department heads, and executives to the achieve buy-in necessary for proper resources and investment.
- Work with stakeholders to establish viable, cost effective, and strategic sourcing objectives.
- Evaluate, select, and successfully implement comprehensive procurement software.
- Establish and enforce procurement policies and procedures.
- Evaluate and choose suppliers the company will do business with. This includes examining quality of product, pricing, and delivery time, then deciding which suppliers best fit company needs. Supplier evaluation is a continuous project, updated with each contract and shipment to ensure benchmarks are hit and goods and services continue to meet required standards and timetables. To keep evaluations accurate and comprehensive procurement managers attend trade shows, interview vendors, and visit supply plants/ distribution centers.
- Analyze and compare financial reports and pricing proposals from several trusted suppliers before negotiating terms and prices to obtain the best deal for the company.
- Training staff members to be knowledgeable about product quality

requirements, how to determine when products are unacceptable, and what actions to take when quality standards are not met.
- Monitoring contracts to ensure that the supplier meets expectations and invoices are approved and paid in a timely manner.
- Making any required adjustments or changes to existing contracts.
- Keep track of all goods and services ordered and received, and maintain accurate inventory records including details on price, performance, and delivery.
- Ensure responsible procurement practices meet company objectives and compliance requirements.

> *To do its job properly, the department requires the right tools; specifically procurement software that provides needed visibility of the end-to-end supply chain, powerful reporting features, 3-way matching, and comprehensive data analysis.*

Purchasing Clerk or Purchasing Agent

Purchasing clerks are primarily responsible for preparing purchasing orders.

They compare purchase orders to requisitions to decide whether the orders are adequate and adjust product quantities when necessary.

They handle all customer and supplier inquiries regarding orders, status, changes, invoice payments, and cancellations.

Clerical, math, and customer service skills are a must for this position. Typical requirements for this position include a bachelor’s degree in business.

Requirements for a purchasing clerk include:

- Create purchase orders and send them to chosen vendors.
- Supervise orders and determine if product quantity is sufficient. Make appropriate adjustments to orders as needed.
- Prepare and maintain purchasing reports, records, and updated price lists.
- Interact with suppliers daily to develop and nurture mutually beneficial relationships.

- Track delivery times, and report any issues with product or delivery.
- Monitor status of orders and contracts.
- Calculate all order costs and evaluate invoices for accuracy.
- Determine when products are unusable or damaged.
- Handle deliveries with short or over-ordered product, goods not received, and damaged items.
- Ensuring that the product inventory is always in compliance with company policy.

Purchasing Administrative Assistant

Administrative Assistant is a general position within the purchasing department.

They take on the more basic clerical work and are responsible for help in choosing new vendors for the company.

This position requires attention to detail, interpersonal skills, and clerical qualifications. Position requirements include:

- Handle any required documentation.
- Assist in researching new vendors and comparing competing suppliers.
- Maintain up to date and precise records of orders, shipments, inventory, and reports.
- Following up with suppliers for confirmation of orders.
- Place standard orders that do not require approval.
- Perform administrative assistant work, including making travel arrangements, scheduling meetings, and handling incoming calls.

Early adopter organizations that understood the value of professional procurement departments and implemented the technology to help them succeed report higher profits and lower costs, without sacrificing quality or ethics.

They are better able to build the strong relationships with suppliers that lead to adaptive supply chains and more favorable contract terms.

On-the-go procurement managers are always in touch and informed. And it is all accomplished with fewer man-hours than ever before.

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