

Research on Enterprise Procurement Management Model from the Perspective of Supply Chain Management

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Abstract: With the rise of supply chain management, the traditional purchasing management of Chinese enterprises faces many challenges. This article mainly from the basic definition of supply chain and procurement management, analysis of some of the current business procurement management issues. Under the condition of supply chain management, some changes have been made in the mode of purchasing by enterprises, such as purchasing mode, purchasing management, informational purchasing and purchasing concept, and the optimization of purchasing management of enterprises has been promoted and the competitiveness of enterprises has been enhanced.

1. Introduction

Breaking the market environment, the market supply mode has shifted from one-way production to market-oriented production. Demand-based market, so that enterprises in the procurement, production and sales more competitive. In order to improve the competitiveness of enterprise procurement, the enterprise procurement management mode uses the idea of supply chain management to make the supply chain from customer to supplier integrated management, to adapt to objective and actual changes in the procurement management of enterprises.

2. Supply chain management and procurement management

Supply chain refers to the core business as the center, so that the flow of funds, information flow, logistics, business flow and value flow to effectively planning and integration, the supply side, demand side, manufacturers, sellers and other partnerships into a cobweb The structure of the model has become a deep strategic partnership with high competitiveness. Procurement can be divided into a broad range of social procurement, as well as narrow business purchases. This article procurement management is to adopt a narrow concept of corporate purchasing, to discuss various situations of corporate procurement management.

Supply chain management refers to the use of integrated management ideas, from the perspective of the minimum cost, the supply chain to the procurement of suppliers as the beginning to meet the final customer's entire process. In-depth supply chain value-added links is the essence of supply chain management, based on the minimum total cost to meet the final customer's "6R" requirements, namely Right Product, Correct Time, Right Quantity, Accurate quantity), Right Quality, Right Status, and Right Place. In addition, supply chain management also has the following four characteristics: (1) the implementation of the whole process of strategic management and control methods, all the nodes as an organic whole business; (2) all elements of the integrated management; (3) brand new The concept of inventory, that is, for different market environment, all sectors of the enterprise to make a rapid response to the timely transfer of inventory; (4) to customers and end-consumers as the center of business-oriented.

Purchasing management is a kind of scientific management method when enterprises carry out purchasing activities. The purchasing activities include the procurement plan release, the production purchase list, the execution purchase, the receipt and delivery, the check receipt, the verification invoice and the purchase. purchase

Management objectives include the following: Select the right supplier; according to the quality standards of production requirements to confirm the quality of procurement; According to the

reasonable inventory level and storage capacity to confirm the appropriate procurement time; To verify the actual number of enterprises to determine the procurement; Fair and reasonable to determine the purchase price. In order to accomplish the goal of corporate purchasing, it must strengthen the process of corporate purchasing. The perfect way of the enterprise procurement process should be based on the needs of the customer market and resource markets to develop procurement plans; the implementation of the order plan should make the basic work of procurement and effective procurement oversight, as well as the procurement activities are completed after the procurement of the right Evaluation.

3. The current challenges facing the traditional Chinese enterprises purchasing management model

China's traditional management of enterprises to purchase too much management focus on the transaction with the supplier negotiations, too much emphasis on the supplier's offer, the supplier selection criteria for cooperation is only based on a simple offer the lowest. In addition, companies also consider the quality of their purchases, the delivery time of their purchased products, but often leave them behind the scenes. As a result, many rounds of price negotiations often take place with many suppliers, leaving behind many hidden problems that make the traditional purchasing management model a challenge.

Procurement is to minimize product costs, sales is to maximize product profits, both of the enterprise value chain is an important strategic consideration. However, in the operation and management of enterprises in our country, attention is often paid to the sales management of products, while the purchasing management of products is ignored. The long-term lack of purchasing enterprises is an important part of business thinking, ignoring its direct contribution to the operation and management of enterprises. Procurement is an important closed-loop product cost savings, the quality of the purchased product will have a significant impact on product quality, price, which has a significant impact on sales of finished products. In the management of the operation of the neglect of procurement, the same as the beginning of the enterprise did not find a good head, allowing enterprises to take more detours.

Choosing the right supplier is the most important task for the purchasing activities of the enterprise, but both purchasing and supply sides hide their information in the procurement communication and make a large amount of information asymmetry exist. Enterprises in the purchase, want to choose the best supplier from the long, usually less reveal their own information, raise more cards for themselves. The long suppliers, not only with other suppliers for the game, but also with the purchasers there is a game, resulting in the distribution of false news on the one hand, on the other hand hide their true information, leading to large-scale information blocking, imbalance. In this way, asymmetric information, procurement companies and suppliers will have the loss of benefits.

"Gray tone" procurement behavior has always been a common phenomenon in the process of corporate purchasing in our country. Purchasing behavior "gray tone" refers to the buyer did not take a comprehensive information about the enterprise under the circumstances, the procurement decision-making blind, random or intentional, the purchase of enterprises in the negative. In the eyes of the masses of the people, the procurement position has always been a "fragrant cake," with oil and water fishing. In fact, the corruption of the procurement staff, the phenomenon of eating rebates for many years has become an open secret. The "gray tone" of procurement not only undermined the social atmosphere, made corruption money-ridden, but also caused a sharp increase in procurement costs. Improper handling of enterprises led to the bankruptcy of enterprises, and the bankruptcy of large-scale enterprises was more likely to cause social unrest. Therefore, to strengthen the purchasing power of enterprises is not only a simple operation of enterprises, but also a problem that relates to the process of social development.

Chinese enterprises pay too much attention to the purchase price of their products, but do not cooperate with suppliers on the follow-up quality aspects of technology and information feedback. Under the traditional procurement management mode of enterprises, it is more difficult for the

purchasing enterprises to participate in the production process of the suppliers, the transparency of the work of the enterprises and suppliers is low, and the follow-up quality control mainly depends on the after-management and control, which lacks the supervision in advance and in the matter. Suppliers due to lower supply prices, there may be quality defects, can not be delivered on time and other issues. As well as the lack of strict follow-up quality control mechanism. The control of product quality and delivery time is mostly based on the spirit of contract and checks according to the contract so as to reduce the risks implied in the procurement process. All in all, businesses and suppliers lack subsequent quality cooperation on the purchased products.

4. The supply chain under the conditions of the traditional procurement management innovation

Under the condition of supply chain, enterprise procurement management has strengthened the systematic and integrated supply chain and enhanced the stickiness and sensitivity of enterprises. Purchasing In the supply chain between the structure of a raw material, semi-finished products and finished seamless bridge, so that production needs and supply information exchange and facilitation, enhance the synchronization of all parties in the supply chain efficiency, while strengthening the number, Quality, time, price and other appropriate procurement management.

In order to ensure the continuity of business and meet the demand of the market in time, enterprises often form a stock-based procurement model. The purpose of purchasing enterprises is not real-time production, but not replenishment. Purchasing Department will not pay too much attention to the production of enterprises, the progress of production, product market share, lack of procurement initiative, the procurement results and the actual market demand does not match. Under the condition of supply chain, the purchasing mode of the enterprises turns to the order-type purchase, forms the demand-side order, the manufacturer order, the purchase order, and the supplier is mutually benign order-driven. Ordered purchasing mode, also known as JIT purchasing, this mode makes the purchase of materials to the middle of the procurement department to reduce the inventory of the material to reduce the cost of warehousing. At the same time, this mode of supply chain management information system to customer demand as the core, real-time feedback customer needs, thereby increasing the material flow rate and speed up inventory turnover.

In the traditional business model, enterprises tend to focus only on the procurement of internal resources management, making the lack of healthy business cooperation with suppliers, the procurement requirements can not be met. In addition, the quality of their products is usually controlled ex post facto and can not be monitored in real time in the supplier's production process. These make the main body of the supply chain can not guarantee its synchronization operation. In the supply chain, the procurement of enterprises emphasizes the management of external resources. Therefore, enterprises and suppliers establish long-term and mutually beneficial strategic partnership. The use of information-based supply chain management system, real-time business participation in the production process of suppliers, suppliers of real-time control of product quality, product quality improvement, more quality assurance, and enhance the timeliness of the main supply chain, Agility. Moreover, enterprises can take the initiative to participate in the coordination of suppliers' plans according to loose or scarce supplies and ensure the normal supply relationship among all parties in the supply chain. In the meantime, it is possible to choose the appropriate number of homebuyers from multiple suppliers to share purchase risks and control purchasing costs through different ways of cooperation, and construct a multi-level supplier operation mode.

With the spread of information and communication technologies (ICTs), there is a cross-border integration of ICT and procurement management. Supply chain management on the traditional enterprise procurement management innovation, the most prominent feature is the procurement of information. Constructs the purchasing management information processing system server, uses the information to carry on the mutual communication, and through the enterprise management information system central processor, the supplier wants the information processing system, the supplier situation database and the material condition database flow transmission, builds the enterprise and the supply Business link of the bond. The enterprise production department makes

use of the enterprise management information system to formulate the production plan and the demand for the purchasing materials. Through the exchange of information, the supplier collects the relevant purchasing information of the enterprise, anticipates the purchasing of the enterprise in advance and needs stocking in advance, and delivers the goods on time when the enterprise orders are initiated. This makes the purchasing process smoother and more transparent.

Traditional Chinese enterprises believe that the relationship with suppliers is only ordinary sales and purchases, mostly short-term cooperation or even one-time cooperation, which can not solve the overall supply chain and strategic issues. In supply chain management mode, demand side and suppliers share information, share risk and get the win-win relationship with their own maximum benefits in terms of product development, design and production. Strategic win-win partnership is mainly through cooperation and consultation to regulate the behavior of both parties, which is manifested in the long-term cooperation based on the credibility of both sides, the long-term mutual exchange of information on both sides, at the product level above the mutual cooperation. For enterprises, this procurement model to enhance the quality of their purchases, enhance their procurement efficiency and reduce procurement costs.

5. In the perspective of supply chain management, the establishment of an effective procurement management model

JIT purchasing model to reduce the waste of ineffective labor through the proper control of time, place, quantity and quality. At the same time, JIT purchasing mode can fully realize information sharing, precisely meet the individual needs of customers and reduce the market risk of finished products after purchasing materials. Moreover, it has strengthened the control of logistics and selected the transportation strategy of procurement and delivery precisely to reduce the purchasing and distribution costs. In addition, all aspects of the supply chain are required to ensure that the quality of the main products of the two sides to establish a good long-term partnership in the early all-round qualification of suppliers to conduct a comprehensive inspection to strengthen the cooperation in the follow-up to the quality of the two sides.

In the business procurement management, the relationship between enterprises and suppliers is an important part of the effectiveness of supplier management is an important basis for proper operation of enterprises. Good suppliers with procurement companies to provide lower cost, better quality products and services, mutual benefit and win-win. Comprehensive use of qualitative, quantitative, game analysis and comprehensive law science to choose suppliers, and the relevant procurement of goods and materials performance as a guideline for suppliers, suppliers to promote their own level of supply and increase the transparency of procurement behavior is "Gray tone" purchasing behavior marginalization.

The incentive and restraint mechanism of enterprise purchasing management not only benefits the enterprises themselves but also benefits the suppliers. Incentives for corporate purchasing staff, can increase the enthusiasm of employees, positive reduction of its "gray tone" procurement behavior. This can be mainly used to deterrence incentives, which apply to the economic cycle depression, recession; positive incentives, the use of various bonus settings, holiday benefits and other economic means to stimulate employee purchasing rates; promotions and equity incentives, to do Good procurement staff give promotions and salary expectations, and can give some high-level procurement staff equity incentive. Incentives for suppliers, both supply chain mutual benefits and win-win situation. This can mainly use price, order, credit, information, level and other incentives. At the same time, the incentive and restraint mechanisms exist at the same time, which requires the formulation and continuous improvement of procurement rights, procurement system, procurement supervision and purchasing interest restraint mechanism.

6. Conclusion

Under the condition of supply chain management, an effective enterprise procurement management mode can improve the efficiency of the cooperation among the various subjects in the

supply chain. The traditional purchasing management mode of Chinese enterprises faces the dilemma of purchasing mode, purchasing behavior and purchasing collaborative cooperation. Enterprises should innovate the purchasing management mode in the purchasing mode, purchasing management, purchasing information and purchasing concept. Based on this, the effective way for enterprises to purchase management mode to promote the development of enterprises.

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