

10 PURCHASING AND MATERIALS MANAGEMENT

Prerequisite:

Credits: 3

Overview

This course will introduce learners to purchasing procedures to facilitate the purchasing of food, beverages, materials and equipment for hospitality establishments. Materials management will also be examined.

General Objectives

This course is designed to assist students to:

- 1 analyze the purchasing methods of commodities, equipment, etc
- 2 manage the purchasing process
- 3 examine methods of storing, receiving and issuing

Learning Outcomes

Upon successful completion of this course, the learner will:

- 1 identify and explain the factors that affect the purchasing of food and non-food products.
- 2 identify the various criteria as they relate to quality of products.
- 3 analyze the information listed on the labels of packages and food products.
- 4 describe the advantages and disadvantages involved in buying from various types of purveyors.
- 5 distinguish between the various types of purveyors and explain their functions.
- 6 identify the characteristics of purchasing agents.
- 7 identify the various levels of qualities and grades for food items and non-food items.
- 8 storage, packaging and distribution systems for food and beverage.

Topics

1.0 The Purchasing Agent

Objectives

Upon completion of the topic the student will be able to:

- 1.1 discuss the role and duties of the purchasing agent (job description)
- 1.2 identify the attributes of a purchasing agent (job specification)

Content

- Duties of the Purchasing Agent
- Profile of a Purchasing Agent

1.0 The Mechanics of Buying

Objectives

Upon completion of the topic the student will be able to:

- 1.1 identify the steps involved in buying
- 1.2 differentiate between “selection” and “procurement”
- 1.3 discuss the distribution channel
- 1.4 explain the values added throughout the distribution channel (time, form, place, economics)

Content

- The buying process
- Selection and procurement
- Distribution channels

2.0 The Principles of Purchasing

Objectives

Upon completion of the topic the student will be able to:

- 2.1 define “purchasing”
- 2.2 discuss the 4 W’s of purchasing
- 2.3 identify ways in which food can be obtained
- 2.4 identify the two categories into which the types of food may be purchased
- 2.5 discuss the objectives of purchasing
- 2.6 discuss problems related to purchasing

Content

- Definition
- 4 W's
- Methods of purchasing food
- Problems related to purchasing

3.0 Factors Affecting the Market/Purchasing

Objectives

Upon completion of the topic the student will be able to:

- 3.1 define and explain terms used in purchasing
 - par stock
 - specs/specification
 - requisition
 - menu
 - purchase order
 - expediting
- 3.2 discuss the relationship between the menu and customer taste(s) as it impacts purchasing
- 3.3 discuss the purchasing transaction

Content

- Purchasing terminology
- Customer influences on the purchasing process
- Purchasing transactions

4.0 Types of Purveyors

Objectives

Upon completion of the topic the student will be able to:

- 4.1 identify the general categories of purveyors/suppliers
- 4.2 discuss the legal points regarding choice of purveyors (tendering, etc)
- 4.3 explain the function of purveyors
- 4.4 outline the advantages and disadvantages of purchasing from various types of purveyors
- 4.5 examine the steps in the selection of a purveyors/suppliers

Content

- Categories of purveyors/suppliers
- Tendering
- Functions of a purveyor
- Selection of purveyors

5.0 The Cycle of Control

Objectives

Upon completion of the topic the student will be able to:

- 5.1 explain the 4-step control process to purchasing
- 5.2 illustrate the importance of the purchasing function
- 5.3 establish standards of quality as relates to control of the product
- 5.4 discuss inventory methods used in ordering
- 5.5 analyze the ordering procedure and how this can be streamlined
- 5.6 discuss the use of equipment in control procedures

Content

- Purchasing control process
- Quality control
- Evaluating ordering procedures
- Computer applications

6.0 Definition of Grades (Local and International)

Objectives

Upon completion of the topic the student will be able to:

- 6.1 identify grades used locally and internationally
- 6.2 explain what is meant by "grades"
- 6.3 distinguish between packer grades and government assigned grades
- 6.4 discuss the characteristics to which grades refer (wholesomeness, appearance, colour, uniformity)

Content

- The grading process

7.0 Government Regulations

Objectives

Upon completion of the topic the student will be able to:

- 7.1 discuss government regulations related to the food handling and storage
- 7.2 discuss government regulations in grades/grading (USDA, etc)

Content

- Local and international legislation and regulation

8.0 Purchasing Meat, Poultry, Dairy Products, Fruits, Vegetables, Processed Foods and Convenience Foods

Objectives

Upon completion of the topic the student will be able to:

- 8.1 discuss the related grades for each of these food items
- 8.2 explain the procedures for storing, receiving and issuing poultry, meat, etc
- 8.3 discuss yield management and its role in purchasing
- 8.4 discuss quality standards in purchasing poultry, meat, etc
- 8.5 outline cuts of meat, poultry, etc
- 8.6 identify temperatures for storing meats, frozen foods, etc.

Content

- Grading of food items
- Receiving and storing procedures for meat and poultry
- Yield management
- Purchasing specifications for meat and poultry
- Meat and poultry cuts
- Temperature for storage of meats, frozen foods, etc.

9.0 Purchasing Groceries

Objectives

Upon completion of the topic the student will be able to:

- 9.1 explain the types of contracts used in purchasing groceries
- 9.2 discuss purchasing by daily market list, quotation lists, cash and carry and paid reserve
- 9.3 discuss purchase specifications for groceries

Content

- Contracts
- Market list
- Purchasing specification for commodities

10.0 Equipment for Portion Control

Objectives

Upon completion of the topic the student will be able to:

- 11.1 explain “portion control”
- 11.2 discuss the equipment needed to regulate portion size

Content

- Principles of Portion Control

12.0 Store Room Management

Objectives

Upon completion of the topic the student will be able to:

- 12.1 identify times that stock taking should occur and who is responsible for its undertaking
- 12.2 discuss the importance of stock taking
- 12.3 use formula to establish the rate of stock turnover
- 12.4 explain the steps involved in managing a storeroom from receipt to issuance
- 12.5 discuss cost analysis, stock levels and “Pareto Analysis”
- 12.6 discuss the importance of temperature to storage
- 12.7 apply stores control procedures and use relevant documents
- 12.8 explain the storeroom control procedure and its purpose

12.9 discuss hygiene, types of hygiene and its importance

Content

- Stock taking procedures
- Receipt and issuing
- Stock levels
- Temperature control
- Documentation
- Storeroom control procedures
- Sanitation and hygiene

13.0 Materials Management

Objectives

Upon completion of the topic the student will be able to:

- 13.1 explain the importance for a materials budget
- 13.2 discuss the steps involved in materials management
- 13.3 prepare a materials budget
- 13.4 justify the importance of materials management for a food service operation
- 13.5 discuss revenue control and its relevance to materials management

Content

- Materials Budget
- Materials Management
- Materials Management for Food Service Operations
- Revenue Control

Instruction Format

Lecture
Demonstration
Multi-media presentations

Assessment and Evaluation

Four assignments – 40%
Examination – 60%

Recommended Text

Purchasing for Hospitality Operations, William Vartz.

Resources

Purchasing, Selection and Procurement for the Hospitality Industry, J M Stefanelli; published by Wiley and Sons.

Supervision and Management of Quantity Food Preparation: Principles and Procedures; published by Mr Cutchan Publishing Corporation, 1988

Food and Beverage Management, Bernard Davis, Andrew Lockwood, Sally Stone; published by Butterworth-Heinemann, 2002.

Attendance

Students are encouraged to attend all class sessions as all information presented may not be covered in the required text. Participation of students is an integral component of the learning process.