Abstract

“Purchasing organisation: centralised versus decentralised task allocation”

Area
Purchase

Keywords
Purchasing organisation, task allocation, decentralised purchasing, centralised purchasing

Study/Project
Project

Starting point/project assignment/objective
There are purely decentralised and purely centralised organisational forms at each extreme in retailing as well as a multitude of mixed forms. Linked with these is a corresponding allocation of tasks, accompanied by the relevant responsibilities. The extent to which task allocations that have evolved over time are still future-oriented must be questioned.

The objective of the project was to perform detailed analysis on the purchasing concept in order to use that as the basis for identifying further potential for increased efficiency and productivity, which should lead to profitability gains for the company as a whole.

Procedure
- Identification of the pros and cons of centralised and decentralised purchasing
- Development of an “ideal” task allocation
- Analysis of the task areas of centralised and decentralised purchasing with the aid of expert interviews and company guidelines
- Comparison of the ideal image with the results of the analysis
- Derivation of improvement measures
Results/findings
A complete realignment of the purchasing organisation appeared to make little sense, as this would only have been partially compatible with the corporate strategy. The potential improvements identified and indicated must be approached cautiously, as some decentralised purchasing tasks should be centralised and vice versa. This would be virtually impossible without employee involvement.

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