

Chapter 3 Outline

How Purchasing Contributes to Managing for Quality
 Managing for Quality
 The Purchasing Process

Skills, Knowledge, and Behaviors Required in Purchasing Personnel
 Recruitment and Selection

Management and Leadership Activities in Purchasing

Market Research
 Market
 Distributor
 Internal

Ethics of Food Service Operators
 Tie Ethics to the Operation's Culture
 Examples
 Consequences of Unethical Behavior

Components of Group Purchasing
 Prime Distributors
 Buying Groups and GPOs
 Co-Ops
 Procurement Services Companies
 Ethical Considerations

The Basics of Purchase Specifications
 Quality Requirements
 Developing Purchase Specifications

Purchasing the Proper Quantities
 Perishable Products
 Nonperishable Products
 The Purchase Order System

Basics of Pricing and Cost Controls
 Ways to Specify Costs and Components of Cost
 Food Cost and Food Cost Percentage
 Calculating Inventory Value
 Adjustments to Basic Cost of Sales
 Introduction to Yield

The Ordering Process
 Electronic Ordering

Security Considerations of Food Service Operations
 Terrorism
 Food Safety and Defense
 Theft and Economic Security
 Other Security Considerations

Competencies

1. Detail how purchasing contributes to managing for quality and the steps in the purchasing process. (pp. 73–79)
2. Describe the methods to determine value in the purchasing process. (pp. 79–80)
3. Describe the skills, knowledge and behaviors required in effective purchasing personnel, and describe the management and leadership activities in the purchasing system. (pp. 80–86)
4. Define the market, distributor, and internal areas of market research. (pp. 86–87)
5. Describe the role of food service operator ethics in purchasing. (pp. 87–91)
6. Identify the components of group purchasing. (pp. 91–97)
7. Describe the basic elements of food purchase specifications and the purchase order system. (pp. 97–110)
8. Identify the basic elements of pricing and cost controls. (pp. 110–118)
9. Describe the ordering process, including e-purchasing. (pp. 118–124)
10. Describe the security considerations of food service operations. (pp. 124–127)