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The Importance of Quality Management in Purchasing Departments

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The Importance of Quality Management in Purchasing Departments

Quality management examines the functionality of a process and strategically implements necessary action to take to ensure that sustainability and positive performance continue to exist. According to Oakland (2014), the presence of quality management actions indicates that operations could be further optimized and management could implement actions to enhance overall performance. Quality management actions include lean operation initiatives, quality control measures, and feedback mechanisms for production improvements (Oakland, 2014).

Siyun et al. (2013) also delineated how purchasing quality decisions can affect the overall growth of an organization, especially considering the supply chain. The purchasing department holds much weight because of its central role in coordinating product supply for the organization. Purchasing is integral in an organization because it integrates the inflow and the outflow of goods through a systematic approach defined with minimal losses and maximal profits. Organizations thrive on continuity, and purchasing provides the organization with the necessary materials and equipment to establish this continuity. Without an effective process, any problems that may exist along the way may influence the potential success of the company altogether.

Quality management has a direct effect on the growth of purchasing departments. O'Brien (2015) emphasized that the functionality of a business matters when assessing the purchasing aspect. Hence, it is important to assess the distinct role purchasing would have on the overall business projection and strategy.

Statement of the Problem

Purchasing and quality management have been previously thought to be independent disciplines; however, they are important together. Specifically, this research investigates the escalating issues

created through the inability to perceive these two disciplines as complementary. These issues can occur when there is no viable quality control system that can effectively manage processes.

Purpose of the Study

The purpose of this research is to assess the importance of quality management of logistics in purchasing departments to provide a systematic approach in how valuable quality control is in the overall operation of the supply-chain aspect of the company. Relevant research has contributed much to the understanding of the quality management aspect, and it is important to supplement this with more literature that would enhance the perspective taken in purchasing management.

According to Jacobs and Chase (2013), the dynamics involved in operations of the company shall contribute much in developing a deeper understanding of the relationship between purchasing and quality management. Change management is a very important concept that exists, which emphasizes on the necessary actions to convey the results of quality control to the production process of the purchasing department. Weele and Raaij (2014) further emphasized how purchasing and supply can contribute to the bigger picture in the overall scheme of organizational management. These elements are important in defining what needs to be done for the purchasing department to improve.

Another important purpose is to define the extent of management when considering quality principles. Quality management is difficult to examine, and thus specific tools and situations must be explored to be able to fully delineate the success of the purchasing department on total quality perspectives. These involve specifying what tools to use and what approach to be taken based on the situation presented.

Significance of the Study

The significance of this research is to examine what tools and what measures should be taken to enhance profitability and performance of the purchasing department. This would provide the necessary feedback to top management so that supervisors can implement what is discussed to improve the company. The critical perception in understanding the system to be employed involves developing insight on how purchasing works and how the supply chain flow should function.

According to Spina et al. (2016), projections for purchasing and supply management would promote growth to the company and its inherent market. This holistic growth is important in maintaining company success, since proper management of specific areas could contribute much to the total development of the company. Quality is important and it should always remain the vital moving force in any company.

The implications of the study involve qualitative tools of analysis such as the Pareto analysis, Fishbone diagram, and the scorecard approach to present data and provide quality-related solutions. Furthermore, it would provide a deeper analysis of the situation to explain why quality management is important in logistics of purchasing department. Quality ensures that functionality is optimal and productivity levels are maintained at success rates. These details are important for any company to maintain its success rating.

Academic scholars and students would benefit from the study because of how the investigations and conclusions can contribute to the body of knowledge regarding purchasing and quality management as a whole. The study will also provide these individuals with the avenue for improvement in terms of understanding how vital the knowledge is in the growth of any organization.

Assumptions

The study shall assume that purchasing departments have a functioning logistics system that can be observed. This study will utilize a combination of case study resources and various journals that can explore the inherent relationship and dependence of purchasing and quality management.

Delimitations

The researcher shall choose to study only the purchasing department and assess how quality measures should be adapted to the situation at hand. This would provide assertive analysis and ensure that the quality management protocols would be better explored through extensive research and correlation of various literature.

Methodology

The approach taken in developing the seminar paper involves studying various literature to synthesize a general idea on the importance of quality management with respect to purchasing department. The researcher will focus on presenting evidence from literature and analyzing the contentions presented that are relevant to the topic at hand. This collation of literature would create a systematic and developmental approach to understanding how important quality management is in purchasing departments. The researcher would synthesize the data to note any specific points of interest that would contribute to a deeper understanding of quality.

Literature Review

The principles of purchasing management are important in the delineation of its role in quality management. Purchasing is an in depth part of management that must be understood at an intimate level to be able to ensure that an organization functions effectively. The literature review shall delineate the important points relevant to purchasing management.

Purchasing management is a subset of the supply chain. It involves decision-making principles and management principles for a specific purpose, which is the purchasing department. Siyun et al. (2013) explored the automotive industry as a model for quality management, which can be very much relevant to purchasing. The authors noted that the continued approach managers should take must be adaptive, and that while markets are volatile, the continuity of action shall be the stabilizing factor that can ensure the retention of policies and the continuity of productivity. The authors also indicated that decision-making models can also apply for all functions of management; what needs to be done is to tailor these models to their effective purposes. For instance, purchasing management must focus on decision-making models that would illustrate minimized cost and maximized profitability at the same time. Purchasing involves a bidding process that must function in such a way that is cost-effective yet still

maintains high levels of performance.

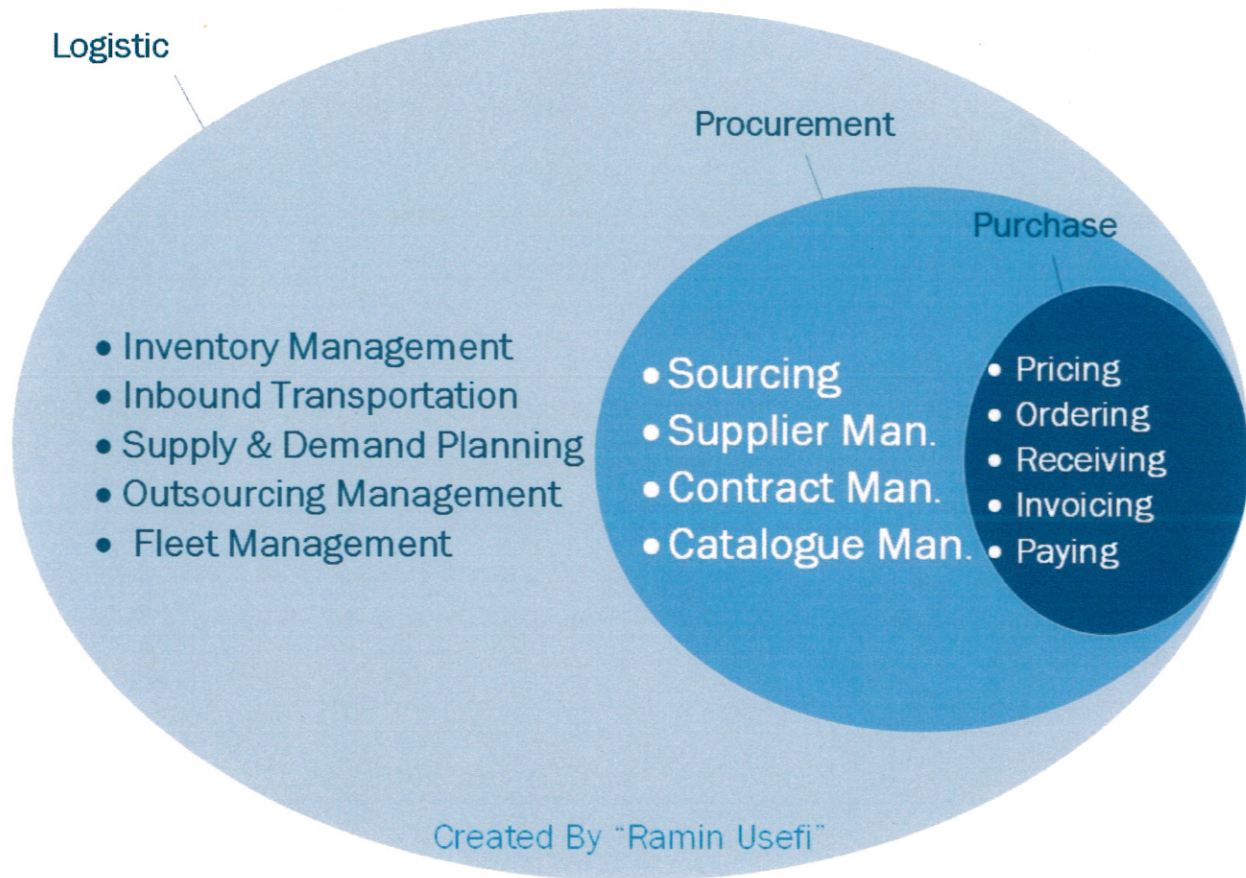


Figure 1. Interrelation between Logistics, Procurement, and Purchase

In the course of understanding how purchasing is important in the organization, Figure 1 takes note of the interrelation between logistics, procurement, and purchase. Logistics maintains the overall picture in the scheme whereas procurement is a more specified area of management. Purchasing is thus a very specific area in which transactions are important. This diagram is important to be able to provide a visual to identify the appropriate supply chain content for this study.

The key principles in this study are: lean purchasing strategies, purchasing responsibility, decision making, quality management tools applied to the purchasing context, and purchasing/quality management outcomes. These points shall unravel the inherent role that

procurement must take in enhancing the quality management initiatives taken in any company, with respect to the forces that must act in order to ensure continuous growth and high maintenance of quality.

Lean Purchasing Strategies

In the field of lean purchasing, it is important to develop the dynamic strategies that are relevant in enhancing the overall supply component of the company. According to Drake, Lee, and Hussain (2013), the role of the manufacturer is to focus on strategies that are competitive, where they emphasized that “purchasing is clearly a critical activity for a manufacturing business” (p. 3). With this respect, it is important to draw insight from the strategies being implemented in their study. The purchasing portfolio model they presented which involved delineating leanness and agility. The matrix they presented compared lean items, non-strategic items, and agile items with influencing factors of leanness emphasized to be component durability, component reliability, and component innovation for quality factors and purchasing cost, inventory cost, and quality cost as cost factors (Drake, Lee, & Hussain, 2013). It is imperative to assess these factors in the development of a strategy. Qualitative factors are essential in expressing lean six sigma in generating smooth delivery of purchasing mechanisms, because they can ensure that the proper protocol is maintained and streamlining is asserted in the process (Tsironis & Psychologios, 2016). With that in perspective, it can be concluded that the positioning involved in the portfolio must be focused on developing mechanisms that work, with the ultimate goal in portraying the necessary change in supply development in an organization (Drake, Lee, & Hussain, 2013). In the purpose of managing strategies, the first action involves the indicators of quality that can really affect the manufacturing process, especially when supply chain is of importance.

An important strategy in lean purchasing and, as a result, effective quality management, is the integration of strategic supplier partnerships. As presented in Qrunfleh and Tarafdar (2013), the role of strategic supplier partnerships can enhance overall company performance. The supply chain strategy employed would maximize the utilization of pertinent areas in procurement, which involve supply, warehouses, merchandising, and manufacturing. It is also emphasized that the inherent relationship between supply chain strategy and supply chain responsiveness has been noted to be important in the focus of lean manufacturing. The authors further noted that “In order to enhance supply chain responsiveness, firms must deploy supply chain practices in conjunction with their supply chain strategies in order to build responsive supply chains” (Qrunfleh & Tarafdar, 2013, p. 579). This means that proper allocation of strategies is important in order to present the necessary information that would ultimately characterize smooth development and continued quality assurance. This perspective is strengthened through the discussion found in Hines (2014) where the comparison point of service and supply chains has been emphasized with respect to the need for continued growth. There must be a balance between resource allocation and utilization to be able to maximize the potential growth component of a given manufacturing business. The procurement section of the company must be able to understand the role of supply chains, and this can be emphasized through the need to maintain cohesive growth and continued quality maintenance. The goal of lean manufacturing in the purchasing context is to provide potential focus for quality management, which has been focused on optimizing the process of the company and ensuring the smooth delivery of service. What is important is to ensure that this delivery is sustainable and continuity is maintained at all times. Through such coordination, there is a sense of growth that

would be attained and a continued focus of development that must be sustained in the context of managing quality potentials and ensuring the delivery of input to the company's supply demands.

As such, lean purchasing strategies focus on the qualitative and quantitative development of interaction through collaborative tools and partnership mechanisms that would ensure the smooth functioning of a given company. Without these tools, effectiveness is greatly reduced and the company may have difficulty in managing potential risk and other details necessary to the delivery of service to constituents. Keeping this in mind, it is critical to assess how important lean purchasing strategies are in maintaining focused growth and enhanced development of service.

While the practices are important in assessing quality management with respect to the procurement aspect of the company, it is important to understand the role of purchasing responsibility. This action illustrates how a company can effectively manage its purchasing mechanisms, especially in handling strategic development initiatives and ensuring the continued proliferation of quality in all aspects. Hence, purchasing responsibility is an important discussing point that must be examined.

Purchasing Responsibility

The purchasing department is important because of various reasons. Primarily, the department would apply the principles of effective strategic development, which has been the recurrent theme of Úbeda, Alsua, and Carrasco's (2015) paper on purchasing models that concluded with the fact that purchasing models are necessary for the continuous growth of businesses, particularly in assessing cost savings and organizational competitive strategies.

Caniato, Luzzini, and Ronchi (2014) further investigated the critical role that purchasing departments placed, which involve the empirical investigation in terms of management systems.

With this in mind, it is then explained that the protocols involved in purchasing, with the emphasis on functional operations. This means that purchasing models should include horizontal integration to be able to increase potential supply.

This illustration of ideas is supported by the concepts presented in Baker and Parkinson (2016), which emphasize on the inherent role of purchasing management in the organization as a whole. The organization's inherent behavior is patterned on the design involving responding to the market demand, which can influence purchasing. The behavioral aspect of organizational management should remain a priority in the operation so that quality management is further sustained.

The responsibility of the purchasing department is encompassed through the integration of logistics in its performance evaluation. This is the arguing point presented in Ashenbaum and Maltz (2017) where they assessed influences of purchasing managers and logistics managers with respect to delivery measures. They found out that purchasing managers value mutual responsibility as a positive influence to supplier deliver speed. Logistics managers focused on the fact that mutual responsibility has a more positive influence toward supplier price performance. The authors concluded that there is a stronger linkage between supplier performance and formal integrative efforts when it comes to analyzing what purchasing managers perceive. When analyzing what logistics managers perceive, it is clear that there is a strong linkage between supplier performance and informal integrative efforts. This dynamism goes to show that responsibility in purchasing is dependent on the perspective of managers, particularly in the role of assigning potential analyses in the overall end-perspective of managing manufacturing measures and purchasing initiatives.

Other than initial perspectives and long-term measures, it is important to assess the ethical climate involved in the purchasing department. The ethical climate is important because it influences operation and the means that operation would take place, with the goal of ensuring smooth conduct without compromise of values. This is the emphasis of the study conducted by Blome and Paulraj (2013), where they emphasized:

As codes of conduct could influence the ethical as well as socially-oriented behavior, firms implement codes of conduct as a response strategy to social legitimacy concerns, thereby intensifying the focus on stakeholders. On the one hand, this means that the employees will focus more on customers and the public in their decisions as these are also important for their firm's reputation (i.e., enhance community-focused climate). (p. 16)

Socially-oriented behavior thus has become the main point in analyzing purchasing behavior, especially with respect to the managerial aspect of a company. Accordingly, analyzing the impact of ethical conduct on the purchasing department has become an important facet in maintaining company growth and continued integrity (Christopher, 2016). Reflecting on this aspect, Blome and Paulraj (2013) further asserted that the importance in responsible management is focused on the informal, community-based ethical measures among top management. This is because of the encompassing nature of the procurement department that would emphasize on the inherent need to maintain cohesive growth at all times. When considering ethical implications, it must be clearly emphasized that, without the effective management measure to take place, there can no longer be a smooth focus at hand. This can only be attained through ethical conduct in all aspects.

The nature of responsibility as emphasized in Gladilina et al. (2016) is important for purchasing departments because of the inherent role that is taken when maintaining branding and other supply initiatives that would be necessitated when inflow of financial capital is needed. Purchasing responsibility is a concept that must be fit with the kind of activity demands that are in play. The responsibility element must be applied so that there would asserted certainty and ensured development of goals that would later characterize the necessary objectives for smooth development. The role of responsibility is supplemented by decision making, which is the major consideration in effective quality management, especially when the objective is to assert continued maintenance of delivery without any issue of compromise.

Decision Making

Decision-making models must be grounded on total quality management principles. These models are emphasized as means of maintaining effective decisions that should be grounded on quality, which means that the decision should be made to enhance operational conditions and promote sustainability and stability. This point is made through Oakland (2014) in the discussion of total quality management. The challenge that Oakland (2014) noted in the organization is that problems of quality should not only be detected but also managed in such a way that continuity exists. The competitiveness and the complexity that exist in the organization can occur through a solid plan that would work to the benefit of the performance. Oakland (2014) also noted that flexibility is important, especially in the category of purchasing, which requires resilience and an effort to maintain dynamic relations and interaction at hand.

Additional evidence from Kaynak (2003) emphasizes on firm performance as a qualifier for total quality management. Firm performance is the innate characteristic of responding to the market and providing quality product or service. In relation to purchasing, this means that the

inflow would generate profits without compromising the performance's integrity. The internal supply of the organization could be an effective gage of performance.

When considering quality management, it is important to emphasize on how operations influences overall picture at hand. Jacobs and Chase (2013) connected the two concepts are related and relevant to purchasing. Operations management, the specific science that deals with logistics, is the central concept in purchasing. It involves dealing with minimization and maximization of certain aspects to the supply chain that due emphasis must be delivered at hand. Operations management fuels the direction that the organization needs and it gives emphasis on how one should approach a decision. Jacobs and Chase (2013) continue to reiterate that purchasing is the application of operations management, which emphasizes on the utilization of the principle in the effort of applying what has been theorized in an actual setting.

Weele and Raaji (2014) emphasized that "our conclusion that creating value in supply chains is related to supply chain effectiveness calls for an examination of the literature on strategic management" (p. 58). This criticality emphasizes on the need for further investigation, which should happen for all cases in the organization. Management should be continual and a strategy must indeed be developed to ensure that functionality is maintained. Purchasing is vital to this as "Differences in financial performance among companies were explained by the way in which companies were able to utilize their resources, both internally and externally" (Weele & Raaji, 2014, p. 62). Companies must take the necessary steps in maintaining resource management. This is where purchasing management comes in. The strategy involved in purchasing must be filled with care because of how volatile financing can get if this were not effectively planned. The danger that the organization would be in due to inability to strategize

effectively can create a domino effect as the purchasing department works closely with financing to ensure the continuity of the organization.

After assessing the internal impact of decision making, another important point to discuss involves the utilization for supplier evaluation and selection. In the course of maintaining high quality, it is vital to institute a strategy that would emphasis green development, or eco-friendly management initiatives. This is the purpose of the study by Govindan, Rajendran, Sarkis, and Murugesan (2015), who emphasized multi-criteria decision making approaches in assessing suppliers. The multi-criteria approach emphasized by the authors utilizes mathematical programming that would allow various solutions to be attained through a discourse taken in applying specific objectives, mainly through the fuzzy analysis that would prevent inherent limitations to the decision making aspect. They found out that quantitative environmental criteria through economic aspects and qualitative environment criteria through inherent public relations aspects have been responsible for determining effective suppliers for the company. For the eco-friendly operation, portfolio-based analyses have concluded that pollution control and prevention are pertinent factors that affect supplier decision-making. Additionally, regulation, customer pressure, business benefits on green purchasing, and social responsibility are also criteria that have been utilized to justify supplier management. This focus must be maintained through the course of decision-making because of how vital it is for the company to design its decisions based on merit and other factors instead of just focusing on the aspect of sustenance.

While decision making is important, tools to facilitate quality management are also important. The tools that will be discussed have vital roles in maintaining purchasing growth, with their specific application on procurement. Quality management tools are vital because of how they influence decision making and how they connect purchasing responsibility with lean

purchasing strategies. It is this emphasis in purchasing that would enhance the management of quality as a whole when considering what tools to use in evaluating how effective or ineffective the organizational process is when procurement is present.

Quality Management Tools Applied to the Purchasing Context

Quality management tools are designed to evaluate a certain criterion or a set of criteria involved in the effectiveness of a certain action (Caniato, Luzzini, & Ronchi, 2014). With this thought in hand, it is important to give due emphasis on specific tools that would be useful in the purchasing context. Purchasing, as noted to be one of the most risky activities in any company, is an important action whose quality management must be emphasized at all times. According to Goetsch and Davis (2014), one of the tenets of quality management is the Juran trilogy, which emphasizes on the three-fold focus of quality: quality planning, quality improvement, and quality control. These points of focus emphasize on the inherent need for continuous growth, especially with respect to the pertinent details that would be of emphasis when taking note of the tools to utilize. The goal of these tools is to channel planning, improvement, and control through an effective framework that can lead to feasible results.

The first tool to utilize is the Pareto analysis. The Pareto analysis, according to Karuppusami and Gandhinathan (2006), is a statistical technique that is used in decision making applications to determine the specific tasks that would produce a significant impact on the system. Impact is characterized by the Pareto principle (80/20 rule) which indicates that 80% of the benefit can be attained by exerting 20% of the effort. Handfield, Krause, Scannell, and Monczka (2006) studied the Pareto analysis through Bavarian Motor Works' (BMW) maintenance system. Problem-driven projects were identified as the initial focus when the company started its operation in the United States. The approach taken involved early detection

of the problem to limit the need for maintenance measures that would incur large costs. The principle was attained in which the company was able to minimize losses and maximize delivery by the preventive checks being done. The Pareto analysis works by focusing on illustrating potential problems and eliminating those with no significant impact. The specific areas of emphasis would then be presented and assessed with the notion of noting the 20% of the cases that would cause 80% of the problems in the organization. Taking note of these values is important because of how sensitive procurement can be in terms of losses. According to Drake, Lee, and Hussain (2013), maintaining lean and agile purchasing is difficult because of how volatile the department can be when losses are incurred. Inflow and outflow of supplies and financial capital exist primarily in the procurement department; hence, there is a unique level of sensitivity that must be overcome to truly allow the department to smoothly function.

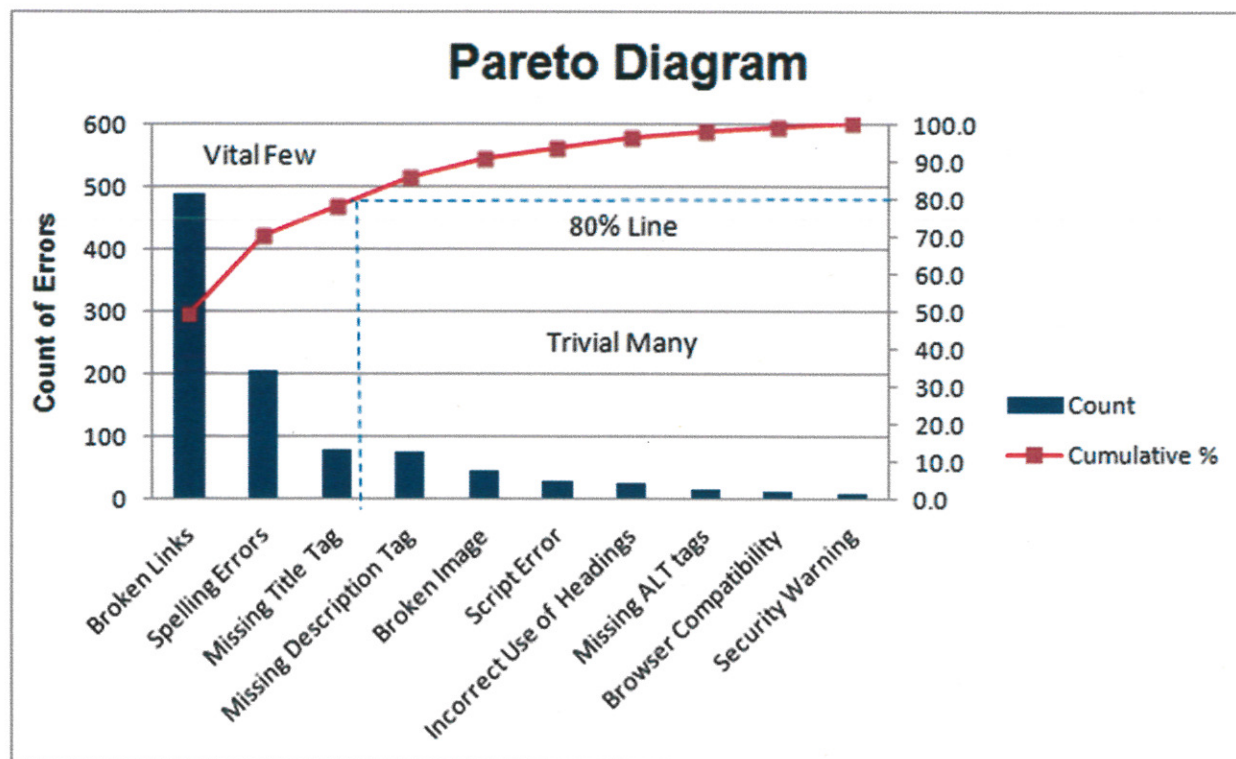


Figure 2. Pareto diagram

The Pareto diagram in Figure 2 is a sample that was placed for the purpose of discussion, with bar charts represented the error count and the cumulative percent explaining how impactful each error is to the overall picture.

The second tool relevant to the purchasing department is the fishbone diagram. Otherwise known as the Ishikawa diagram, this tool illustrates a cause-and-effect relationship between activities, with an emphasis on delineating specific aspects of the cause (Enarsson, 1998). An important utilization of the tool is in the Case Study on the St. James Hospital. Bose (2012) studied St. James Hospital and noted how:

The case study reveals that the hospital is facing immense problem to ensure sound supply chain management. There is no coordination among every action and everywhere there is haphazardness. Too many people are giving orders, sometimes they are experiencing overstocking and sometimes there is no stock to fulfil the demand of the patients, the numbers of suppliers are too many and too many people are interfering in the supply chain management system. There are other problem areas as well like staffs are not linked in the system, peoples are unwilling to share information and people are direction less. As a result the hospital is increasingly failing to maintain its well established and long lasted reputation. (p. 18)

By taking into account the problems that are existent in the St. James Hospital, the fishbone diagram utilized was able to identify that the root cause of problems in supply chain management such as equipment, process, people, materials, environment, and management (Bose, 2012). The true effectiveness of the tool is that each root cause can further be utilized to illustrate more details about the problem, as noted in Figure 3.

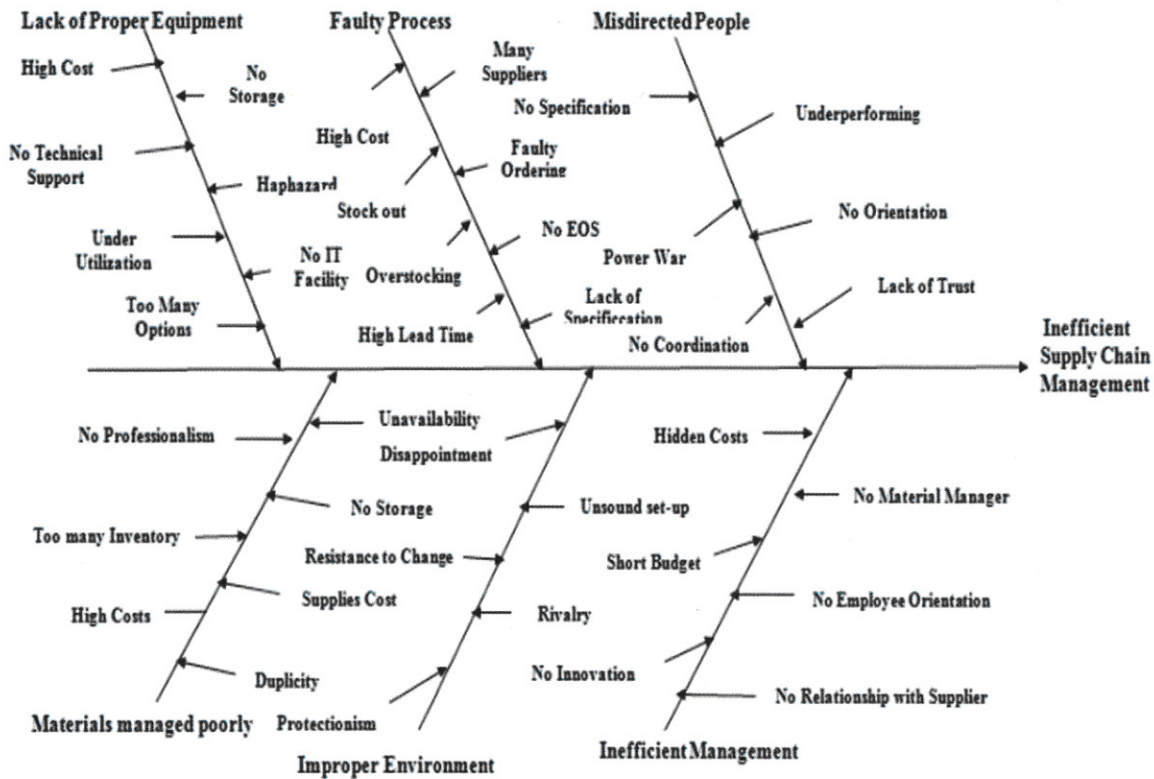


Figure 3. Fishbone diagram of the Supply Chain of St. James Hospital (Bose, 2012)

As what was noted, it is clear that the bare framework noted earlier can be delineated to really capture the essence of what is wrong in the context of supply chain management. The fishbone diagram is thus useful in illustrating what could contribute to the poor effect. Bose (2012) then was able to identify points of improvement and strategies that must be carried out to ensure the smooth growth of procurement and supply. However, Bose (2012) also noted that, while the fishbone diagram takes note of the causes, it does not necessarily illustrate the sequence of cause that is affecting the organization. In the specific case, this was noted and labeled as one of the limitations of the fishbone analysis. Categories are also seldom identified clearly so there is no clear magnitude of concern that can effectively and accurately determine how heavy the cause is. Everything is qualitative and merely subjected to the priority of the management. These issues are important to address and can be addressed through continued

development of the tool. However, it is also important to note that the fishbone analysis can be utilized for the purpose of taking note of what issues are present in the context of analyzing root causes.

The third tool used for quality management is the scorecard approach. This approach, according to Bhagwat and Sharma (2007), is “a means to evaluate corporate performance from four different perspectives: the financial, the internal business process, the customer, and the learning and growth” (p. 44). This approach is used to assess the specific performance of a certain activity or department, making it one of the most useful tools in justifying action and presenting feedback wherever necessary. In a balanced scorecard, the four perspectives must be attained, and this can be done through effective management of indicators that are being developed to meet the specific purpose at hand. The framework utilized as mentioned by Bhagwat and Sharma (2007) has shown merit because the scorecard, as a form of performance assessment, is integral to effective planning and control. They also emphasized that the tool is useful in decision-making, making it even more integral to the ultimate development of potential growth. The scorecard approach is important as it can be used to quantify which areas need improvement and which areas must be strengthened.

Quality management tools, thus, have been noted to be integral to defining the process at hand, especially in the context of managing organizational growth. The Pareto Analysis, Fishbone diagram, and scorecard are useful in the purchasing context because of how they emphasize the need for maintaining continuity through quality measures.

Purchasing/Quality Management Outcomes

Examining the role of purchasing is not easy. However, Spina et al. (2016) managed to collate 14,943 articles on the utilization of purchasing and supply management in organizations

to be able to draw a bigger picture regarding the fundamental growth of the concept from an organizational perspective. According to Spina et al. (2016), their research focused on “Purchasing and Supply Chain Management alone, with the broader area of Supply chain Management and Logistics, which form the wider scope of previous reviews. This is relevant because, PSM as a managerial practice is often taught separately from Logistics and Supply Chain Management” (p. 10). This should never be the case as purchasing must be integrated within the whole system at hand.

Jasti and Kodali (2015) further emphasized that in order to streamline purchasing, organizations must emphasize on the utilization of lean production. Lean production is characterized by the ability to reduce and eventually eliminate waste that would incur in a given process cycle (Hasle, 2014). To optimize purchasing, lean production practices must then also be present. In the purchasing department, lean production can be done by utilizing appropriate decision-making models and other measures that would streamline overall production. The most effective assessment of these principles would be in addressing how companies have utilized management tools in enhancing organizational performance.

Discussion and Conclusion

Quality management involves understanding the nature of quality and its role in any organization to promote continuous development. Quality management because it is important to understand measures that can contribute to performance and effectiveness. Quality managers, furthermore, assess what is apparent in the organization and consider what improvement must be done to improve the well-being of the organization.

The purchasing department is important in its role in managing an organization's supply chain. When an organization effectively implements quality management, it engages in positive change that is not compromising; it engages in change that continues to contribute to the organization's overall growth. It is thus worthy to note that purchasing and quality management should remain aligned and are important in the development of the organization for the long-term as the benefits the organization can gain through quality management are extensive.

In purchasing, a system, which involves defined inputs, processes, and outputs, is important because of its emphasis in maintaining an input-and-output balance. Miles and Snow (2007) drew comparisons of perspectives through inquiring into the various actions taken by firms. For instance, Dell has its supply chain management and procurement focus on the fact that its managers are considered a separate organization. This decision was due to the analysis of the management taken to realize that this distinction must be made to ensure effectiveness and efficiency. They reported successes and overall increased growth because of the manner of operation that would be taken in effect.

Quality management offers the organization an avenue for continuous improvement. The management would base its design on implementing quality management from a responsive point of focus, where any issue can be remedied as soon as possible. Organizations that

implement quality management focus on issues in the supply chain itself. Whenever a problem arises, the process would then adjust accordingly by applying the various performance compensating mechanisms. Quality management does take into consideration the role of the system as a means of compensation and coordination.

Miles and Snow (2007) shared how Ford has utilized transformative measures in which there was a “shifting emphasis from strategic choices focused on cost and efficiency to a resource-based perspective emphasizing enhanced design capability” (p. 460). Ford outsourced its glass production, which made it one of the strong initiatives taken when considering the dynamics of supply that were involved in the process.

Finally, continuity is important in a given organization because of the role it plays in the sustainability of the company as a whole. Without continuity, the organization shall fail and this shall result in troubles later on with the production process. Quality management engages the organization in a sense that growth is supported. After all, as noted in the discussion, without growth, there can be no progress. Purchasing departments are highly dependent on the inflow and outflow of goods. If a system could not be established, then there is failure in the distribution channel. The problem then becomes even more complicated and the situation begins to worsen. Hence, it is important for the company to take smart initiatives such as production modification, lean production adherence, and continued upholding of the mission and vision to streamline the overall process.

The role of lean production and its focus on supply have been expressed through BMW’s initiative to incorporate supplier ideas into its own design, initiating an internal development that would later benefit from a defined perspective. Additionally, Toyota focused its attention on lean production, enhancing its supply chain narrative that makes it one of the most functional

companies to date (Miles & Snow, 2007). This is enhanced by the focus of increased procurement being applied in the automobile industry in general, as mentioned in Schulz and Müller (2017), the move toward complete independence from traditional motors and an emphasis on electric vehicles have influenced how manufacturers implement their strategies.

Three critical quality management tools were presented. The Pareto Analysis is useful through its 80/20 rule in which specific errors could be noted and considerations can be made to improve accordingly. This tool is useful in aligning repetition and reducing these repetitions through strategies that would be implemented in the long-run. The second tool discussed was the Fishbone diagram. This tool emphasized on finding the root cause of a certain problem presented in an organization. The adaptive nature of the diagram is that it can be used to pinpoint exact areas where problems arise. It is this integral nature that characterizes how important it is to maintain development in all aspects of a problem's identification. The last tool, the balanced scorecard approach, is a checklist that would ensure that the company has met its initial mission and vision. It functions as a performance assessment framework that has contributed much to the inherent growth of the company, both taking into consideration positive and negative aspects. These tools are integral for the success of the procurement aspect of the company because of how they assess quality and associated risk.

The literature presented evidence that would further explore the feasibility of the purchasing department and the role it takes in quality management. The most appropriate measure is through the approach taken in lean production, which asserts waste reduction in the process through effective decision-making initiatives. Through these initiatives, a strengthened approach can be taken to realize the effective growth of purchasing in the organization.

Lean production becomes the defining concept that must be upheld at all times. Lean production optimizes the process and maintains a strengthened equilibrium in the organization. When this equilibrium is maintained, the purchasing department can benefit the most out of all of these. This can be highly noted by the stability in the overall production margin and the inherent improvement on productivity and profitability. What happens when stability occurs is that the company can operate with minimal risk, and the lower the risk, the higher the potential for continuous growth.

Enhancing the purchasing department lies on understanding the role taken to enhance collaborative efforts. As Miles and Snow (2007) put it, “collaborative networks will appear in various knowledge-intensive industries, and they will require ongoing investments in intangible assets, such as the ability to collaborate and to build inter-organizational trust, in order to succeed” (p. 461). Collaborative efforts take into account all facets of the organization in order to come up with a solution that is definitive and developmental. It is this approach that can provide the organization with the necessary actions that can contribute to continuous improvement. The nature of the procurement department involves the strength of networks. Without networks, it cannot thrive. Hence, decisive action must be done to truly protect the integrity and ensure continuous improvement.

Strategy and supply chain management must complement purchasing management to effectively allow the organization to thrive. What is vital is that purchasing should align itself with the organizational principles of quality. This alignment can then support the necessary action taken to improve the process that should occur in the organization as a whole. Quality management is vital in the growth of the company as a whole and company leaders should support the overall initiative to maintain sustainability and continued development.

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