



**CAREER CLUSTER**  
Marketing

**INSTRUCTIONAL AREA**  
Operations

## **BUYING AND MERCHANDISING TEAM DECISION MAKING EVENT**

### **PARTICIPANT INSTRUCTIONS**

- The event will be presented to you through your reading of the General Performance Indicators, Specific Performance Indicators and Case Study Situation. You will have up to 30 minutes to review this information and prepare your presentation. You may make notes to use during your presentation.
- You will have up to 10 minutes to make your presentation to the judge (you may have more than one judge), followed by up to 5 minutes to answer the judge's questions. All members of the team must participate in the presentation, as well as answer the questions.
- Turn in all of your notes and event materials when you have completed the event.

### **GENERAL PERFORMANCE INDICATORS**

- Communications skills—the ability to exchange information and ideas with others through writing, speaking, reading or listening
- Analytical skills—the ability to derive facts from data, findings from facts, conclusions from findings and recommendations from conclusions
- Production skills—the ability to take a concept from an idea and make it real
- Teamwork—the ability to be an effective member of a productive group
- Priorities/time management—the ability to determine priorities and manage time commitments
- Economic competencies

### **SPECIFIC PERFORMANCE INDICATORS**

- Describe legal issues affecting businesses.
- Explain ethical considerations in providing information.
- Explain business ethics in product/service management.
- Explain the nature of channel-member relationships.
- Explain the nature and scope of purchasing.
- Discuss the role of ethics in operations.
- Defend ideas objectively.

## CASE STUDY SITUATION

You are to assume the role of vice presidents of purchasing for FASHION TRENDS, a large department store chain. The owner of FASHION TRENDS (judge) has asked you to analyze the ethical and legal implications of a situation involving the chain's senior buyer.

FASHION TRENDS experienced dynamic growth since it was first established in 1980. In recent years, competition from factory outlets and discount chains has caused profits to decline. FASHION TRENDS operated at a loss the past two quarters; consequently, all operational procedures are being reviewed. The owner (judge) has received an anonymous letter alleging that the chain's senior buyer received an all-expenses-paid Caribbean cruise from one of the chain's most trusted vendors.

The owner (judge) believes that thank-you gifts from vendors will compromise, or appear to compromise, objectivity. Although the buyer has always purchased merchandise based on best price, the owner (judge) views the acceptance as a possible "kick-back" for buying over-priced merchandise. The store's buyer defended the acceptance of the trip stating that it was merely a "thank-you" for their productive, long-term business relationship. The buyer does not view the acceptance of the cruise as unethical, illegal or dishonest. It has been verified that the vendor who bestowed the gift consistently offers the highest quality, competitively-priced merchandise.

The owner (judge) has asked your team to recommend a course of action. Using the following model, your team is to:

- Determine the ethical/legal issue
- Identify the possible actions/alternatives for handling the situation
- Identify the parties/people affected by the situation
- Analyze the effects each possible action will have on the parties/people involved
- Decide what action, if any, should be taken

You will present your recommended course of action to the owner (judge) in a meeting to take place in the conference room of the chain's headquarters. The owner (judge) will begin the meeting by greeting you and asking to hear your recommendations. After you have discussed the situation and recommended a course of action and have answered the owner's (judge's) questions, the owner (judge) will conclude the meeting by thanking you for your work.

## JUDGE'S INSTRUCTIONS

You are to assume the role of owner of FASHION TRENDS, a large department store chain. You have asked your vice presidents of purchasing (participant team) to analyze the ethical and legal implications of a situation involving the chain's senior buyer; you have also requested them to recommend a course of action.

FASHION TRENDS experienced dynamic growth since it was first established in 1980. In recent years, competition from factory outlets and discount chains has caused profits to decline. FASHION TRENDS operated at a loss the past two quarters; consequently, all operational procedures are being reviewed. You have received an anonymous letter alleging that the chain's senior buyer received an all-expenses-paid Caribbean cruise from one of the chain's most trusted vendors.

You believe that thank-you gifts from vendors will compromise, or appear to compromise, objectivity. Although the buyer has always purchased merchandise based on best price, you view the acceptance as a possible "kick-back" for buying over-priced merchandise. The store's buyer defended the acceptance of the trip stating that it was merely a "thank-you" for their productive, long-term business relationship. The buyer does not view the acceptance of the cruise as unethical, illegal or dishonest. It has been verified that the vendor who bestowed the gift consistently offers the highest quality, competitively-priced merchandise.

You have asked the team to recommend a course of action. Using the following model, the team is to:

- Determine the ethical/legal issue
- Identify the possible actions/alternatives for handling the situation
- Identify the parties/people affected by the situation
- Analyze the effects each possible action will have on the parties/people involved
- Decide what action, if any, should be taken

The vice presidents of purchasing (participant team) will present their recommendation to you in a meeting to take place in the conference room at the chain's headquarters. You will begin the meeting by greeting the vice presidents of purchasing (participant team) and asking to hear their analysis of the situation and the recommended course of action.

After the vice presidents of purchasing (participant team) have presented their recommendation, you are to ask the following questions of each participant team:

1. Do you think the corporate culture is partially to blame for this situation?
2. How do clearly defined policies help buyers and suppliers avoid problems?

Once the vice presidents of purchasing (participant team) have answered your questions, you will conclude the meeting by thanking them for the work.

You are not to make any comments after the event is over except to thank the participants.

## JUDGING THE PRESENTATION

Team members, assuming the role of a management team for the business represented, will analyze a case situation related to the chosen occupational area. The team will make decisions regarding the situation, and then make an oral presentation to the judge. The role of the judge is that of an executive for the business.

Participants will be evaluated according to the Evaluation Form.

Please place the name and identification number label on the Scantron sheet (unless it has already been done for you).

Participants will have a 30-minute preparation period and may make notes to use during the role-play.

During the first 10 minutes of the presentation (after introductions), the team will present their analysis, their decisions and the rationale behind the decisions. Allow the teams to complete this portion without interruption, unless you are asked to respond.

During the next 5 minutes, you may ask questions of the team to determine their understanding of the situation presented. Each member of each team should respond to at least one question. To ensure fairness, you must ask each team the same questions. After asking the standard questions, you may ask other questions for clarification specific to the current team.

After the questioning period, please thank the team and state that they will be notified of your decision soon. Then complete the Evaluation Form, making sure to record a score for all categories. The maximum score for the evaluation is 100 points. The presentation will be weighted at twice (2 times) the value of the exam scores.

A maximum score of "Exceeds Expectations" in any category means that, in your opinion, the information is presented effectively and creatively; nothing more could be expected of an employee.

A "Meets Expectations" rating means that the information is present well. Though there may be a few minor problems or omissions, they are not significant. Creativity, however, is not shown to any great degree. A combined total score of 70 or better on the written and presentation sections will earn the participant team DECA's Certificate of Excellence at the international conference.

A "Below Expectations" score means that the information presented does not meet minimum standards of acceptability.

A "Little/No Value" score means either that some major flaw has been noted that damages the effectiveness of the presentation (this may be a major omission, a serious misstatement or any other major flaw) or that the information presented is of no value (does not help the presentation at all).

We hope you are impressed by the quality of the work of these potential managers. If you have any suggestions for improving the event, please mention them to your series director.

*We thank you for your help.*

# JUDGE'S EVALUATION FORM BTDM

## PERFORMANCE INDICATORS

	Exceeds Expectations	Meets Expectations	Below Expectations	Little/No Value	Judged Score
<b>DID THE PARTICIPANT:</b>					
1. Describe legal issues affecting businesses?	10-9	8-7	6-5-4	3-2-1-0	_____
2. Explain ethical considerations in providing information?	10-9	8-7	6-5-4	3-2-1-0	_____
3. Explain business ethics in product/service management?	10-9	8-7	6-5-4	3-2-1-0	_____
4. Explain the nature of channel-member relationships?	10-9	8-7	6-5-4	3-2-1-0	_____
5. Explain the nature and scope of purchasing?	10-9	8-7	6-5-4	3-2-1-0	_____
6. Discuss the role of ethics in operations?	10-9	8-7	6-5-4	3-2-1-0	_____
7. Defend ideas objectively?	10-9	8-7	6-5-4	3-2-1-0	_____
<b>PRESENTATION</b>					
8. Clarity of expression	6-5	4	3-2	1-0	_____
9. Organization of ideas	6-5	4	3-2	1-0	_____
10. Showed evidence of mature judgment	6-5	4	3-2	1-0	_____
11. Effective participation of both team members	6-5	4	3-2	1-0	_____
12. Overall impression and responses to the judge's questions	6-5	4	3-2	1-0	_____

**TOTAL SCORE** \_\_\_\_\_