**ASSIGNMENTS**

# Diploma in procurement and supply chain management

# ASSIGNMENTS-2

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1. What are the objectives of Materials management? What are its advantages?

*“Quote from unit 3 of the training manual’’* Material management has several objectives and many secondary objectives. The core objectives of material management are:-

1. Proper, cost effective material procurement
2. Proper storage of materials so as to minimized wastages and material holdups.
3. Making available the material timely.

A good material management system will keep up to date records of all the information generated in it, preferably using a computer-based system. In addition to these primary objectives, a material management system indirectly fulfills many secondary objectives also. These secondary objectives are normally related to a function of material management system.

* Some of these secondary objectives are:-

1. Identifying new or better source of supply
2. Development and sustenance of relationship with the vendor
3. Creating standardized quality of product, performing the value analysis of inventory. This can be related to the cost of material.
4. Creating a smooth flow of materials and information among the various sections of material management system.

* The advantages of material management are as follows:-

1. The materials functions to be effective; the objective must be to maximize material productivity
2. Its help to minimize the loss by obsolescence, deterioration damage etc. it helps to protect against thefts, wastages and etc. it helps managers in decision making. ‘(p 69)’’
3. What are the activities of materials and information flow in an organization?
4. What is the scope of materials management?
5. Material management is defined as the function responsible for the coordination of planning, sourcing, purchasing, moving, storing, and controlling materials in an optimum manner so as to provide a pre- decided service to the customer at a minimum cost” from the definition it is clear that the scope of materials management is vast.
6. And the functions of materials management: material management covers all aspects of material costs, supply and utilization. The functional areas involved in material management usually include purchasing, production control, shipping, receiving and storing. This summary was derived from training material (manual) and goggle website.
7. Define the various roles of materials management in the context of internal and external

Interfaces to materials management system.

Material management is a system that tries to in ensure the following for an organization

* Availability of products desired by customers. These products should be materials flow system prepared with best obtainable cost of manufacture.
* Quality and cost of manufacture should be most affordable for the organization. Although quality and cost of production are the responsibility of production manager, however, material management can support this process by timelydelivery of quality material.
* Advice the sale pricing. Although pricing is the sales function, but material management with proper record keeping can be used for generating price data for the various destination. for example, the cost of the materials used for a product can be determined through this system. Thus material management can helps in in determining the cost of the product. Source: Dutta A.K(1998) training manual (P. 75)

1. Describe the role of material management in performing various functions in an organization?

* The roles performed by a manager, is that, a good manager tries to master the five basics functions of management such as, planning, organizing, staffing, leading, and controlling. This step involved mapping out exactly how to achieve a particular goal. Organization may want to improved company sales.

1. Discuss the scope of a product. Elucidate the term taking two products of your choice and

Comment on the satisfaction you derived by adoption.

* Product scope refers to the number of difference items your company offers for sales. Your business goals usually determine the scope of products you carry. You may run a successful business based on a single product strategy ofr offer a much deeper line of products to serve a wider range of customers.

1. Product mix and line decisions are viewed as strategic tools to increase market share and keep competition at bay. Discuss.

* Product mix refers to the number of products lines that an organization offers to its customers.
* Product mix consist of various product lines that an organization offers organization may have just one product line in it product mix and it may also have multiple product lines. These product may be fairly similar or totally difference, for example, dish-washing detergent liquid and powder are two similar product lines, both are used for cleaning and based on same technology; whereas deodorants and laundry are a totally difference product lines.
* While product line is a group of related products manufactured or marketed by a single company, such product function in similar manner, sold to the same customer group, sold through the same type of outlet, and fall within a same price range. (source: Google websites.