Business Process in Procurement (BPP)

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Universitas Bina Darma
Palembang
2020
Purposes

• Memperkenalkan sistem pembelajaran BPP
  – Mode Pembelajaran
  – Komponen Penilaian
  – Score Penilaian
  – Sumber Materi Ajar
  – Dll.

• Mengetahui lingkup mata kuliah BPP
Agenda

Table of Contents

01 Lecturer & Course
Unit lectures

02 Sources
Slides, Blogs, E-learning, Social Media

03 Assessment & Rules
Activities and Components

04 Evaluation Score
Mark

05 Course Introduction
BPP Overview
Leon A. Abdillah

01. Associate Professor
   Computer Science & Information Systems

02. Coordinator
   Enterprise Systems Research Group

03. Consultant
   Academic, Research, Community

04. Editor & Reviewer
   Journals & Conferences

05. Courses
   HCI, KMS, CRM (Coordinator)
   SCM, SA&D, IS, DB, BPP, BP-HCM, ERP, etc.

06. Mentor
   Publons, New Zealand

Lecturer Information
List of Courses Taught

01. Systems Analysis & Design
02. Enterprise Systems
03. Research Methods
04. Human-Computer Interaction
05. Knowledge Management Systems
06. Human Capital Management
07. Algorithms, Programming, Data Structures
08. Supply Chain Management
09. Business Process
# Unit Lectures

<table>
<thead>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Introduction</td>
<td>9</td>
<td>Order Monitoring</td>
</tr>
<tr>
<td>2</td>
<td>Procurement Life Cycle</td>
<td>10</td>
<td>Goods Receipt</td>
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<tr>
<td>3</td>
<td>Demand Determination</td>
<td>11</td>
<td>Invoice Verification</td>
</tr>
<tr>
<td>4</td>
<td>Source Determination</td>
<td>12</td>
<td>Payment Processing</td>
</tr>
<tr>
<td>5</td>
<td>Daily Exam</td>
<td>13</td>
<td>Tools Procurement</td>
</tr>
<tr>
<td>6</td>
<td>Supplier Selection</td>
<td>14</td>
<td>Public &amp; International Procurement</td>
</tr>
<tr>
<td>7</td>
<td>Purchase Order Processing</td>
<td>15</td>
<td>Presentations</td>
</tr>
<tr>
<td>8</td>
<td>Mid Exam</td>
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<td>Final Exam</td>
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Learning Media & Sources

Moodle

Moodle →
elearning.binadarma.ac.id

Facebook

BPP 2020-2021 Ganjil

Blogs

• blog.binadarma.ac.id/mleonaa → Teaching | Business Process in Procurement
• leonabdillah.wordpress.com | Teaching | Business Process in Procurement

WhatsApp

WhatsApp Group of BPP
## Assessment Components

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<td>Quiz &amp; Presence</td>
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<td>Middle Exam</td>
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<td>Reports</td>
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<td>Tasks &amp; Presentation</td>
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<td>Final Exam</td>
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29/09/2020

Leon Abdillah - BPP - 01 Introduction to BPP
Course Rules

01. Registered in KRS

02. Attendance >= 80%

03. Discipline < 15 min late

04. Honest

05. Academic Rules

06. Schedule
## Evaluation Score

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![Score Grid](image)
Procurement Overview

• Overview SCM & Logistics
• Procurement Definition?
• What does the discipline of Procurement?
• Why study Procurement?
Background

• Today’s business environment is driven by the following (Keith, Vitasek, Manrodt & Kling, 2016):
  1. Globalization that is accelerating market interconnectedness.
  2. A business environment challenged with increasing volatility and risk, including international terrorism, sovereign debt defaults, natural disasters, and port slowdowns caused by labor disputes and inadequate transportation infrastructure.
  3. An increasingly fast consumer-driven society that demands more agile and flexible supply chains.
  4. The continued evolution of a service economy that is shifting to strategic, not just tactical, outsourcing.
  5. A shift in purchasing skills and processes to create value, not simply procure goods and services.
  6. The expansion and introduction of capabilities of cloud computing in procurement activities.
Logistics

• Logistik adalah tugas mengelola 2 (dua) arus utama (Harrison & Hoek, 2008):
  1. *Material flow* barang fisik dari pemasok melalui distribusipusat ke toko;
  2. *Information flow* data permintaan dari pelanggan akhir kembali ke pembelian dan ke pemasok, dan data pasokan dari pemasok ke pengecer, sehingga aliran material dapat direncanakan dan dikendalikan secara akurat.
SCM & Logistics

Supply Chain

• A supply chain is a network of partners who collectively convert a basic commodity (upstream) into a finished product (downstream) that is valued by end-customers, and who manage returns at each stage (Harrison & Hoek, 2008).
Logistics Network

SCM

• Supply Chain Management (SCM) fokus pada mata rantai pasokan dari hulu ke hilir untuk mencapai tingkat efisiensi dan efektivitas perusahaan yang optimal dan maksimal.
Supply Chain Network Context

(Harrison & Hoek, 2008)
SCM & ERP

• Enterprise Resource Planning (ERP) menjadi simpul integrasi semua proses bisnis enterprise modern (Abdillah, 2020).

• The ERP system for a manufacturing organization typically encompasses SCM activities and manages the flow of materials, information, and finances. Manufacturing ERP systems follow a systematic process for developing a production plan that draws on the information available in the ERP system database (Stair & Reynolds, 2018).
Enterprise Application Architecture

(O’Brien & Marakas, 2010)
Procurement

• Procurement is a pro-active, strategic corporate activity to ensure a continuing supply of goods and services to enable world-class organisational performance.

• Procurement manages supply chain risks through the effective negotiation of contracts, cost and price models, quality and other essential supply characteristics.

(Lysons & Farrington, 2016)
Procurement

• Refers to the raw materials, component parts, and supplies bought from outside organizations to support a company’s operations
Procurement

• Procurement refers to the purchasing of goods and services that are required as inputs to the primary activities.

• Procurement receives, approves, and processes requests for goods and services from the primary activities and coordinates the purchase of those items.
Value Chain Framework

- Core
  - Inbound Logistics
  - Operations and Manufacturing
  - Outbound Logistics
  - Marketing and Sales
  - Customer Service

- Support
  - Administration
  - Firm Infrastructure
  - Human Resources
  - Technology Development
  - Procurement
Purchasing

• *Strategic sourcing* comprises the process of planning supply, selecting suppliers and contracting them in order to establish the potential for supply.

• *Operative procurement* encompasses the ordering of material and services, ensuring its delivery and, finally, activating the payment, thus executing the order.

• Strategic sourcing and operative procurement together represent *purchasing*.  

(Zijm, Klumpp, Heragu & Regattieri, 2019)
Purchasing

(Zijm, Klumpp, Heragu & Regattieri, 2019)
Why Study Procurement

• Mendukung tujuan dan sasaran organisasi
• Mengelola proses pembelian secara efektif dan efisien
• Mengelola basis pasokan
• Mengembangkan hubungan yang kuat dengan kelompok fungsional lainnya
• Mendukung kebutuhan operasional
Conclusion

• The Procurement discipline includes the study of:
  – Logistics, Supply Chain Management
  – Procurement
  – Bisnis, Ekonomi, Manajemen, dan Sistem Informasi

• Procurement is worth studying because it aligns both human capital and intellectual capital
Homework

1. Prepare your SocialMedia ID (FaceBook)
2. Set a group discussion consist of 2-4 students for small class (<=20), 5-6 students for medium class (21-35), or 7-8 students for large class (>36)
3. Create an account in CloudPrepare your blog using WordPress [yourname], create a PAGE/laman of “BPP” or “Business Process in Procurement”.
4. Create a cloud repository (DropBox)
5. Develop your team project theme based on the information given from several sources (journals, conference proceedings, books, or master theses). You may use one of these sources: a) GOOGLE SCHOLAR (http://scholar.google.com/) or b) MICROSOFT ACADEMIC SEARCH (http://academic.research.microsoft.com/)
Assignment

• Assignment 01
  – Browse at least 5 (five) definitions of Procurement (from Books, Journal Articles, etc.).
  – Save your assignment in word as
    • “BPP-2020-2021-01Ganjil-Class-01-Group/Name”
  – Store it in DropBox, paste the URL from DropBox into the submitted URL!
References


