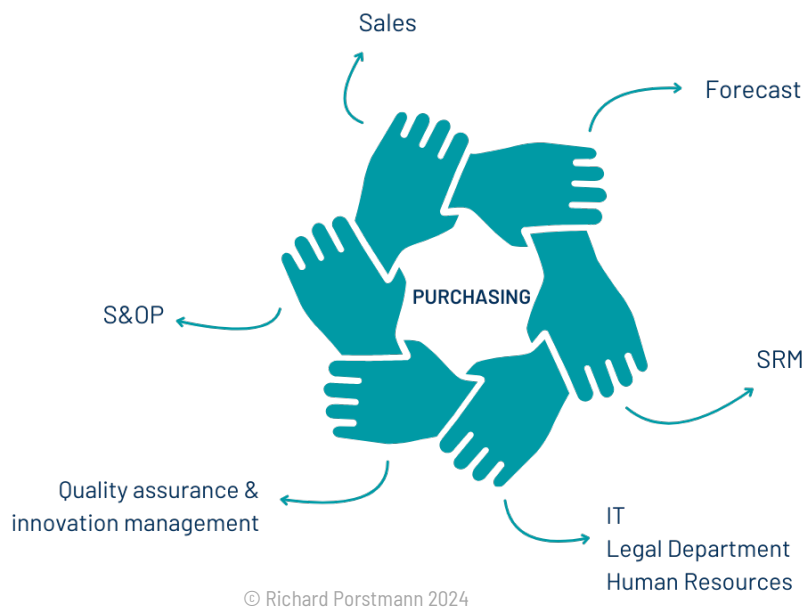


The importance of cooperation in purchasing and other departments



„Sales generate the turnover, purchasing the margin.“

In my role as Interim Manager in Purchasing, I work closely with the various departments of a company. Precisely this cooperation is decisive for the success of the company as it forms the basis for efficient processes, cost savings and ultimately the company's profits.



Sales and purchasing: harmonious interaction for sales and margins

The successful cooperation between sales and purchasing is essential for the long-term success of a company. Both departments have specific objectives that may seem contradictory at first glance, but on closer inspection they complement each other and contribute to the **overall strategy**.

The sales department aims at maximum turnover (naturally with a positive margin and corresponding profit). This ensures that the company remains **competitive** and **profitable**. Purchasing minimizes the cost by purchasing goods and services at prices below the market indices, ideally **on a TCO basis**. This requires negotiating skills and a deep understanding of market conditions and good supplier relationships.

The price of goods can be strongly influenced by regional or global benchmarks and indicators. Factors such as commodity prices, exchange rates and political events play a significant role. At the same time, the prices also depend on the specific conditions and relationships with the respective suppliers.

The sales department must ensure that sales prices are set in such a way that they are aimed at **maintaining sales**, but ideally at **increasing sales** and thus increasing **company value**.

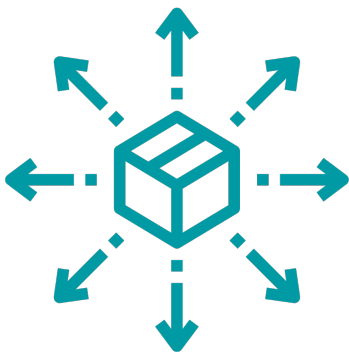
Forward-looking planning through precise forecasting



A precise forecast based on **reliable sales forecasts** makes it possible to predict and plan material requirements accordingly and pass them on to partners, which shortens delivery times and leads to better conditions (e.g. through economies of scale or better planning capability at the supplier). This ensures that the right quantities are available at the right time for production and ultimately for the customer.

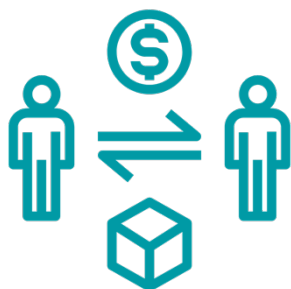
The forecast promotes **smooth material procurement** and **optimizes** the entire **supply chain**. Close cooperation and a continuous exchange of information between sales and purchasing are essential in order to efficiently create **reliable and feasible forecasts**.

Optimized production through Sales & Operations Planning (S&OP)



The Operations department plays a central role in Sales & Operations Planning (S&OP). Operations creates the **production plans**, taking into account the **customer's requested delivery dates** to ensure deliveries are made as requested and to minimize stock levels. Close cooperation with the purchasing department ensures that all required materials are available on time and in the desired quality. This **coordination** prevents delivery bottlenecks and optimizes production processes.

Supplier Relationship Management (SRM): Successful communication with suppliers



Supplier Relationship Management (SRM) optimizes supplier relationships through **targeted communication** and **regular feedback rounds**. This improves the **quality and reliability** of deliveries and avoids errors. Regular meetings also provide a platform for integrating innovative ideas from suppliers into our processes.

A strong supplier network is a **competitive advantage**. Effective SRM increases the attractiveness of the company, enables **better conditions** and promotes **efficiency, innovation** and the **long-term stability** and **success** of the company.

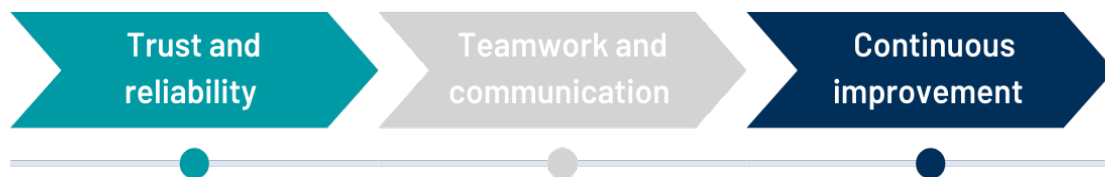


Quality assurance and innovation management

Common quality standards and **regular incoming goods inspections** ensure that only materials that meet a minimum level of quality are used. Non-compliant materials will be returned. This ensures product quality and provides suppliers with valuable feedback for improvements.

A company's ability to innovate depends heavily on cooperation between the purchasing and development departments. By involving purchasing in development projects at an early stage, we ensure that new products are **innovative, cost-efficient** and **supplier-independent**. The purchasing department contributes market knowledge and supplier contacts, while the development department provides technical expertise and creative ideas. This collaboration promotes the company's innovative strength in the long term.

A strong internal and external network



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Successful cooperation between the purchasing department and the various departments of a company is a key success factor. As an interim purchasing manager, I see my role as promoting and coordinating this collaboration in order to increase the efficiency and competitiveness of the company. Through an integrative and proactive approach, we can achieve great things together and keep the company on course for success.

Conclusions

- **Cooperation between purchasing and other departments:**

Effective collaboration between Purchasing and other departments such as Sales and Operations is crucial to a company's success. This cooperation enables efficient processes, cost savings and ultimately increases the company's profits.

- **Importance of precise sales forecasts:**

A precise forecast is essential in order to accurately predict material requirements, which leads to shorter delivery times and better conditions. This optimizes the entire supply chain and ensures that the right quantities reach production and the customer at the right time.

- **Sales & Operations Planning (S&OP):**

Close collaboration between Operations and Purchasing within S&OP is important in order to create production plans that meet customer requirements and minimize stock levels. This prevents supply bottlenecks and optimizes production processes.

- **Supplier Relationship Management (SRM):**

Successful SRM through targeted communication and regular feedback rounds optimizes supplier relationships. This improves the quality and reliability of deliveries, promotes innovative ideas and increases efficiency as well as the long-term stability and success of the company.

- **Quality assurance and innovation management:**

Common quality standards and regular incoming goods inspections ensure product quality, while the company's innovative strength is increased through cooperation between the purchasing and development departments. This enables the development of innovative and cost-efficient products.



Richard Porstmann

Ich bin Interim Manager durch und durch. In jedem meiner Mandate steckt ein Teil an Beratung, Know-how, das ich mitbringe und an meine Auftraggeber transferiere. Als Global Citizen verstehe ich Zusammenhänge länder- und kulturübergreifend und versuche, unseren Planeten durch meine Entscheidungen nicht nur gerechter, sondern auch sicherer und nachhaltiger zu machen. Sicherlich ist es dabei vorteilhaft, dass ich selbst in Brasilien geboren und als Deutsch-Brasilianer in einem internationalen Umfeld, darunter Asien, Südamerika und Osteuropa, gelebt sowie auch an mehreren Produktionsstandorten gearbeitet habe.