



Steps	Description
Need	The various needs (material goods and provision of services) for production or sale are transmitted to the purchasing function through a “purchase request”. It is an order or an instruction inviting the purchasing function to acquire a certain quantity of an item or a service. This is an internal document.
Validation	<p>Whether for a request for equipment or a request for a service, the document issued is generally submitted to a validation chain, where one or more stakeholders are responsible for verifying and approving the needs, on the basis of criteria that are specific to them: nature of the need, quantity, value, dates, destination, budget ...</p> <p>We will therefore distinguish a validation of necessity (of the volume or quantities requested ...), a technical validation of the specifications, a validation of the financial commitment ... which are carried out simultaneously or successively before the actual transmission of the purchase request to the purchasing department.</p>
Supply list	<ul style="list-style-type: none"> • Find potential suppliers • Establishment of a shortlist • Validation of the supplier list
Inquiry	<p>In the absence of a contract or any other pre-established agreement, the purchasing department is required to send requests for offers to suppliers. Each supplier consulted responds by sending a price proposal or a pro forma invoice.</p> <p>Warning! offers may be submitted in different currencies. It will then be necessary to convert them into the currency of the information system before comparing them.</p>
Study of offers	<p>Once different offers are received, it is time for negotiation and comparison. The study of offers can cover the following elements:</p> <ul style="list-style-type: none"> • <i>The product.</i> It must be adapted to the expressed need and respect all the technical specifications; • <i>The price.</i> Generally, we have a bargaining power that increases according to the quantities and volumes of orders; • <i>Delivery times.</i> They must take into account the degree of urgency of the needs and consumption schedules; • <i>After-sales service.</i> The supplier must give guarantees on its ability to troubleshoot and maintain the equipment after purchase; • <i>Financial conditions.</i> All payment terms must be clearly defined and specified later in the order; • <i>Special conditions.</i> They are very often added as an annex to the order form and relate to various after-sales service items: validation of the service after machine start-up, purchase of old equipment, user training, etc.); • <i>Related services.</i> Examples include transit, transport, insurance... to be covered by each party, must be clearly defined. In the case of an international purchase, the choice of Incoterm defines the details. For purchases that are too technical, or those with precise specifications, it is advisable to consult the requester and have the latter validate the quality and even the price of the offer. <p>The choice of the source of supply may ultimately lead to the designation of one or more suppliers among whom the orders will be distributed.</p>
Orders	The order form materializes the purchase contract. This document includes the references you need, with their designations, quantities, dates and desired place of delivery ...



	<p>In the same purchase order, the following should be grouped together as far as possible and in this order of priority:</p> <ul style="list-style-type: none">• references that can be supplied by the same supplier;• references from the same manufacturer;• references of the same nature or the same family (electrical equipment, IT equipment, painting equipment, etc.)• references with a common delivery address;• references intended for the same use...
Validation	<p>In principle, the head of the purchasing department validates all orders issued by buyers. This is an operation through which he checks that all the working rules have been respected (number of suppliers consulted, presence of supporting documents on the negotiation of the purchase, verification of delivery deadlines, etc.).</p> <p>Other validations can then be added to the circuit: technical validation, validation of amounts according to a hierarchy of expenditure established in the company, etc.</p>
Order tracking	<p>The receipt of the purchase order is confirmed by an acknowledgment of receipt sent by the supplier. During the period preceding the delivery date, until it expires, various documents may be exchanged between the supplier and the purchasing department: reminders, delivery notice, removal notice, delivery note.</p>
Reception	<p>Reception checks the condition of the goods and the conformity of the delivery note with the purchase order. It is carried out by the company's stores in the case of a local purchase.</p> <p>In the context of an international purchase, the forwarder is an essential logistics provider. It is an intermediary, agent who represents and carries out operations either on behalf of the supplier or on behalf of the client. Abroad, it carries out all quality, quantitative and documentary control operations.</p>
Payment	<p>Payment is always preceded by an invoice control operation. This involves checking that the references, quantities and values match between the invoice, the delivery note and the order form.</p>
After-sales service	<p>After-sales service is a special service provided by the supplier which may guarantee free performance of certain services on the products sold. The purchasing department must send all the documentation relating to after-sales service to the various technical departments (special conditions concluded during commercial negotiations). For the supplier, this involves supporting the life of production equipment, by taking charge of its installation, start-up, advice during preventive maintenance, breakdowns and other repairs, supply of spare parts...</p>