Evaluating suppliers questions

1. You are chatting with a work colleague who tells you the following:

*“Purchasing departments should simply focus finding a supplier that can make a decent product, deliver it on time and do it for as low a price as possible. No one cares about this CSR and ethics nonsense - it is a waste of time and money!”*

What arguments could you use to persuade your colleague that they are wrong?

1. What criteria would you use when deciding whether a firm of solicitors could act as legal advisors to a large multinational business?
2. You are currently working as a purchasing officer for a large chain of discount grocery stores. Unfortunately, your employer is currently on the front page of several papers as it has been found that the business supplying its prepacked sandwiches has been breaching labour laws (specifically the Human Trafficking and Modern Slavery legislation).

No one in your department was aware of this but you and your colleagues have been asked if there is anything you could watch out for, or actions that you could take, to reduce the chance that this could happen again with a different supplier.

Provide suggestions.

1. Given the risk of business failure, why might a business prefer to use one supplier for a material that is important to the business rather than several suppliers?
2. How might a purchasing officer decide on the amount of time to be spent evaluating suppliers for a particular good or service?