



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

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FEEDBACK TUTORIAL LETTER

SEMESTER 1: (2023)

PURCHASING AND SUPPLY MANAGEMENT (PSM611S)

ASSIGNMENT 1

PSM611S ASSIGNMENT 1 FEEDBACK TUTORIAL LETTER

Dear student

Below is Assignment 1 feedback.

Assignment 1

[50 Marks]

Question 1

Study the advert below and answer the questions thereafter.



NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY
Office of the Bursar
Procurement Management
Unit

INVITATION FOR BIDS (IFB)

Open National Bid (ONB)

Pursuant with Section 29(a) of the Public Procurement Act, 15 (Act No 15 of 2015), the Namibia University of Science and Technology (NUST) invites registered and reputable 100% Namibian-owned companies to submit their best bids for the **Supply and Delivery of Laptops and Desktops at the Namibia University of Science and Technology (NUST), Main Campus.**

DESCRIPTION OF THE BID:	Supply and Delivery of Laptops and Desktops at the Namibia University of Science and Technology (NUST), Main Campus
PROCUREMENT REFERENCE NO:	G/ONB/NUST-002/2023
BID DOCUMENTS: (Sealed envelope marked as per instructions in the bid document)	Bidding documents will be available during office hours, from the NUST Main Campus, 13 Jackson Kaujeua Street, at the Cashier Offices. Bid documents will be issued upon the payment of a non-refundable tender levy of Three Hundred Namibian Dollars (N\$ 300.00) per tender document.
DATE OF ISSUE:	Friday, 27 January 2023
CLOSING DATE AND TIME:	Thursday, 09 March 2023 at 12h00
LEVY:	N\$ 300
CLARIFICATIONS (Strictly by email):	All requests for clarifications should be addressed to bidbox@nust.na and reach NUST before 20 February 2023 . Late requests will NOT be responded to.
SUBMISSION OF BIDS:	Bids must be enclosed in an envelope (clearly marked as indicated in Instruction to Bidder) and delivered at the following address: Namibia University of Science and Technology 13 Jackson Kaujeua Street Bid Box Administration Building, First Floor, Windhoek West Companies must register their bid submission in the registry book available at the Foyer upon bid delivery.
BID OPENING: (Strict COVID-19 safety measures will be applied as per University guidelines)	Bids will be opened in the presence of the bidders who choose to attend at the Namibia University of Science and Technology, 13 Jackson Kaujeua Street, Windhoek West, Elizabeth Haus on Thursday, 09 March 2023, immediately after closing.

ELECTRONIC BIDDING WILL NOT BE PERMITTED. LATE BIDS WILL BE REJECTED AND RETURNED UNOPENED

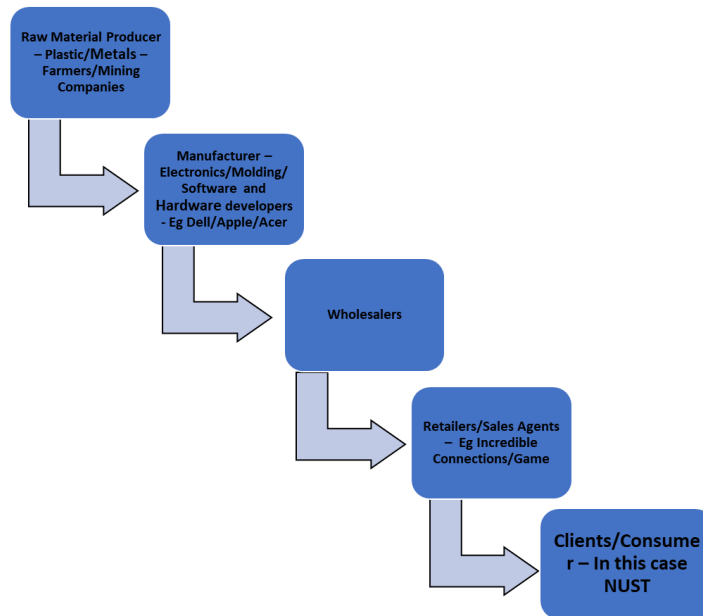
Enquiries:
Procurement Management Unit
E: procurement@nust.na
T: +264 207 2020

www.nust.na

Source: https://scontent.fers4-1.fna.fbcdn.net/v/t39.30808-6/328237626_716378406870552_6275221322979723517_n.jpg?stp=cp0_dst-jpg_e15_fr_q65&nc_cat=104&ccb=1-7&nc_sid=8024bb&efg=eyJpJoiidCJ9&nc_ohc=CpZQ3meKlroAX_1HPET&nc_ht=scontent.fers4-1.fna&oh=00_AfB0dKNsI5xh4IQ9SQhoiFI81O3YkkyZ0lkaY_8pT1Uyrg&oe=63E8D712

- 1.1 For this purchasing task to be carried out effectively, it is of utmost importance that the employees of Namibia University of Science and Technology carrying out Purchasing and Supply Management Functions understand the supply chain of laptops or desktops. You are thus required to illustrate a supply chain of laptops or desktops. (5)

Laptop/desktop supply chain



Source: De Wald E.S (2023)

Comments

You were expected to produce a generic supply chain of laptops/desktops. Some of you gave impressive presentations, demonstrating your understanding of the supply chain concept like the above supply chain which was produced by one of the students in his assignment.

- 1.2 Provide a detailed discussion on how NUST had employed or is going to employ each of the seven basic steps of the purchasing cycle in procuring the needed laptops/desktops. (35)

1. Product identification and specification

The need could have originated from a need to upgrade to new software and current versions of NUST computers might not be compatible with the new software. Alternatively, student and staff numbers could have increased hence a shortage of computers. This propelled a completion of a purchasing requisition to be forwarded to the purchasing and supply department of NUST. Extra care should be taken when developing specifications since computers become outdated quickly due to rapid changes in technology.

2. Source identification and selection

Since laptops/desktops are not standard off-the-shelf items, extraordinary effort will be employed in sourcing these computers.

These are large quantities and large amounts of money is involved, thus it recommended that NUST purchasing and supply department lead the exercise. Secondly the procurement department should let the IT department recommend possible suppliers since they have the technical expertise.

3. Bidding and negotiation

Since a substantial amount of money is involved here, the management of NUST should be involved and lead the negotiations. Secondly due to the technicality and the huge sums involved, a multifunctional team comprising of IT, legal, financial expertise and so forth should be set up to give insight on the various aspects of the negotiations.

4. Placing the order/awarding the contract

The issuing a purchasing order or awarding of contract is legally binding thus comes with legal commitments. Henceforth the procurement department of NUST should take the responsibility of awarding the contract.

The following should be well detailed:

Quantities of the laptop and desktops,

Price of each laptop and desktop,

Delivery dates

Place of delivery: is some laptops/desktop are to be delivered at the centres such should be specified

Qualities of the desktops/laptops in terms of brands, versions and other specifications

It any discount was given such should be indicated.

A detailed specification list of the laptops/desktops should be attached.

5. Expediting and contract administration

A team of IT experts should take the responsibility of following up and expediting the laptop/desktop orders to ensure timeous delivery. Site visits should be carried out during this stage. The delay in delivery can have serious implications on the operations of NUST.

6. Receipt and inspection

A receiving note, with details such as order number, quantities of laptops and desktops received and the physical appearance of the goods, should be completed promptly. The IT officers should part of the receiving function to inspect the computers against the purchasing order.

The receiving function is also responsible for the orderly internal distribution of these computers to the user functions and for obtaining a receipt from the user.

7. Closing the order

Invoice should be well analysed against what was received. If any discount was given it should be reflected on the invoice. The invoice should be forwarded to finance for payment and NUST Procurement should make follow-up to ensure that suppliers are paid on time. All documents should then be safe kept for record and future references. Relevant documents submitted to finance to effect payment. The conclusion of the process in addition requires the continued monitoring the desktops/laptop performans and evaluation of the suppliers.

Comments

Those were supposed to be the major highlights of your answer. Although most of you correctly outlined the seven steps, some of you could not apply them to the case of NUST. You were rather describing them instead of applying to the information given. Thus, you could not score full marks. Knowledge application requires that you answer these questions at each stage: WHAT? WHY? & WHO? In addition, please note that the insertion of the acronym NUST does not imply application. Nonetheless, I should congratulate those that did well in this question. Your understanding of the subject content was well demonstrated.

- 1.3 Using Kraljic's product portfolio matrix, on which quadrant would you advice NUST Purchasing and Supply Management Officers to plot these needed laptops/desktops. Motivate your answer. (5)

Desktops/laptops have a high impact on NUST profit. NUST cannot function without laptops. The absence of laptops/desktops will have a serious impact on the operations of NUST, in fact the university will come to a halt. Lectures will not be delivered effectively, and it will become impossible to carry out admin work. Thus, laptops are leverage items if deem supply risk to be low OR strategic items you deem supply risk to be high.

Comments

You could have gone for either strategic or leverage. Laptops/desktops at NUST can never be bottleneck or non-critical items.

1.4 Based on your answer above, what strategies would you recommend and why? (5)

Strategic item Strategies

*Developing long-term supply relationships,
Analysing and managing risks regularly,
planning for contingencies, and
considering making the item in-house rather than buying it, if appropriate*

Leverage item Strategies

*Using your full purchasing power,
Substituting products or suppliers*

Comments

Your choice of strategies is based on the option you selected in question 1.3.

END OF FEEDBACK TUTORIAL LETTER.