QUESTIONNAIRE FOR DATA COLLECTION FROM ENGINEERING UNITS

Your promptness in answering the following questions will be highly appreciated. Most of the questions can be answered by a check mark (√). Please place more than one check mark where necessary. If you need more space for any answers, please use additional sheets to give details.

I. IDENTIFICATION
1.1 Name of Unit :
1.2 Address of Unit :
1.3 Name of Principal Products :
1.4* Product Category : Consumer/Industrial/Consumer Durable

1978 1979 1980

1.5 Annual Sales :
1.6 Annual Purchases :

2. ROLE, STATUS & ORGANIZATION OF PURCHASE DEPARTMENT
2.1* Is the Department involved in :
   a) Scheduling Purchases and Deliveries
   b) Inventory Control
c) Incoming Traffic Control

d) Storekeeping

e) Filing Transportation Claims

2.2 What reasons do you ascribe for the diminished involvement of Procurement in Planning?

2.3* How are the Department's relations with other functional areas?

Harmonious/Cordial/Fair/Normal/Strained

2.4* Relative Organizational Reporting Levels

<table>
<thead>
<tr>
<th>Departmental Head</th>
<th>Reporting Level</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Board of Directors</td>
</tr>
<tr>
<td>a) Chief of Materials Management</td>
<td></td>
</tr>
<tr>
<td>b) Chief of Finance/Accounts</td>
<td></td>
</tr>
<tr>
<td>c) Chief of Production</td>
<td></td>
</tr>
<tr>
<td>d) Chief of Marketing</td>
<td></td>
</tr>
<tr>
<td>e) Chief of Personnel</td>
<td></td>
</tr>
</tbody>
</table>
2.5 What is the status of the Department in the eyes of the Top Management?
High/Medium/Low/Special/Normal/Profit Centre/Service Centre

2.6 Have you any complaints/suggestions in respect of your status and reporting level?

2.7 What is the cost of running the Department?
a) Salaries
b) Overheads
c) Other costs

2.8 What is the nature of the Purchase Organization?
Centralized/Decentralized/Mixed

2.9 How is the Department structured? Please provide an internal organization chart of the Department.

2.10 Do you have any suggestions for structural changes in the Department? If so, provide details.

3. MAKE OR BUY (M or B) DECISIONS

3.1 In your company who takes decisions with respect to M or B?

3.2 Have you ever been associated with decisions of M or B?

3.3 In your organization are M or B decisions taken only occasionally on an ad hoc basis or as a part of a systematic exercise?

3.4 What according to you is the role of Materials Management in M or B decisions?
3.5 As applied to your company, which is more advantageous - hire, lease or buy?

3.6 Can you cite examples where your company gained/lost after switching over to 'make' of an item which was previously 'bought', and vice versa?

3.7 How often is a M or B decision once taken revised in your organization?

4. MATERIALS PLANNING AND CODIFICATION

4.1 What is the procedure adopted for Materials Planning in your company?

4.2 What is the average margin of deviation between materials plan and actuals?

4.3 How many rush orders/emergency orders are required to be placed every year?

4.4 What is the extent of price difference between a rush order and a regular order for an item?

4.5 Have you adopted a System of Stores Codification in your company? If not, give reasons for not doing so (Indicate anticipated problems in introducing materials coding).


4.7 Do you have a purchase budget? How is it formulated and how far have you been able to confine your expenditure within this budget? Give variance in percentage.
4.8* What is your Department's involvement in the company's budget preparation?

Actively/Primarily/Secondarily/Peripherally/
No involvement

5. PURCHASE POLICY & PURCHASING METHODS

5.1 Is there a purchasing policy manual in your organization? If not, give reasons for not having a manual. If yes, mention the salient features of the policy laid down.

5.2 Are there any informal purchase policy guidelines laid down in your organization? If not, are the purchase procedures duly followed in the absence of such guidelines?

5.3 What is the procedure for preparing your purchase programme?

5.4 What are the areas, according to you, to be covered under Purchasing Policy?

5.5 Does purchase in your organization include 'contract' items (i.e. items covered under Systems Contracting)? Does it include 'stockless buying' (i.e. requisitions covered by the contract going directly to the supplier and not through Purchase Department)?

5.6* How are purchases usually made in your organization?

Public Tender/Limited Tender/Single Tender/Purchase without Tenders/Subcontracts/Imports/Others (specify)

Please indicate the break-up of purchases by the above-mentioned types of purchases.
5.7 Do you have a Purchase Research Programme? If so, state details.

5.8 Do you practise 'Hedging', Forward Buying, Speculative Buying? (Tick which is not used) Give details.

5.9 How do you evaluate various quotations? Give procedure.

5.10* What are the financial powers for purchase delegated to the Materials Manager or the Purchase Manager and his subordinates?
below ₹.25,000/50,000/1,00,000/and above

6. **BUYER-SELLER RELATIONS**

6.1 Do you have a vendor development programme? If so, give details.

6.2* How often do you visit existing vendors? Mention frequency.
Monthly/Quarterly/Yearly/When supply fails

6.3 What weightage in price do you allow to one against another?

6.4 How many new vendors are added every year? How many are deleted every year? Give percentage or number

6.5* What items do you negotiate?
Critical/High priced/Single sourced/or widely varied in your estimated price & quoted-price/Short supply/Urgent requirements/Short or long lead times.
6.6* What do you negotiate?
Price/Delivery/Service/Terms of Payment/Quality/Quantity

6.7 Who in your organization negotiates with whom?

7. ORDERING AND FOLLOW-UP PROCEDURE

7.1 What is the cost for processing a single order in your company?

7.2 What is the follow-up and expediting set up in your company?

7.3 Do you think the buyer who buys should also be made responsible for expediting?

7.4 What is the cost of your expediting cell or the cost of follow-up per order?

7.5 Do you have area expeditors or item expeditors, or group of items handled by one expeditor?

7.6 Is your Department actively connected with the Standards Committee or Specification Committee?

8. PAYMENT TERMS

8.1* Usually how much credit do you enjoy on subcontracted/buy materials?
30/60/90/120/150 days or more

8.2* How often do you stick to payment terms?
Always/Occasionally/Sometimes/Never

8.3 How do you encounter objections from the Accounts Department about timely payment?
8.4 Who has the prerogative in deciding payment priorities?

8.5* Who does invoice checking in your company?
   Purchase/Accounts Department

8.6 Can you suggest any formula which can be applied before accepting quantity discount offer?

9. **DEVELOPMENT AND VENDOR RATING**

9.1* How do you look at early deliveries by the vendors? Will you Encourage/Discourage/Tolerate/Prohibit?

9.2* Do you rate vendors?
   Yes/No
   If so, please give details.

10. **CAPITAL EQUIPMENT PURCHASES**

10.1 Briefly describe the role the Purchase Department plays in capital equipment purchasing in your company.

10.2 Which are the major factors in selecting a source from which to purchase capital equipment?

10.3 What are the main considerations that you take into account before proceeding to invest in capital equipment?

10.4 Do you think that in your organization the TOP MANAGEMENT makes all decisions with regard to capital investments without any reference to Materials/Purchasing Department?
11. **PURCHASING TECHNIQUES**

11.1* Which of the following techniques do you use?


Indicate the frequency of use:

Rarely/Sometimes/Often/Regularly

12. **ROLE OF THE COMPUTER IN MATERIALS MANAGEMENT**

12.1 What changes in organization, policies and practices do you recommend as a pre-requisite to the change-over to computerised systems?

12.2 What savings have resulted from automation of Purchasing and related activities in your company?

12.3 Are you satisfied with the performance of computers in Purchasing?

12.4* Do you think the use of the computer in Purchasing is overstated?

Yes/No

12.5 What percentage of the total available computer time is allotted to the Materials Department?
12.6 It is said that routine reports generated by the computer are hardly of any practical use. Comment.

12.7 It is reported that usually the staff is inadequate to cope with the follow-up action called for by computer reports. Comment.
IDENTIFICATION OF RESPONDENT

About Yourself

1. Age ....... years

2. Designation ............... 

3. Academic qualifications ............

4. Total working experience ...... years

5. Total experience in the Materials function ...... years

6. Number of organizations served ........

* Please indicate the appropriate choice/response with a tick (✓) mark.
QUESTIONNAIRE FOR INDIVIDUALS

1. What according to you were the challenges faced by the Indian Materials Managers during the last two decades?

2. What according to you will be the main challenges for the Materials Managers in the 1980s?

3. How will you account for the low status of Materials Manager in the cross section of Indian Industries today?

4. What suggestions do you offer to elevate the status of Materials Managers in Engineering Industries?

5. Do you think knowledge of Commerce and Economics is vital for the Materials Manager, particularly in Engineering enterprises?

6. What do you think of the social responsibility of managers at present? In particular, what are your views on Ethics and Gifts in the field of Purchasing?

7. Do you advocate setting up of a Materials Bank for procuring raw-materials? What are your reactions on the suggestion that industry-wise purchasing corporations or Materials Banks should be established in India?

8. Do you consider 'exchanging views' on source of critical raw-materials and purchasing research is detrimental to the interest of your employers?

9. "Although purchasing is a part of Materials Management, about 70 percent of activities in Materials Department centre around Purchasing and hence the importance of Purchasing is more than that of any other activity". Critically elaborate and comment upon.
10. Do you think 'A paper on Marketing' should be included in the training course on Industrial Purchasing? If so, what should be its scope and contents.

11. How far can the Materials Manager contribute toward the development small scale industry?

12. Which area from the following according to you is the most important that needs treatment on a priority basis at the macro level? Will you please arrange the same in the ascending order of importance?
   1. Conservation of Materials
   2. Development of Substitutes
   3. Control of Wastage
   4. Training to Materials Personnel
   5. Application of Value Analysis Technique
   6. Surplus/Nonmoving/Slow-moving Materials
   7. Development of New/Alternative Sources
   8. Inventory Control
   9. Import substitutes

13. Do you think application of E.D.P. is necessary and desirable in the working of Materials Department in Indian Industry?
LIST OF ENGINEERING INDUSTRIES IN BOMBAY-POONA REGION

WHICH PARTICIPATED DURING THE RESEARCH PROJECT.

1. Mukand Iron & Steel Co. Ltd.
2. Bluestar Ltd.
4. W. G. Forge Ltd.
5. Fuel Injections Ltd.
6. Kothari Auto Parts Manufactures Ltd.
7. Remon Engineering Ltd.
8. Consolidated Pneumatics Tools India Ltd.
10. Jost Engineering Co. Ltd.
11. Tata Merlin & Gerin Ltd.
12. Needle Roller Bearing Co. Ltd.
13. Antifriction Bearing Co. Ltd.
14. Pressure Cookers & Appliances Ltd.
15. Precision Fasteners Ltd.
16. Voltas Ltd.
17. Ex-Cell-O India Ltd.
18. Tata Engineering & Locomotive Co. Ltd.
20. Poyska Containers Ltd.
23. Mahindra Spicer Ltd.
24. Brady Engineering Co. Ltd.
27. Bharat Bijlee Ltd.
28. P.M.P. Auto Industries
29. Otis Elevators Ltd.
30. Precision Taps and Dies Pvt. Ltd.
31. New Standard Engineering Co. Ltd.
32. Vickers Sperry of India Ltd.
33. Forbes & Forbes Campbell Ltd.
34. Hindustan Platinum Ltd.
35. Indian Tools Ltd.
36. Special Steels Ltd.
37. Crompton Greaves Ltd.
38. Cable Corporation of India Ltd.
39. Fit Tight Ltd.
40. Photophone Ltd.
41. Larsen & Toubro Ltd.
42. Innova Pvt. Ltd.
43. Dynacast Corporation
44. Kamani Engineering Corporation Ltd.
45. Premier Automobiles Ltd.
46. Godrej Pvt. Ltd.
47. Khandelwal Udyog Ltd.
48. Hercules Hoist Ltd.
49. Gabriel India Ltd.
50. Almonard Pvt. Ltd.
51. Rallis India Ltd.
52. Globe Auto Electricals Ltd.
53. Automobile Products of India Ltd.
54. Bharat Gears Ltd.
55. International Tractors India Ltd.
56. Mafatlal Engineering Industries Ltd.
57. Metal Box India Ltd.
58. S.S. Miranda Ltd.
59. Mahindra & Mahindra Ltd.
60. International Computers India Manufacturing Co., Ltd.
61. Kirloskar Oil Engines Ltd.
62. Kirloskar Cummins Ltd.
63. Kirloskar Pneumatics Ltd.
64. Kirloskar Filter Ltd.
65. Bajaj Tempo Ltd.
66. Bajaj Auto Ltd.
67. Elpro International Ltd.
68. Mather Greaves Ltd.
69. Kinetic Engineering Co. Ltd.
70. Ruston & Hornsby India Ltd.
71. Atlas Copco Ltd.
72. Greaves Foamco Ltd.
73. Traub India Pvt. Ltd.
74. Mahindra Owen Ltd.
75. Valcan Laval Ltd.
76. Horstman India Ltd.
77. Metchwel Electricals (India) Ltd.
78. Wandleside National Conductors (W.N.C.) Ltd.
79. Bell Foundary
80. Spaceage Industries
81. Semi-conductors Ltd.
82. Greaves Lombardini Ltd.
83. B.R. Industries
84. Industrial Components
85. Ashok Engineering Company
86. Hyde-Air Engineering Co.
87. Honesty Iron Works
<table>
<thead>
<tr>
<th></th>
<th>Company Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>89</td>
<td>Industrial Meters Pvt. Ltd.</td>
</tr>
<tr>
<td>90</td>
<td>Maheshwari Engineering Co.</td>
</tr>
<tr>
<td>91</td>
<td>Z.V.B. Enterprises</td>
</tr>
<tr>
<td>92</td>
<td>G. J. Industries Pvt. Ltd.</td>
</tr>
<tr>
<td>93</td>
<td>Automatic Industries</td>
</tr>
<tr>
<td>94</td>
<td>Dhoot Instruments Pvt. Ltd.</td>
</tr>
<tr>
<td>95</td>
<td>India Automatic</td>
</tr>
<tr>
<td>96</td>
<td>Ashish Enterprises</td>
</tr>
<tr>
<td>97</td>
<td>Crescent Springs Pvt. Ltd.</td>
</tr>
<tr>
<td>98</td>
<td>Murphy India Ltd.</td>
</tr>
<tr>
<td>99</td>
<td>Bush India Ltd.</td>
</tr>
<tr>
<td>100</td>
<td>Super Springs</td>
</tr>
<tr>
<td>101</td>
<td>India Automatic</td>
</tr>
<tr>
<td>102</td>
<td>Dagger Forrest Tools Ltd.</td>
</tr>
<tr>
<td>103</td>
<td>Siemens India Ltd.</td>
</tr>
</tbody>
</table>