



**Daffodil**  
*International*  
**University**

Internship Report on  
Financial Evaluation of Vendor Performance: A Study on the  
Supply Chain Operations of Akij Food & Beverage Ltd.

**Supervised By**

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Date of

Submission :30-12-25

## Letter of Transmission

Date:30-12-25

To,

Dr. Md. Azizur Rahman

Associate Professor and Head

Department of Business Administration

Faculty of Business & Entrepreneurship

Daffodil International University

**Subject: Submission of Internship Report on Financial and Operational Evaluation of Vendors at Akij Food & Beverage Ltd**

Dear Honourable Sir,

With due respect, it is a great pleasure for me to submit the report on “**Financial and Operational Evaluation of Vendors at Akij Food & Beverage Ltd.**” as a mandatory requirement of the DBA internship program. During my internship in the Supply Chain Management Department, Procurement Section at Akij Food & Beverage Ltd. (AFBL), I have gained extensive knowledge of vendor evaluation from both financial and operational perspectives.

Despite various constraints, I have completed the working report with my best level of effort, and I would be very grateful if you would kindly share your valuable opinions and suggestions to help me build up my future career.

I am also deeply thankful to you for supervising my work through this important transition period

Sincerely yours,



-----  
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## Certificate of Supervisor

It is in order to authorize that the internship report named **Financial and Operational Evaluation of Vendors at Akij Food & Beverage Ltd.** is prepared by Md. Tawfiq Haider Chowdhury, ID:221-11-1501, Major in Finance as a want of the DBA program under the Department of Business Administration and faculty of Business and Entrepreneurship in Daffodil International University.

It is recommended that the report be submitted.



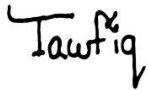
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## **Student's Declaration**

It is my personal statement that this report on the internship done in this organization is made by me upon the finishing of my internship service in this organization and is called as Financial and Operational Evaluation of Vendors at Akij Food and Beverage Ltd. I also affirm that the report is done to fulfill my bookish need.

I also confirm that this report is my original work and was not filled in wholly or partially to obtain a degree, diploma or certificate in any other institution. The whole information used in this report is gathered during my practical time in the Akij Food beverage Ltd. during the internship period and supplemented with the help of the secondary sources, to which they have been properly referred to.

I state that this report should not go to waste without my permission.



-----  
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## Acknowledgment

To begin with I would like to sincerely thank the Almighty that has given me the strength and ability to find it possible to complete this internship report on the topic of Financial and Operational Evaluation of Vendors **at Akij Food and Beverage Ltd.** I would like to thank **Dr. Md. Azizur Rahman** who is the Associate Professor/Head Department of Business Administration at Daffodil International University and supervised this work. This kind of support, guidance, and encouragement has greatly encouraged me to practice this study with diligence and has helped me in boosting my knowledge on the performance of the vendors and financial evaluation in the supply chain environment.

I am also deeply grateful to the team at **Akij Food & Beverage Ltd. (AFBL)**, especially the Procurement and Finance Departments, for their corporation assistance, and willingness to share relevant information during my internship period. Their support enabled me to complete this report with practical insights.

Finally, I appreciate my friends, classmates, and family members for their continuous support, understanding, and motivation totally this internship and report-writing process.

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## **Executive Summary**

In this report, a detailed outline is provided on the internship experience in the Akij Food and Beverage Ltd. (AFBL), at the Procurement Section in the Supply Chain Management Department. This report will be changed to Financial and Operational Evaluation of Vendors at Akij Food and Beverage Ltd. That is why my major is Finance and it demonstrates the impact of procurement activities on financial performances. There are several activities that were part of my internship. I also helped in the evaluation of performance of the vendors, maintained records of purchases, discuss payment terms with Financial Department, and examined the offers made by the suppliers. These exercises allowed me to implement in practice what I hoped to learn in my studies through cost management, working capital management and cost analysis into the real-life supply chain activities. The experience helped me to have a better understanding of how the effectiveness of the vendor pricing system, payment terms and delivery reliability can impact a particular cost of the purchases utilized by the company, its working cash flow and financial outcomes. The report presents the organizational structure of AFBL, conditions of evaluation of the vendors, operational relationship, and financial relationships, challenges being faced by the organization, and the opportunities that the organization could strive on to enhance the performance of the organization. To sum up, this internship has helped me enhance my analytical and decision-making skills and enrich my perception of the strategic component of procurement in cost-efficiency and financial success. The recommendations and analysis contained in this report are intended to assist the AFBL in its vendor evaluation procedure and proceed with further purchasing activities with the emphasis on financial discipline.

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# Chapter 1: Introduction

## 1.1 Background of the Study

Practical experience in modern business education plays a very important role as a bridge between the theory and practice in the real world. It is well-known that experiential learning is a mandatory part of the more advanced business courses, allowing students to practice theoretical knowledge on a case in an organization and gain analytical and management skills (Kolb, 2014). In order to have the exposure of how organizations practically use strategic and operational concepts, students on the Doctor of Business Administration (DBA) program are expected to undertake internship. This real-world experience can help students turn on theoretical knowledge into practical knowledge, enabling them to enhance their decision-making and leadership competency (Romme & Reymen, 2018).

In this case, my host organization, which I selected to be my internship host, is Akij Food and Beverage Ltd. (AFBL). AFBL is one of the Fast-Moving Consumer Goods (FMCG) companies in Bangladesh that is a subsidiary company under Akij Group, which is one of the largest industrial conglomerates in the country. A wide range of products offered, new marketing approaches, and the high efficiency of its work have enabled the organization to create a strong image. Its quality assurance, customer satisfaction, and sustainability have been a long-term commitment that helped AFBL to achieve a significant market presence in both domestic and foreign markets (Hossain and Mostafa, 2020).

Even though my field of study specializes in Finance, my choice of department to do the internship was the Supply Chain Management (SCM) Department which included the Procurement Team. This was the decision informed by the fact that supply chain efficiency and financial performance are closely interrelated. The procurement has a great impact to the cost structure, location of working capitals and the profitability of a particular firm (Monczka et al., 2020). By conducting the supplier evaluation and vendor management exercises, I would also want to learn how the financial analysis tools and performance measures would ease the procurement decision making process and enhance the performance of the supply chain.

Through the internship, I was able to state the issues that pertained to the performance, pricing model, and payment terms of the vendors and how they are directly and indirectly dependent on the financial performance of AFBL.

The FMCG is a highly competitive industry with a low profit margin per case, and enhanced procurement efficiency and collaborations with the suppliers may result in a decrease in costs, better cash flow management, and enhanced financial stability in the long term (Christopher, 2016).

The principal aim of this report is to the financial performance of the vendors in AFBL and know how efficient supplier management can help the organization in attaining operations and financial success.

## 1.2 Statement of the Problem

The FMCG business is in a very competitive and swift setup where cost efficiency, speed, and reliability play a huge role in ensuring competitive advantage. The efficiency of the supply chain of a company is heavily determined by the success of the suppliers and vendors of the company who supply the essential raw materials as well as the packaging and logistical support. Poor performance by the vendors, e.g. poor-quality products, late delivery or unfavorable terms of commercial are able to change the schedule of production, raise cost of operation and consequently affect profitability (Trent and Monczka, 2019; Chopra and Meindl, 2021).

Although suppliers are crucial to the success of an organization, most organizations majorly evaluate the suppliers based on operational factors like on-time supply, quality of products or responsiveness. Although such metrics are significant, they do not take into account financial aspect of supplier performance, such as financial competitiveness, payment flexibility, stability of prices, and financial risks. These monetary considerations also have a major impact on the procurement expenses, the working capital management, and the general profitability (Handfield et al., 2020).

In the case of the Akij Food and beverage Ltd., procurement operations have been undertaken with a large number of vendors who provide materials to the company needed in production of beverages, snacks, and other foods. The differences in the prices offered by different vendors, the fluctuation of terms of payment, or other unforeseen supply interferences may significantly impact the financial results. An example is that the increase of supplier costs can squeeze the gross margins, and inflexible or unfavorable payment conditions could restrict the liquidity and complicate the working capital management (Christopher and Peck, 2018).

Thus, it is urgent to create an integrated approach to evaluation of a vendor, which would combine the indicators of both operational and financial performance. A model discussed would make AFBL implement a more balanced and sustainable procurement strategy that would help to enhance long-term growth, cost management, risk reduction, as well as competitiveness (Kannan and Tan, 2017).

## 1.2 Objectives of the Study

### Specific Objectives:

1. To determine the impact of vendor performance and procurement efficiency on the financial performance of Akij Food and Beverage Ltd. (AFBL).

2. To investigate the potential effects of pricing, payment terms and reliability of the vendors on the procurement expenses, cash flow and financial health of AFBL at large.

### **1.4 Significance of the Study**

This study is important in because of a number of reasons. First, it enhances the understanding on how the financial analysis can be incorporated in supply chain management practice model in order to increase the performance of the business. Second, it equips the managers of AFBL with useful suggestions on how they can utilize the financial information associated with the vendors to aid in strategic procurement. Lastly, the research may be used by other FMCG businesses that might be interested in designing superior, economically oriented vendor analysis mechanisms. This analysis establishes the need to have collaboration between various functions, such as finance and supply chain management, to become efficient and grow in the long term.

## **Chapter 2: Organization/Company Overview**

### **2.1: Overview of the Company**

Akij Food & Beverage Ltd. (AFBL) is a fast growing and a dynamic company in Fast Moving Consumer Goods (FMCG) in Bangladesh. Being a member of a well-renowned Akij Group, AFBL functions with excellence, innovations, and integrity. Since beginning, the company has devoted itself to deliver quality, safe, and innovative food and beverage products that fulfill evolving consumer tastes, either at the local or at the global level.

The product portfolio of AFBL consists of several segments like soft drinks, fruit juices, bottled water, milk products, soft drinks, and energy beverages as well as snacks. The company has been able to establish a big portion in the competitive FMCG market of Bangladesh by maintaining a variety of products that still remain united. Its main brands, such as Frutika, Speed, Mojo, Clemon, and Spa Water have a fine image of taste, quality and stable image.

The extensive distribution network has created a strong strength of AFBL since products are offered by many distributors, wholesalers, and retailers. The contemporary production plants and the commitment of the company to world quality standards have earned it a credible brand. Moreover, the innovation orientation, branding, and customer satisfaction of the AFBL makes it competitive with the local and foreign enterprises in the FMCG market in Bangladesh.

Other than successes in its operations, AFBL is also indispensable in the national economy by offering employment opportunities, exporting, and paying tax. It demonstrates that Bangladeshi businesses can attain sustainable development through localizing with foreign business principles.

### **2.2: Mission, Vision, and Core Values of the Company.**

Mission, vision and values are the necessary principles of a company which define identity, objectives and future of the company. AFBL has already defined its strategic plans and displayed its will to stick to quality, innovation, and sustainability.

#### **Mission**

We intend to offer outstanding, safe and innovative food and beverage products that do not only meet but also surpass customer expectations that enable the economic and social growth of Bangladesh.

#### **Vision**

Our aim is to make AFBL a top international brand in the Bangladesh food and beverage sector through high-quality products, continuous innovation and sustainable business practices that would bring sustainable gains to the corporation and its stakeholders.

### **Core Values**

1. **Quality First:** Consumer loyalty and trust is achieved through a promise of the highest standards of quality in every product and process.
2. **Customer Focus:** We are concerned with having not only the responsiveness, reliability, and constant quality of our products, but also the awareness and fulfilment of the customer needs.
3. **Innovation:** We embrace creativity and versatility in product development, technology and productivity enhancement in order to maintain market trends.
4. **Integrity:** We maintain ethical practices in business, transparency and accountability towards the employees, customers, suppliers and partners.
5. **Sustainability:** We encourage responsible environmental plan, resource management practice, and societal social responsibility plans.

These values establish the culture and decision-making framework in the AFBL to make sure that every action to be taken as a part of the strategic and operational procedures are pegged on the mission and vision of the company.

### **2.3 The history and the present operations will be covered in section**

As the Akij Group was growing through the strategy of establishing a new business, Akij Food and Beverage Limited (AFBL) was launched in 2006. Akij Group is one of the most diverse industrial corporations that was established in Bangladesh by the visionary Sheikh Akij Uddin. Some of the sectors that have been used in the history of the group are textile, ceramics, tobacco, cement, printing, and packaging. The foundation of AFBL was the increasing demand of the consumers towards high quality consumer products in the fast-changing Bangladesh economy.

Overall, AFBL has grown greatly since its inception and this is as a result of its focus on quality, coupled with its tendency to foresee consumer needs. The company started off with a limited product range although it has rapidly diversified its products to most types of beverages and food products to serve various market segments. With its constant innovation, aggressive marketing campaigns, and the belief in quality control, AFBL was able to emerge as one of the key contenders in the FMCG industry of Bangladesh.

This firm has the contemporary producing plant in Dhamrai, Dhaka, which is furnished with the most recent machinery and technology designed to satisfy the world manufacturing criteria. These establishments are aimed at efficiency, safety and sustainability that means little waste is achieved and maximum use of resources and unvarying quality of the products produced. The production process is aided by a team of competent professionals who ensure high quality control in all the process stages including raw materials sourcing and final packaging.

The company of AFL has thousands of skilled and semi-skilled employees who work in different fields and divisions such as production, quality assurance, sales, marketing, finance, procurement, and supply chain management. This is because the structure of the company promotes teamwork within various departments and, thereby, ease in coordination between operational and strategic operations.

AFBL has a broad network of distribution through which it reaches every major city, town and rural areas within Bangladesh in the market. Its logistic business employs modern supply chain technologies and selected distribution partners. Besides its activities locally, AFBL has also managed to move in to the foreign market by exporting to a number of markets in Asia, Middle East and Africa. This global expansion promotes brand recognition as well as enhancing the presence of Bangladesh in the international FMCG market.

AFBL is a firm enjoying strong market position although it is in a difficult situation due to increasing cost of raw materials, competition and product preference. The emphasis of the company on financial discipline, supply chain efficiency and constant innovation can be viewed as the reasons why the firm still stands strong and competitive in its dynamic business environment.

The way AFBL is trying to embrace contemporary management practices, technologies and sustainable business operations, is critical in its development and prosperity. Akij Food & Beverage Ltd has an excellent working capacity in terms of its strategic vision and quality plus customer satisfaction, despite having been in operation in Bangladesh and in FMCG industry.

## Chapter 3: Internship Role and Responsibilities

### 3.1 Role and Responsibilities

When doing my internship at Akij Food and Beverage Ltd (AFBL), I was placed in the supply chain management department of Procurement section. This part plays a very critical role in ensuring that raw materials, packaging materials among other important supplies are made always so that production can take place smoothly.

My internship was to give me an overview of what the procurement processes entail in the business, how the business treats its vendors, and how the business analyses its finances. The procurement executives placed me with responsibilities regarding the collection of data, the analysis of vendors, and documentation, which are important in the purchasing choices of AFBL. My main work was in both the analytical and operational work. Even though I was supporting the routine purchasing process, I also participated in the process of assessing the financial status and functioning of a vendor and correlating the cost analysis, payment rates, and compliance of supply with the financial performance of AFBL.

The major tasks and responsibilities that I performed in the internship included the following:

- **Vendor Performance Review:** Helps in ensuring that the procurement department vets the vendor regarding his/her delivery time, product of good quality, correct price and compliance to the company specifications.
- **Data Organization and Documentation:** To store the suppliers related data and records including the quotes, invoices and payment terms in the procurement database of the company. As part of the purchasing process: Each of these processes requires that the purchase orders are verifiable and accurate; this is done by preparing and verifying purchasing orders. Financial Coordination: Liaising with the Finance department on a monthly basis to verify their schedules on payments, credit terms and balance out their accounts with their vendors to ascertain that there are no financial dealings that have been not transparently conducted.
- **Cost Comparison Analysis:** Assistance to compare supplier bids in a search of economically viable and financially appropriate acquisition procedures.
- **Procurement Efficiency Reporting:** development of monthly performance reports outlining the ratings of the vendors and the time taken to procure an item and the price trends.
- **Process Monitoring:** Tracking and involved in the whole process procurement process, such as approval of requisition and selection of vendors, issuance of purchase orders and acceptance of delivery.

This combination of roles has enabled me to work in both the strategic and operational aspects of the supply chain management. It additionally enhanced my knowledge on how procurement decisions influence financial performance such as cost of goods sold (COGS), working capital and liquidity management.

### **3.2 Justification of the Role and Responsibilities**

Procurement is amongst the most important sections of supply chain at Akij Food and Beverage Ltd. It also makes sure that the company receives appropriate materials in the appropriate price, quality and time. This directly affects the continuity of production, cost-effectiveness and profitability. The tasks that were reposed to me were meant to assist in making me comprehend the connection between financial management and supply chain effectiveness. Through vendor evaluation, payment, and quotation consultation, I was able to relate my knowledge in the finance field to the real-life supply chain.

In particular, my duties enabled me to:

- The impact of the procurement decisions on the cash flow, working capital, and budget management. In real procurement situations, use financial terminology, such as cost analysis, budgeting and credit management.
- Understand the impacts of supplier performance on the reliability of the organization operations and financial stability.
- Audit the collaboration of the Procurement, Finance, and Production departments to make sure they are efficient and do not break the rules.

These duties enabled me to understand that procurement is not an administrative task. The financial well-being of a given organization as well as its competitiveness is greatly influenced by its strategic component. I also learned during the internship that the negotiation with vendors, administrative and risk analysis of a contract in the corporate procurement environment is filled with a lot of complexity.

Lastly, my position attempted to incorporate different skills that can be developed to be grounded on financial analysis, effectiveness, and decision-making. It is a detailed skill that would be necessary in my future leadership job experiences in business administration and supply chain finance.

### **3.3 Examples of Tasks and Learning Experiences**

During the internship, I was exposed to different tasks and projects that provided me with a practical experience in the field of procurement operations and vendor management. Some of my major contributions would include:

## **1. Vendor Evaluation Report**

I was one of the key people who assisted in developing vendor performance evaluations. I also examined information that pertained to the timeliness of delivery, accuracy of the order and consistency of quality. Through the in-house scoring system, I was able to identify that the company had suppliers who performed well and also those who were not performing. The experience also helped me to become better at analyzing and demonstrated how a combination of qualitative and quantitative aspects affects supplier choice.

## **2. Quotation Comparison Sheet**

My role was to prepare comparison sheets of the supplier offers in the various categories of raw materials and packaging products. This entailed evaluation of suppliers in terms of their prices, delivery terms and credit facilities. An analysis of cost structures taught me how to manage financial discipline and operational reliability which is one of the major components of procurement strategy.

## **3. Supplier Payment Coordination**

I also was in good terms with the Finance Department to countercheck records of payments and to ensure that the suppliers got their payments as per the agreed terms. This involved the review of invoices, analyzing timelines in payment, and ensuring that the payment was in line with the payment schedules. The experience made me realize the relationship between payment terms and cash flow management as well as the use of prompt payments in establishing good relationships with the vendors.

## **4. Procurement Documentation and Compliance**

Another important aspect in my position was to maintain correctness of procurement documentation including purchase requisitions, purchase orders, delivery notes and contact with the vendors. This exercise underlined the importance of proper record keeping, internal control, and business transparency. It also made me realize that with appropriate documentation employing documents could reduce risks of errors, fraud and financial errors.

## **5. Monthly Procurement Summary Report**

I prepared a summary report on procurement at the end of each month which contained the overall volume of purchases, performance rating of vendors, cost trend and any problem that arises during the procurement process. This duty enhanced my ability to analyze data and write reports because I acquired skills of analyzing procurement information and report it in a manner that is easily understood by management.

## **3.4 Learning Outcomes**

The experiences I gained in this internship were resourceful in terms of both professional and academic learning, as they included:

- A better insight on the links between finance and supply chain management.

- Working knowledge about the vendor evaluation systems and their effects on the performance of an organization.
- Experience collaborating across departments, especially between Procurement and Finance.
- Better data management, documentation and reporting.
- Understanding of the value of ethical, transparent and cost effective procurement techniques in a competitive FMCG environment. Overall, the visit to the Akij Food and Beverage Ltd. proved to be an educative experience, and I was able to put my theoretical knowledge to the test and learn to appreciate the significance of the financial application in enhancing the performance of a supply chain and business growth on a deeper level.

## **Chapter 4: Key Learnings and Experiences**

### **4.1 Important Learnings**

The experience with my internship at Akij Food & Beverage Ltd. (AFBL) helped me to have a more understandable idea of the procurement and supply chain management in a large Fast-Moving Consumer Goods (FMCG) company. Being in the Procurement Section of the Supply Chain Management Department, I have a first-hand experience regarding the operational, financial, and strategic elements of supplier management.

Among the biggest lessons was the significance of the supplier evaluation and the management of the relationships with the suppliers. I noted that AFBL selects suppliers on the basis of price only. They put into consideration such criteria as financial stability, quality of products, lead time, and reliability. This general strategy is guaranteed to make procurement decision promote efficiency and financial sustainability in operations.

I also learned that the procurement practices have a direct impact on the economic welfare of the company, particularly, cost management, management of working capital, and cash flow management. To give an example, it is possible to improve the liquidity by having appealing payment terms with the suppliers and avoid supplier unpredictability by avoiding bad supplier performances.

Some of the practical tasks that I received as an intern were preparation of purchase orders, evaluation of supplier's quote, procurement records and help in generating vendor performance deliveries. These activities helped to develop my analytical skills, detailed orientation and awareness regarding the operations of the organization.

All in all, the experiences of AFBL made me more critical of the financial consequences of making the procurement decisions and made me understand that there is a need to align the operational efficiency with the corporate financial goals.

### **4.2 Rationale of the Role**

My working assignment in the Procurement Section was supposed to help me have an understanding of how the supply chain decision aligns with the bigger business goals of AFBL. The procurement position at AFBL is a strategic connection between the Finance, Production, and Supply Chain division, as resources are acquired in an effective manner to facilitate a smooth production process and positive financial outcomes.

Through my close interaction with the leaders in the procurement department, I got to know how all departments can work together to realize organizational objectives. As an illustration, liaison

with the Finance Department will see that disbursement of vendors will be made as per regulations of the company along with the financial laws, whereas liaison with the Production Department will see to it that the materials are received as per the schedule.

The rational frames of my given roles, including assessment of the vendors, cost analysis and facilitating payment, put me into the practical scenarios of decision making that balances efficacy of costs against the veracity of operation. In such roles, I was able to appreciate how procurement is directly related to profit margins, liquidity and long-term competitiveness of a company.

Finally, this experience as an employee demonstrated to me that procurement is not a strictly administrative activity. It is a business strategic operation that is very crucial in value creation, cost leadership and financial discipline in an organization.

### **4.3 Connection with Academia**

Being a major in Finance, my internship at AFBL was a great opportunity to relate the theoretical learning in my school with real business practices. Being a visitor there, I received the idea of the criticalness of such financial concepts as budgeting, cost analysis, working capital management, and credit evaluation, as they are put on the operations of procurement.

Indicatively, in evaluating the vendors, I put in use concepts behind financial statement analysis to establish the solvency of suppliers and the cost dynamics. I have also employed cost-benefit and variance analysis in looking at supplier offers in the process of developing quotation comparison sheets. In addition, being in the Finance Department helped me acquire the impact of the payment terms and credit period on the cash conversion cycle and liquidity of AFBL.

It was an important experience that was used to relate the business operations with the theoretical aspects of the business course. The course assignments I completed including optimization of procurement costs, supplier relations management, and financial control systems became an actual life example of my activities and decision making in AFBL on day-to-day functioning.

The other benefit of the internship was my ability to develop problem-solving and critical thinking, which made me learn to approach the real business problems in terms of finance. This experience eventually turned out to be a tangible extension of the training in finance that boosted my confidence levels and capabilities in the practice of financial concepts in an operationally and strategy-driven business environment.

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### **4.4 Growth and Experience Examples**

My personal and professional development was significant in the period of the internship. This has been significant in making me what I am as a business person. The significant areas of growth and education are:

- **Greater Skills in Analytics:** Not only the quantitative side of costs, payment terms, credit conditions, but also the qualitative side, including reliability and service quality also helped improve my thinking and analytical skills.
- **Better Communication and Cooperation:** I had a chance to collaborate and work with other professionals in the Procurement Department and Finance Department that contributed to developing my communication skills and the quality of interaction with others. I also learned the skills of presenting procurement information clearly, of managing the vendors in a professional way as well as how to work in an environment where I can work as a team player.
- **Technical and Documentation Skills Development:** I have come to know how to prepare and manage the required procurement documents within the company such as quotes, purchase orders, invoices, and payment records and ensure that they were correct and they met the company policies. It was through this post that it became apparent the importance of documentation in accountability and audit preparedness.
- **Increased Maturity and Professionalism:** The interactions with the senior professionals, communication with the outside vendors, made me more confident in business conversation and scenarios associated with the decision making. I learned how to approach the challenges in a systematic manner, time management, and to follow the needs of the organization as it changes.
- **Copper and Ethical Awareness:** At the time of my internship, I learned the importance of being right and open to be transparent and doing what is ethical in all undertakings pertaining to procurement. I observed how minor mistakes in documentation or communication can lead to the implication of high financial costs, and that is why it is vital to pay an additional focus to diligence and integrity.

This aspect of my learning experience enhanced my technical abilities as well as my knowledge level of the strategic role of procurement in financial performance. I have now understood that each and every procurement decision, be it in choosing a supplier or in negotiating payment conditions, has a lot of influence on the profitability, sustainability and reputation of the organization in the market.

## Chapter 5: Critique and Reflections

### 5.1 Critical Evaluation

My experience as an internship at Akij Food and Beverage Ltd. (AFBL) was priceless since I had an opportunity to have a firsthand experience of the procurement and supply chain management in a major Bangladeshi firm dealing with FMCG products. This experience helped fill the gap between the classroom experience and the reality of a work environment. I had the first-hand experience of the direct impact of procurement decisions on the financial performance and overall efficiency of operations.

#### 5.1(A): To determine the impact of vendor performance and procurement efficiency on the financial performance of Akij Food and Beverage Ltd. (AFBL).

Financial performance effects are one of costs, quality and reliability in delivery of products, as a better vendor performance impacts on price, quality and reliability of delivery, whereas poor performance has costs, wastage and disruptive operational issues. Concentrating on price can cause short-term expenses to go down but result in increasing the long-term expenses. Efficiency in procurement enhances financial performance through cutting down cycle time, optimization of inventory, and maximizing cash flow. Nonetheless, too much focus on efficiency may pose a threat to supply. Consequently, the performance and efficiency of vendors should be handled in an effective and strategic manner so as to be able to attain sustainable financial performance.

#### 1. Vendor Performance and Finance Implication:

**High Vendor Performance:** Reduces procurement costs Guarantees quality of products. Ensures delivery in time and quality. Reduces business inconveniences.

**Poor Vendor Performance:** Expenses are inefficient. Results in wastage of products and defects.

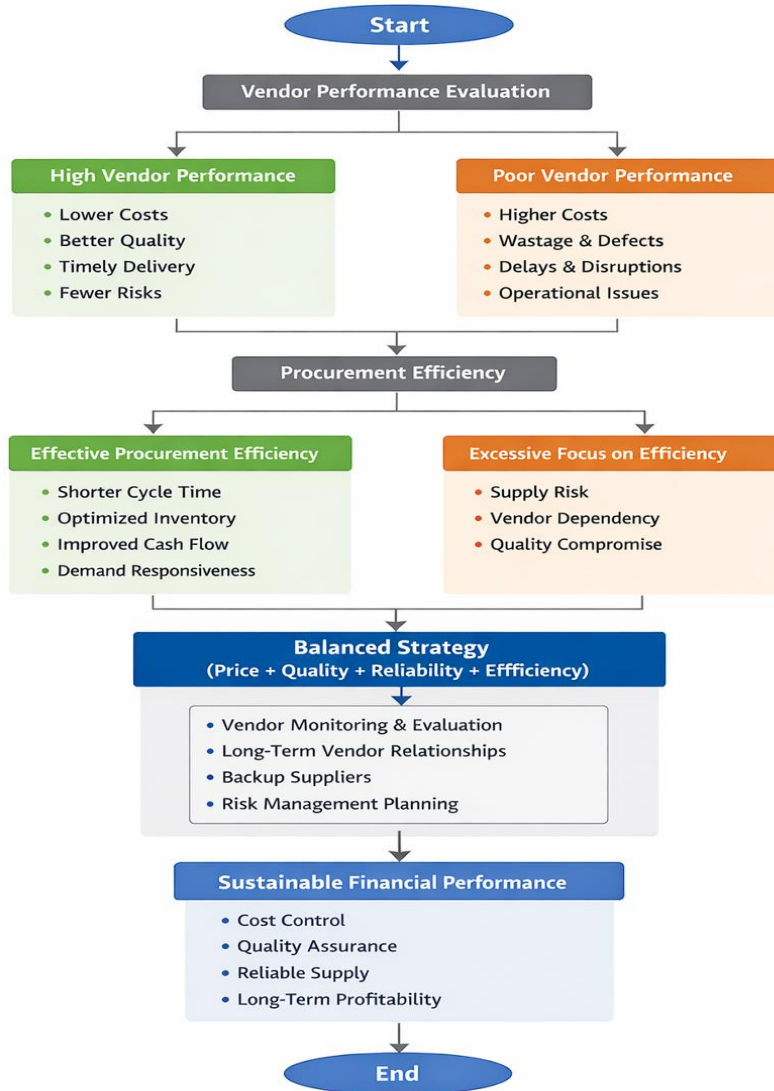
#### 2. Effective Procurement and Procurement finance:

Shortens the time of procurement. Maximizes inventory control. Improves cash flow. Enhances sensitivity to market demand. Excessive concentration on efficiency risks:

#### 3. Sustainability Financial Performance Strategy:

Integrate high performance of vendors with effective procurement practices. Find a compromise between price, quality, reliability and efficiency. Install vendor monitoring and assessment procedures. Prepare back-up plans in order to counter supply risks.

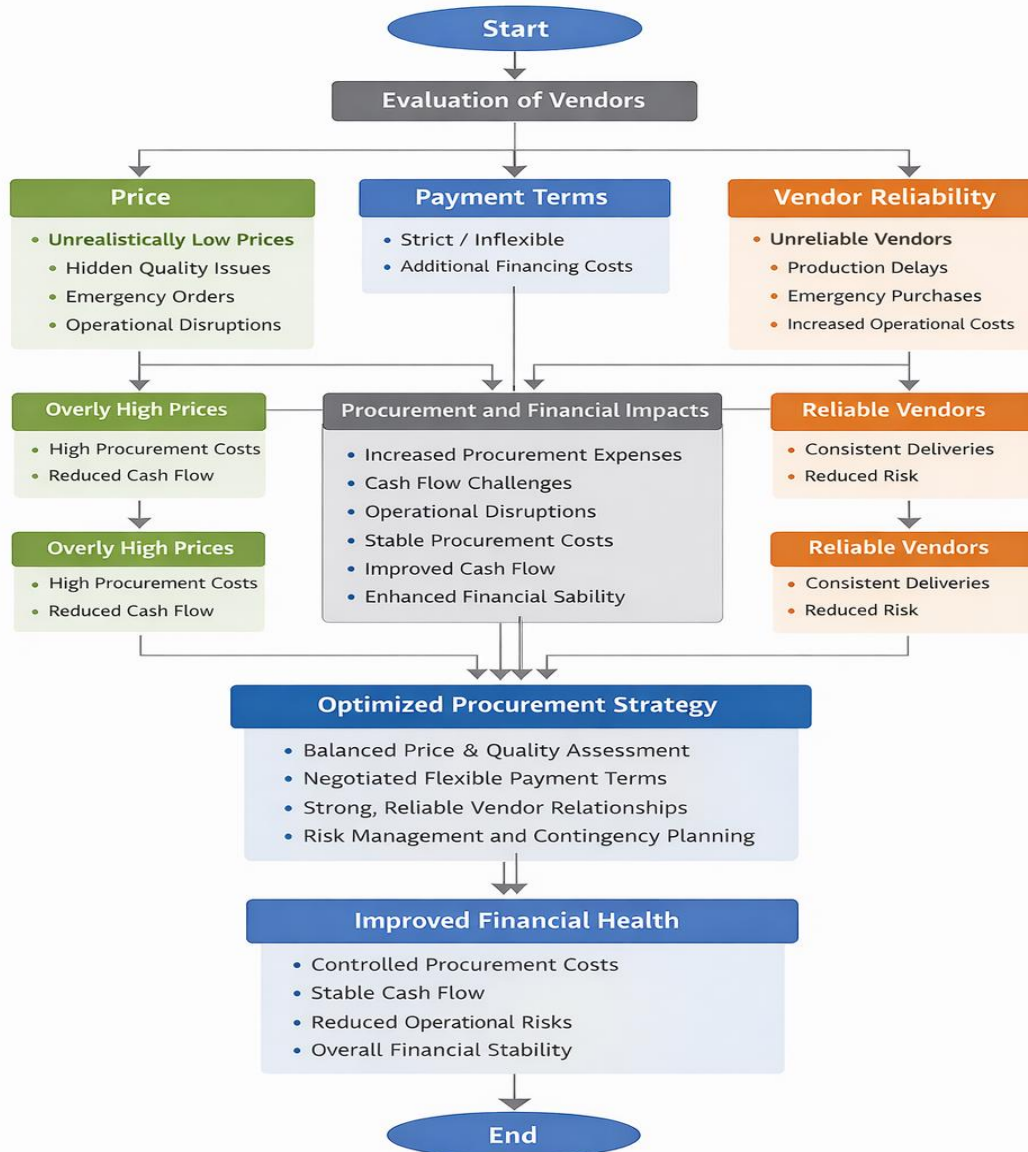
## Impact of Vendor Performance and Procurement Efficiency on Financial Performance of AFBL



### 5.1(B): To investigate the potential effects of pricing, payment terms and reliability of the vendors on the procurement expenses, cash flow and financial health of AFBL at large.

Unrealistic prices and inflexible payment conditions may raise the procurement costs and heavy cash flow, and poor providers can lead to production failures, emergency orders, and an increase in costs of operation. Lower prices are, though they might seem money-saving in terms of finance, can have latent costs in the event that the reliability of the vendors is low. Thus, a thorough assessment of vendors should find a middle ground between cost plus flexibility of payment and trustworthiness. To deal with these concerns, AFBL should embark on orderliness in the evaluation of its vendors, contract on better payment terms and focus on to trustworthy suppliers to enhance stability in cash flows and overall financial performance.

## Impact of Pricing, Payment Terms, and Vendor Reliability on Procurement and Financial Health of AFBL at large



**The problem can be solved of the Addressing Procurement and Vendor Challenges for Financial Improvement:** AFBL needs to adopt an effective vendor assessment system based on cost, quality, delivery and payment conditions. Flexible terms of negotiation and the focus on the reliable suppliers will decrease the cost and eliminate disruptions and enhance the cash flow. Its efficiency coupled with reliability provides sustainable financial performance.

## 5.2 Key Challenges Faced

During my research time as an intern, I had to deal with a number of difficulties which challenged my adaptability skills and problem-solving skills.

Getting Acclimated to Corporate Culture: Initially, to settle in the elaborated and dynamic work setting at AFBL, discipline and professionalism, with the close consideration of workplace traditions was necessary.

- **Learning on Procurement Guidelines:** This process was time consuming and very accurate to learn and comply with the overall procurement guidelines and documentation policies.
- **Managing Big Organizations of Information:** The fact is that the management of big organizations of information required constant attention and organization of the system, ensuring that the financial records remained correct and that the amount of supplier data is handled. To some extent, this limitation hindered certain analyses because of the confidentiality regulations, preventing me from accessing sensitive financial and contractual data.
- **Time Management:** It was also rather challenging at first to divide each of the different tasks, including making reports, reaching out to suppliers, and communicating between departments, under tight deadlines.

All these are challenges that albeit difficult worked their part in making me more resilient, accurate, and career-adjusted.

## 5.3 Learning from Challenges

These barriers were a major step towards my personal and professional advancement. Due to strict deadlines, my time management and ability to multitask improved. Having learnt how to work with incomplete or limited information, I learned that I should be able to critically evaluate information and come up with an informed decision with limited resources.

With Procurement, Finance, Production The frequent communication with the colleagues allowed me to improve my communication and interpersonal skills. I got to learn how to adjust to various styles of communication and the way the organization should be formed. I also realized that I had more esteem on matters of discipline, accountability and collaborating with teammates in accomplishing company objectives. This had become an eye opener that accuracy in procurement is not simply a matter of administration but carries financial implications. All minor errors in documentation or pricing can bring significant operational or financial issues. In the end, these issues enabled me to be more organized, self-aware, and confident in coping with professional duties.

## 5.4 Overall Reflection

The lasting experience of being an intern in AFBL makes me believe that the field was an essential one since it connected my theoretical knowledge with practical skills. My experience at the Procurement Section made me realize how financial analysis may accomplish supply chain decisions starting with a review of costs of suppliers through to payment terms and evaluation of opportunities and threats involved in procurement.

This has helped expand my horizons regarding the contribution of finance to enhance the efficiency of the operations and the contribution of managing suppliers effectively to the realization of profitability and sustainability. Personally, other areas were my increased confidence, discipline, and activeness. On the professional front, I came to have a higher regard concerning the importance of making decisions that are grounded on evidence and the necessity to include a financial analysis of any business process. The internship reinforced the existing knowledge and my career aspirations. It motivated me to have a future with a blend of Finance, Supply Chain Management as well as Strategic Analysis.

## Chapter 6: Conclusion

My internship experience in Akij Food & Beverage Ltd. (AFBL) has been an eye opener as well as an important part of my career. It gave me a chance to gain practical knowledge of the procurement processes in a large FMCG organization, as well as enabled me to implement the learned financial principles in my studies.

During the period of serving in the Procurement Section, I understood that the performance of vendors determines the overall financial performance of the company. The determination of this performance is carried out in relation to pricing, reliability, quality, and payment terms. I had to study that the effective procurement is not only the process ensuring the prices are lower but also the financial security, the risks reduction and sustainability of suppliers.

This has enhanced my analytical, communication and problem-solving abilities and my sense on how organizations operate and coordinate regardless of all departments in a more improved manner. In addition, it also broadened my perspectives on how monetary analysis tools can be used to enhance procurement decisions, vendor analysis, and methods of managing costs. In general, this internship associated theoretical and practical knowledge. It has empowered me to witness a multi-faceted relationship between the finance and the supply chain management. It made me want to pursue a career that is based on principles of evidence-based financial decision-making and efficiency in strategic procurement. The knowledge, professionalism, and self-esteem that I have gained in this internship will be a solid support of my further studies and work activities.

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## **Chapter 7: Implications**

### **7.1. Relevance of the academic learning**

The internship exercise provided me with a hands-on knowledge on the key principles of the subject of finance, including the cost management, budgeting, working capital management and the financial analysis. These concepts were declared as crucial processes of supplier offers examination, review of evaluation terms, and cost comparative report draws.

I also noted how the financial strategies help in developing operational efficiency, improvement of the cash flow, and generating sustainable growth. Application of academic knowledge to real business scenarios helped me develop enhancement in my analytical abilities, and my understanding of the dynamics of corporate finance was enhanced.

### **7.2 Organizational Impact**

Even though I was only in the supporting role, my support during vendor assessment helped to enhance the quality of the documentation, improve the transparency and simplify the process of comparing the quotes. I also took part in the inclusion of financial criteria in supplier evaluation and thus was able to assist the procurement team in better decision making. The following experiences have highlighted the need to work together with various functions, in particular, Finance and Supply Chain, in an effort to improve procurement accountability and cost-effectiveness.

### **7.3 Industry Relevance**

FMCG industry is typified by severe competition, sudden changes in its demand, and continuous cost reduction pressure. The internship experience at AFBL made me realize that procurement can

be a strategic advantage. It highlighted the smooth cooperation between a financial management system and a supply chain management process and the impact of this on the capacity of a company to remain profitable, in the market and retain brand integrity. The skills I gained, including the evaluation of the vendor, negotiation, data analysis, and budgeting, can be applied in other industries that necessarily imply maintaining the orderly work of the supply chain.

## 7.4 Lessons Learned

The main insights that I gained during the internship are: The quality of information and effective communication is essential in the effective procurement management procedures since errors of negligence may produce huge financial implications.

- The relationships that should be developed with suppliers should be based on trust, transparency, and win-win, rather than on only short-term cost reduction.
- The integration of financial evaluation aspects in the procurement enhances accountability, efficiency and sustainability of the organization in the long run. The lessons will influence my decision-making and work ethics in future.

## 7.5 Skill Development

As an intern, I gained numerous professional and technical skills and they include:

- Skills to assess quotes by suppliers and decipher their financials
- Good communication and negotiating abilities with suppliers and different internal departments.
- Good time management skills and the capability of handling various tasks in a high-paced corporate setup.
- Knowledge on how to utilize the spreadsheets and procurement database in monitoring the performance of the vendors and also comparison of cost.

Impeccable documentation and standards of corporate documents. The skills have provided more opportunities to work and helped me become a leader in the future as they need to analyze and collaborate in the team.

## 7.6 Challenges Faced

My key problems in the process were adopting a very structured corporate culture, manipulation of large data volumes, and the complicated nature of regulations on procurement. My financial analysis work was also limited by limited access to sensitive financial information. Nonetheless, all these difficulties played a key role in my ability to grow, becoming resilient, flexible, and careful enough, which would be extremely useful in the future, in my professional life. Networking and Relationships: It is recommended that they maintain friendships and provide followers with guidance and support when needed.

## **7.7 Networking and Relationships**

It is advised that they have friends and give guidance and support to the followers when necessary. The internship made me create valuable working relationships with other employees working in different departments. The collaboration with the representatives of procurement and finance has expanded my perspective on the importance of collaboration and teamwork and educated me on how various functions are disinter related. These are not only the areas I developed that enhanced my communication and group work skills but they also helped to gain insights to corporate culture, ethics and leadership practices.

## **7.8 Recommendations and Future Directions**

As an experience, I would suggest Akij Food & Beverage Ltd. to improve using financial assessment techniques in vendor valuation. Using digital procuring mechanisms may allow monitoring the performance of the vendors in real-time, enhancing cost and making decisions quicker. Also, routine awareness of procurement and finance personnel would also improve their knowledge regarding the financial side of supplier's management. To develop my career, I will keep getting knowledge about the sphere of supply chain finance and data analytics and how the insights based on technology can possibly enhance the effectiveness of the procurement process and assist managers to make relevant choices under the circumstances of unstable business environment.

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