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## **HUMAN ASPECT AND INDIVIDUAL INFLUENCE IN BUYING DECISIONS**

It is difficult to change from decentralized to centralized level mainly at human level. Generally speaking, there is low communication and integration between different buyers from different sites of a group which affects centralized purchasing.

*“Nearly 80 percent of the senior executives surveyed in a 2005 study said that effective coordination across product, functional, and geographic lines was crucial for growth. Yet only 25 percent of the respondents described their organizations as “effective” at sharing knowledge across boundaries”.*

[http://www.mckinseyquarterly.com/Mapping\\_the\\_value\\_of\\_employee\\_collaboration\\_1827#foot3#foot3](http://www.mckinseyquarterly.com/Mapping_the_value_of_employee_collaboration_1827#foot3#foot3)

In centralized purchasing, buyers from different sites, branches and divisions have less power to take decisions. They have to provide all information at group level and then wait for the final decision. It can demotivate them and lead them not to be interested in sharing information with their colleagues from branches and at group.

There is not only motivation but individuals demographic and psychological traits also affect the group buying decisions.

Group purchasing decisions are taken by centers composed of different individuals from different functional areas within an organization such as: purchasing, marketing, finance, engineers and other stake holders. So, we cannot miss this thought of an individual’s influence over group center buying decisions.

These individuals influence sometimes make it difficult for companies to make final decision in a central meeting to choose between centralized or decentralized purchasing even though they know the benefits of it.