

UNIVERSITY of
HOUSTON

C. T. BAUER COLLEGE of BUSINESS

SCM 7397 – Strategic Supply Management, Spring 2015
Monday: 6-9pm, Room TBD

Instructor: Dr. Xiaosong “David” Peng
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TA: TBD
TA: E-Mail: TBD
Cell Phone: TBD
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Office Hours: TBD

COURSE DESCRIPTION

This course presents key issues, opportunities, strategies, techniques and developments in purchasing and supply management currently being deployed by leading organizations to achieve competitive advantage. Topics covered include structure and processes of purchasing organizations, global sourcing, the criteria and techniques for selecting ,evaluating and developing suppliers, pricing and costs of products and services purchased by a firm, contracting, negotiation, and legal and ethical issues in purchasing. A combination of case studies and lecturing will be used to illustrate the topics discussed.

COURSE OBJECTIVES AND LEARNING OUTCOMES

Supply management’s role is discussed along with supply management’s objectives. The involvement of supply management in selecting suppliers and developing long-term relationships with suppliers will be emphasized. Negotiation principles as well as contracts and pricing practices will be presented. The management of materials concerns their flow to, within, and from the organization.

Upon finishing this course, students are expected to understand:

1. Key issues, opportunities, strategies, techniques and developments in purchasing and supply management currently being deployed by leading organizations to achieve competitive advantage.

2. Criteria and techniques for selecting suppliers, know how to assess and evaluate suppliers
3. Pricing and costs of products and services purchased by a firm, and total cost of ownership associated with these products and services.
4. Issues involved in the make-or-buy decision and global sourcing
5. Basics of contracting, legal, and ethical issues in supply management

COURSE MATERIALS

Suggested Textbook: Purchasing and Supply Management (*Monczka, Handfield, Giunipero, and Patterson*), 5th Edition (ISBN 9780538476423)

Case: The course materials include 7 case studies and one negotiation game. The list of cases and the game is shown below. There will be a course page created on Harvard Business Online for you, where you can access the cases required for the course. You will have to register with Harvard Business Online to get access to the cases. This is the easiest and the least expensive way to have these cases.

1. Procurement at Betapharm Corp. (A), Harvard Business School Case, 9-105-030
2. VF Brands: Global Supply Chain Strategy, Harvard Business School Case, 9-610-022
3. Metalcraft Supplier Scorecard. Harvard Business School Case, 9-102-047
4. Agile Electric: Quality Issues in a Global Supply Chain, Ivey Case, 9B12D011
5. Whirlpool Corporation Global Procurement, University of Virginia Case, UVA-OM-1071
6. Supply Chain Partners: Virginia Mason and Owen & Minor (A) (Abridged), Harvard Business School Case, 9-110-063
7. IKEA's Global Sourcing Challenge: Indian Rugs and Child Labor (A), Harvard Business School Case, 9-906-414
8. Negotiation role play-New Car Negotiation, Northwestern University

Lecture notes and handouts will be posted on elearning.uh.edu throughout the semester.

PERFORMANCE EVALUATION

<u>Components</u>	<u>Points</u>	<u>Percent of grades</u>
Pop-quiz (9)		
The highest eight scores are counted		80 points
In Class Performance and activities		80 points
Case analysis (2)		100 points
Exams (3)		300 points

The letter grade for each student will be determined according to the following points scale:

A	558 - 600
A-	540 - 557
B+	522 - 539
B	498 - 521
B-	480 - 497
C+	462 - 479
C	438 - 461
C-	420 - 437
D+	402 - 419
D	378 - 401
D-	360 - 377
F	0 - 359

Quizzes: Approximately 9 short (close book, close notes) quizzes will be given in class. Each quiz is worth 10 points and in multiple-choice format. While some quizzes will be announced, others may not be. The case is meant to test whether you come to class prepared (for example, you should have read the case before attending the class). The quiz with the lowest score will be dropped

In Class Performance: Professionalism /Participation/Advancing the Learning of Others: I view each class as a business meeting during which time we will discuss the assigned material and related topics. During these meetings, I look for evidence of your preparation and understanding of the class material. This can only be exhibited by your in class contributions. Of particular importance are those contributions that help advance the understanding of others. Class attendance alone does not represent participation. Each student is also expected to conduct himself/herself in a professional manner as expected of future business leaders. This includes respect for others, proper cell phone and computer etiquette, and timeliness among other factors.

Several small cases will also be assigned throughout the semester. This will be one to two page short cases related to subject just covered in class. You are supposed to analyze the case, grade your peer's answers, and participate in discussion of the case.

Case analysis: Your team will be assigned two cases from the list of seven cases (Cases 1 through 7). Your team will take the lead to discuss one case in class and will also be assigned analyze another case. These two case assignments combined will be worth 100 points (20% of your grade).

Exams: Three in-class exams will be given during the semester. Each exam is worth 100 points. Each exam is closed book and closed notes. The exams will include multiple-choice questions and short answer questions. The exams are NOT cumulative. The exams will cover all material from lectures, readings, videos, and study problems since the prior exam.

COURSE POLICY AND PROCEDURES

Students are required to comply with all University of Houston academic regulations, policies and rules. See website for details: www.uh.edu/academics/catalog/policies/academ-reg

ACCOMMODATIONS FOR STUDENTS WITH DISABILITIES

The C.T. Bauer College of Business would like to help students who have disabilities achieve their highest potential. To this end, in order to receive academic accommodations, students must register with the Center for Students with Disabilities (CSD – telephone 713-743-5400), and present approved accommodation documentation to their instructors in a timely manner.

ACADEMIC HONEST POLICY

The University of Houston Academic Honesty Policy is strictly enforced by the C.T. Bauer College of Business. No violations of this policy will be tolerated in this course. A discussion of the policy is included in the University of Houston Student Handbook which can be found at http://www.uh.edu/provost/policies/uhhonesty_policy.html. Students are expected to be familiar with this policy.

LAPTOP AND CELL PHONE USE IN CLASSROOM

You are asked to turn off your cell phones (including smartphones) in class. The use of laptop computers is only allowed for taking class notes or doing class related research.

Course Schedule – Class Meets Monday 6-9pm

Schedule is tentative. Subject to revision, depending on class progress

January 19: Martin Luther King Jr. holiday, no class

January 26: Course overview, introduction to purchasing and supply management

February 2: Purchasing processes

- Case: Procurement at Betapharm Corp.(A)

February 9: Purchasing policies and organizational structure

February 16: Supply management and commodity strategy

- Case: VF Brands: Global Supply Chain Strategy

February 23: Supplier evaluation and selection

Exam 1

**March 2: Supplier evaluation and selection – continued
Supplier management and development**

March 9: Supplier management and development - continued

- Case: Metalcraft Supplier Scorecard

March 16: Spring break

March 23: Global sourcing

- Case “Agile Electric: Quality Issues in a Global Supply Chain

March 30: Strategic cost management

Exam 2

April 6: Negotiation

- Case: Whirlpool Corporation Global Procurement

April 13: Contract management

- Negotiation role play-New Car Negotiation

April 20: Purchasing Law and Ethics

- Case: Supply Chain Partners: Virginia Mason and Owen & Minor (A)

April 27: Technologies and services for improving procurement performance

- Case: IKEA’s Global Sourcing Challenge: Indian Rugs and Child Labor (A)

May 4: Wrap up class

- Exam 3