

SCM 7390 Global Supply Chain Strategy

Section 24743 Spring 2016

Professor: Gordon D. Smith, Ph.D.
Class Schedule: 6:00 to 9:00 PM Thursday **Room:** MH 127
Office Hours: MH 260-A Thursday 4:00 until 6:00pm, or by appointment
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I. Course Description

The creation of zones of economic activity such as APEC, ASEAN, EU, NAFTA and Mercosur, and the easing of trade laws and tariff structures through GATT have helped to create a global marketplace. Today, it is not uncommon to see a company develop a product in one country, manufacture it in another, and sell it to a third country. In addition, new products could be introduced in several countries almost simultaneously, and suppliers with special expertise and technology could collaborate with manufacturers in different Countries to create global products. As the world moves toward an international economy, the battle cry for corporations is increasingly becoming one of “global supply chain management”. While globalization promises enormous strategic benefits by coordinating operations located in different Countries, it is imperative for managers to develop a perspective that can fully understand and exploit the intricacies of the global marketplace. Matching supply and demand is an enormous challenge for firms; excess supply is too costly, and inadequate supply irritates customers. Managing manufacturing and service operations across cultural, economic and political boundaries is a formidable challenge, because of which many globalization efforts are falling short of their promise.

Even as companies have learned to squeeze inefficiencies out of their manufacturing plants, through concepts like just-in-time, statistical process control and lean manufacturing practices, they still find that moving goods and services through several layers of their global supply chains is time consuming and costly. Logistics and supply chain management has become one of the last frontiers that still remain to be conquered by most businesses in the twenty first century. Yet this cannot be done unless all managers and supervisors, irrespective of their functional orientation and current job responsibilities, fundamentally understand their supply chains and how their effective functioning flows right down to the bottom line.

Supply chains are really networks of activities and flows that involves the extensive participation and integration of external trading partners. This course will focus on the key issues associated with the strategic planning and tactical operations of global supply chains. The goals of the course are to provide students with an in-depth knowledge of the issues involved in managing a global supply chain and how to assess risk.

II. Course Objectives

This course will help students understand the linkage between a firm’s supply chain strategy and business strategy, utilize the firm’s resources more effectively, and the impact of coordinating the movement of goods and services through different echelons of supply chains in order to create a competitive advantage in the global marketplace. More specifically, the course will promote the following learning objectives:

- Understand the linkage between the coordination of the global supply chain and functional areas of the firm;
- Understand important supply chain management frameworks for outsourcing and purchasing, as they relate to make versus buy alternatives;
- Understand the strategic factors that drive and the implications of decisions regarding different outsourcing alternatives
- Understand the factors that are relevant for a company to develop an appropriate portfolio of relationship types with their suppliers
- Understand the more relevant issues and risks related to operations transferability to different international environments.

- Understand common pitfalls of inventory management and positioning in supply chains and the concept of risk pooling;
- Understand the role of product development and postponement in supply chains.
- Understand the strategic questions related to designing international logistics networks involving factories, flows and inventory / cross docking;
- Understand issues related to the uncertainty and risk management of global supply chains;
- Understand the effects and remedies of demand volatility in global supply chains;

III. Course Textbook and Other Requirements

Cases - supplied by the instructor:

None

Cases – available from Harvard Business School:

The easiest (and least expensive) way to access the cases is through the course page I have created on the Harvard Business Online website. If you have not registered with Harvard Business Online, you will be required to do so. The link below will provide you with access to the required case materials for use in this course:

HBS Cases: <https://cb.hbsp.harvard.edu/cbmp/access/45430201>

You will have immediate access to the case materials upon placing your order.

Cases are used to provide students with the opportunity to identify and prioritize organizational problems, and to develop and defend alternative solutions to those problems. The instructor is available to assist students in preparing the cases. All submissions are via BlackBoard.

Case Presentations:

Each student team will have the opportunity of serving as the “presenting team” for one of the cases that we will discuss in class. The “presenting team” will provide brief background and content of the case, an analysis of what the company did correctly or incorrectly, and suggestions about what the company should do in the future. They should also address any questions given as part of the case write-up or indicated by the instructor. The case presentation should be appropriate for a senior management presentation and will be submitted via BB prior to the presentation.

Readings:

Various readings from academic journals - see the course schedule. All are available free of charge via UofH library system SCM 7397 Global Supply Chain Management website:

<http://guides.lib.uh.edu/SCM7397>

To access the articles listed on this webpage or other University of Houston Libraries electronic resources a **CougarNet Login** is required. Please contact UH Campus IT at (713) 743-1411 or visit their website <http://www.uh.edu/infotech/>

California Management Review - CMR

European Business Forum - EBF

Harvard Business Review – HBR

International Journal of Physical Distribution & Logistics Management - IJPDLM

Journal of Business Logistics - JBL

Sloan Management Review – SMR

Wall Street Journal – **REQUIRED READING** for this course.

www.wsj.com/impress

The Economist – **REQUIRED READING** for this course. Details regarding student subscriptions are available by following this link

<https://subscriptions.economist.com>

White Paper Assignment

A semester long term paper (“white paper”) on a supply chain topic is required. This assignment should be worked on by a team of two (2) (your choice of teammate). This paper should try to present “state-of-the-art” knowledge about a selected topic and will provide you with the opportunity to conduct in-depth research on the topic. The preparation of a white paper summarizing state-of-the-art knowledge on a particular topic is a common industry practice often assigned to management. Your completed term paper will be submitted to the APICS Charles K. ‘Chuck’ Nelson Student Paper Competition 2015 Graduate Division. Over the past four years Bauer MBA’s have earned first, second and third place honors three times. Taking home cash prizes of \$1000, \$500 and \$300 respectively.

See the following website:

http://apicsterragrande.org/content.php?page=Charles_K.____Chuck____Nelson_Student_Paper_Competition

Further details on BlackBoard.

The following is a list of topics previously researched and reported:

- How to Build a Superior Supply Chain
- The Future of Supply Chain Management and E-Commerce
- Reverse Logistics in B-to-C e-Commerce
- How to Become the Central Link in a Supply Chain
- Speeding Up the Supply Chain
- The Importance of Order Fulfillment and Transportation in e-Commerce
- Enabling a Global Supply Chain
- The Financial Implications of Effective Supply Chain Management
- How to Measure Supply Chain Management Success
- Issues Regarding Supply Chain Disruption

The paper should have as a minimum five (5) cited sources. These references must be accepted publications. Additional references, such as Wikipedia, should be kept as a minimum.

All “white paper” submissions are to follow the APICS detailed Format (see BB).

Schedule of Due Dates for White Paper tasks:

Feb 4, 2016	Topic approval submission
Feb 18, 2016	Outline approval submission
Feb 25, 2016	Presentation of Brief (in class)
Apr 15, 2016	Paper due date
Apr 21, 2016	Selected Paper Summary Presentations (in class)

Supply Chain Simulation: The Fresh Connection

The Fresh Connection simulation tool provides the foundation for a new level of supply chain training/education. You will gain hands-on experience and insight into interactions between:

- inventory policies
- production schedules
- supplier relationships
- customer service commitments
- logistical challenges
- risk mitigation
- and more!

Teams of four representing Purchasing, Operations, Customer Service and Supply Chain take decision-making roles at The Fresh Connection, a bottler of fruit juice drinks, through successive 'rounds', each representing a 6-month business cycle, in an attempt to address the company's business challenges and return it to profitability.

Examinations:

There will be two course examinations. The midterm exam will include short answer questions and short cases. The final exam will be a case study.

Class Participation:

Class engagement is an important part of this class, as it is in every Bauer course. Please e-mail me prior to class if you will be unable to attend due to business or personal reasons. More than one missed class will result in a lower participation score. Students who justifiably miss a second class can make up for the missed class, in terms of engagement score by doing extra-class work (specified on a case-by-case basis by the professor). A third missed class cannot be made up – your participation score will be considerably diminished. More than 3 classes missed will automatically mean that the student does not qualify for a “pass” grade in the class. The honor code applies in this class, as in all courses.

As previously mentioned expectations for participation and involvement are high. You should come to class prepared to become involved in the discussion, and have read the specified material and prepared questions about areas that were not clear to you, and offer observations about other situations/examples that may help generate class discussion. The instructor will form a subjective impression of your performance. In addition, at the end of the semester each class member is to provide the instructor with an evaluation of the performance of each of their classmates using the following categories (this is separate from team peer evaluations) including commentary: 5 = exceptional participation that really contributed to my learning in the course; 4 = many solid contributions that helped the class to learn; 3 = solid participation that contributed to the discussion; 2 = sometimes contributed, but not at a high enough level; and 1 = this person did not pull their weight either in terms of the number or quality of contributions. Based on the aggregation of these reports, I will adjust the participation grade up or down.

Cell Phones and Web Surfing:

It is important to display courtesy and respect towards others during class. Please turn off all cell phones prior to the start of class. Please do not surf the web, text message, or email during class. If you need to make or receive a call or if you feel you must surf the web, text message, or answer emails, please excuse yourself and leave the class room.

APICS Houston Chapter PDM February 18, 2016

Our class on February 18th will be held at the HESS Club - 5430 Westheimer near the Galleria.

Details to be provided: I will discuss details of this event and arrange for reservations during our first class session. The pre-meeting networking begins at 5:30pm.

IV. Grading

All assignments will be graded on a scale of 100 and based on the following:

		<u>Individual</u>	<u>Group</u>
Article Presentation	5%	5%	
Case (group)	10%		10%
Simulation TFC (individual and group)	30%	20%	10%
MidTerm Exam	15%	15%	
Final Exam	10%	10%	
White Paper	20%		20%
<u>Class participation/APICS assignment</u>	<u>10%</u>	<u>10%</u>	<u> </u>
Total	100%	60%	40%

I do not curve grades in graduate courses. Instead, a student's grade is based on the ranking of the student's final numerical score for the course among the student's classmates. Your final cumulative score will be rounded-up to the nearest whole number (92.2 = 93) and the final grades will be based on University of Houston grading policy.

Grading Scheme:

A 93 and above - Outstanding	B- 80 - 82 - Slightly less than expected
A- 90 – 92 - Excellent	C+ 78 - 79 - High(er) pass
B+ 88 – 89 - Very good, better than expected	C 73 - 77 - Pass
B 83 - 87 - Good, as expected	C- 70 - 72 - Just enough to pass
F Below 70 - Not enough to pass	I Incomplete

V. Accommodations for Students with Disabilities

Our objective is to help all students achieve their highest potential in the Bauer College of Business. If you need to receive accommodation in the classroom, on exams or with assignments, please make arrangements with me prior to the exam or assignment. You can also contact the Justin Dart Center for Students with Disabilities (713-743-5400) in order to obtain assistance. Services provided by the Center for Students with Disabilities include assistance with course accommodations, adaptive equipment, individualized exam administration, taped textbooks, wheelchair repair, library needs, handicapped parking, as well as many other needs.

VI. Academic Integrity

All students are expected to be familiar with the University of Houston Academic Honesty policy that is published in the undergraduate catalog. In particular, the following four principles apply to this class:

- All homework assignments and exams should reflect *your own effort only* (except as noted above for homework assignments where work with other students is documented). Discussion with others from another section about graded submissions is a violation of the Academic Honesty Policy.
- Passing case notes and class handouts to students who have yet to take the course, who attend a different section, or receiving material from those who took the class in the past, is *strictly* prohibited.
- Plagiarizing (the misrepresentation of work done by others as being one's own work) is a violation of the Academic Honesty Policy. Remember to cite all sources of information and ideas to prevent problems.
- You may *not* submit the same work (or substantially similar work) to meet the requirements of more than one course without the written consent of all instructors concerned.

Plagiarism is defined as “representing as one's own work the work of another without appropriately acknowledging the source.”

Fundamentally, plagiarism is a deceit, an act of intellectual dishonesty that consists of passing off another's words as one's own. Plagiarism may take the form of repeating another's sentences as your own, paraphrasing someone else's argument as your own or even presenting someone else's line of thinking in the development of a thesis as though it were your own. In short, to plagiarize is to give the impression that you have written or thought something that you have in fact borrowed from another. Although a writer may use other persons' words and thoughts, they must be acknowledged as such.¹

¹

Please make certain that your work clearly acknowledges that of others. Plagiarism is a serious violation of academic honesty and may result in a failing grade and possibly more severe action. The university does not institutionalize plagiarism by acknowledging, excusing or condoning ignorance under the rubric of “unintentional plagiarism.”