

UNIVERSITY of
HOUSTON

C. T. BAUER COLLEGE of BUSINESS

SCM7350 – Strategic Supply Management, fall 2017
Th: 6:00-9:00 pm, MH129

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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
6. Develop oral and written communication skills in context of supply management.

COURSE MATERIALS

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

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

Case: The course materials include seven case studies. Two cases need to be purchased. There is 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. Weblink for downloading the case: <http://cb.hbsp.harvard.edu/cbmp/access/66131288>

1. VF Brands: Global Supply Chain Strategy, Harvard Business School Case, 9-610-022
2. Whirlpool Corporation Global Procurement, University of Virginia Case, UVA-OM-1071
3. Whirlpool Corporation Global Procurement Excel spreadsheet.

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

Other suggested reading:

Spend Analysis: The Window into Strategic Sourcing, by Kirit Pandit and H. Marmanis

Category Management in Purchasing: A Strategic Approach to Maximize Business Profitability, by Jonathan O'Brien

The Procurement Game Plan: Winning Strategies and Techniques for Supply Management Professionals, by Charles Dominick and Soheila R. Lunney

PERFORMANCE EVALUATION

<u>Components</u>	<u>Points</u>	<u>Percent of grades</u>
Pop quiz (10)		20 points
In Class activities (8)		30 points
<i>The highest 7 scores will be counted</i>		
Case analysis and competition		150 points
Exams (3)		300 points

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

Letter grade	Point range	Percentage range
A	465 and above	>93%
A-	450-464	(90%-93%)
B+	435-449	(87%-90%)
B	415-434	(83%-87%)
B-	400-414	(80%-83%)
C+	385-399	(77%-80%)
C	365-384	(73%-77%)
C-	350-364	(70%-73%)
D+	335-349	(67%-70%)
D	315-334	(63%-67%)
D-	300-314	(60%-63%)
F	<300	<60%

Pop quizzes: Approximately 10 short quizzes (close book, close notes) will be given in class. Each quiz is worth 2 points and in multiple-choice format. Each quiz includes 6 questions. You will earn 2 points if you answered 5 or 6 questions correctly, 1.5 points if you answered 3 or 4 questions correctly, and 1 point otherwise.

In-class activities: Eight in-class activities will be given during the semester, including 7 mini cases (available on blackboard) and one role play game. For each mini case, one team will assume the role of project team, another team will assume the role of the board of directors, and the rest of the teams will be the judge. The project team will analyze the case and write a brief analysis before class, and be prepared to present a solution in class. The board of director team will prepare questions and challenge the project team in class. The judge teams will evaluate the project team firstly and the board of director team secondly. The project team can potentially earn 10 points, the board of director team can potentially earn 5 points, and the judge team can potentially earn 3 points. The role play game is worth 3 points. Each team will play either a buyer or a seller role in a role play game.

Case analysis and competition: A case sponsored by a Houston-based company using real world data will be analyzed by each team and the top teams in class will present to managers from the company. The managers will judge the performance of each team and rank the teams based on the scores. The case is worth 150 pints.

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 some may include short answer questions. The exams are NOT cumulative. The exams will cover all material from class.

You must bring a pencil and a large red scantron sheet to each 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

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.

If you have to miss a class, you must communicate to the instructor before the class.

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.

COUNSELING AND PSYCHOLOGICAL SERVICES (CAPS) can help students who are having difficulties managing stress, adjusting to college, or feeling sad and hopeless. You can reach CAPS (www.uh.edu/caps) by calling 713-743-5454 during and after business hours for routine appointments or if you or someone you know is in crisis. Also, there is no appointment necessary for the “Let’s Talk” program, which is a drop-in consultation service at convenient locations and hours around campus. http://www.uh.edu/caps/outreach/lets_talk.html.

Course Schedule (tentative, subject to revision, depending on class progress)

Aug. 24	Chapter 1: Introduction to Supply Management & the Profession
Ag. 31	Chapter 2: Purchasing processes Case: Dynamic aircraft case Reading pp.44-64
Sep 7	Chapter 3&5 Purchasing policies and organization structure Case: Tokinson corporation Reading pp.155-177
Sep 14	Chapter 6: Supply management and commodity strategy Case: VF Brands: Global Supply Chain Strategy Reading pp.189-223
Sep 21	Chapter 7: Supplier evaluation and selection Exam 1 (Chapters 1, 2, 3, 5, and 6)
Sep 28	Chapter 7: Supplier evaluation and selection – continued Case: Printed circuit components for a JIT factory case Reading pp. 315-341
Oct 5	Chapter 9 Supplier management and development Case: SDC corporation case Reading pp. 315-341
Oct 12	Corporate case introduction Chapter 10: World-wide sourcing
Oct 19	Exam 2 (Chapter 7, 9, 10) Chapter 11 Cost management
Oct 26	Chapter 11 Cost management - continued Case: Whirlpool Corporation Global Procurement Reading pp. 395-410, pp.413-432
Nov 2	Chapter 13: Negotiation Negotiation role play game
Nov 9	Chapter 14: Contract management Case: Diatech vs. RPM Corporate case due Reading pp. 517-532, 545-552
Nov 16	Chapter 15:Purchasing Law and Ethics Case: Sampson products
Nov 23	Thanksgiving holiday
Nov 30	Corporate case presentation

Exam 3 (Chapters 11, 13, 14, and 15)
Thursday Dec 7 5-8pm