

Indian Institute of Management Udaipur
POST GRADUATE PROGRAM ON GLOBAL SUPPLY CHAIN MANAGEMENT

Course Outline

Course name	Strategic Sourcing and Supply Chain: Contemporary Practices		
Program	GSCM	Core/Elective	Core
Credits	4	Cap (if elective)	
Academic Year	2023-24	Term	Term
Course Coordinator		Email	

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Instructor 2	Rahul Pandey	Email	pandey.rahul@iimu.ac.in
Sessions	20	Section	1
Affiliation			
Office Hours			

Course description

This course has two halves.

The first half examines the role of Sourcing and Procurement in contributing to the Strategy of the Business – it is a source of competitive advantage and has to be carefully utilized. About 60% of the value of sales is often contributed by bought out materials, services etc. Hence choices have to be made carefully and in a manner that supports business strategy. This first half examines sourcing and procurement in this context.

The second half covers selected themes whose importance has been growing both internationally and in India – sustainability and climate change; globalization; resilience and risk mitigation, digitalization, and policy changes. The sessions in the second half will examine how these phenomena impact business and supply chain, what new opportunities they offer, and how companies are responding to them.

Course Objectives

Course Objectives:

- 1) To understand the contribution Sourcing and Procurement can make to the profitability of a firm. Also, to understand the Strategic Value of Sourcing - i.e. the competitive advantage that can be derived from Sourcing. From simple Purchase to Partnerships.
- 2) To understand the potential of emerging trends in sourcing: Global Sourcing, Sustainable Sourcing;
- 3) To understand the linkages between Sourcing and New Product / Service Development.

- 4) CAPEX and Sourcing.
- 5) To understand the challenges of sustainability and climate change, and how businesses are evolving their strategy and supply chain to respond to those challenges.
- 6) To understand how globalization affects global supply chain structures and what contemporary changes are underway.
- 7) To be aware of how large businesses are planning to tackle grave external uncertainties and associated risks, and make supply chain more resilient.
- 8) To review the trends and technologies of digital era and industry 4.0, and understand the opportunities offered for new business models and supply chains.
- 9) To be aware of the new policies related to logistics and supply chain.

This is not a “mathematical course”. The focus is on thinking, making decisions, improving profitability, people and planet, and enhancing competitive advantage of the business and supply chain through better sourcing, embracing sustainability and digital technologies, building resilience, and responding to policy changes.

Specific learning objectives for the participants in this course are as follows:

1. Objective 1: To enable students to understand the relevance and importance of Sourcing & Procurement in strengthening a firm’s business strategy
2. Objective 2: To understand the value of Suppliers and Supply Management to a firm
3. Objective 3: To understand that Sourcing involves multiple functions and people in a firm and this collaboration is crucial for success
4. Objective 4: To understand the trends in sustainability, globalization, digitalization, risk mitigation, and policy, and how they impact businesses and supply chains
5. Objective 5: To learn from the business and supply chain strategies that leading companies are making in order to meet the challenges thrown by the above trends (mentioned in Objective 4) and to enhance competitiveness.

Key Takeaways: At the end of this course, students should be able to

1. Key Takeaway 1: Classify suppliers and formulate approaches in dealing with each.
2. Key Takeaway 2: Make reasoned Make or Buy decisions
3. Key Takeaway 3: Forge partnerships with key vendors which will benefit the firm.
4. Key Takeaway 4: Design supply chains that are not only efficient, agile and profitable, but also sustainable and resilient.
5. Key Takeaway 4: Enhance business performance by changing supply chain structures and processes that incorporate new trends in globalization, digitalization, and policy.

Programme Level Learning Goals

The course aims to help students achieve the following learning goals (those which are applicable):

Goal 1: Ability to integrate across business disciplines: Students should be able to apply frameworks from different business disciplines.

- Identify and make connections across functional areas when looking at a business problem.
- Identify and apply concepts from multiple-functional areas comprehensively to a business problem

Goal 2: Critical Thinking: Students should be able to identify and analyze key issues and evaluate alternative solutions.

- Identify the relevance and importance of issues. Accurately identifies the core issue.
- Provide solutions by integrating ideas and using the available evidence.

Goal 3: Team Dynamics: Students should be able to work as part of a team.

- Contributes outside of team meetings:* Provide solutions by integrating ideas and using the available evidence. Completes all assigned tasks by deadline; work accomplished is thorough and comprehensive.
- Contributes to team meetings:* Helps the team by articulating the merits of alternative ideas or solutions. Offers thoughtful and constructive ideas and suggestions. Actively builds on ideas of team members. Articulates merits of alternative ideas and suggestions.
- Facilitates the contributions of team members:* Engages team members to facilitate their interaction and constructively builds upon their contribution. Encourages others to participate and complete assigned tasks to a similar level of excellence.

Goal 4: Communication Skills (Oral): Students should be proficient in oral communication.

- Clarity:* Argument effectively and efficiently conveyed; highly focused on the question; easily understood.
- Organization of ideas:* Coherent, comprehensive, and well-structured organization of ideas.
- Style:* Confident, enthusiastic about the topic and engages the audience in discussion.

Goal 5: Communication Skills (Written): Students should be proficient in development of analytical, synthetic, and writing skills.

- Clarity:* Argument is effective, concise, and easily understood. Thorough analysis of the data with compelling conclusion.
- Organization of ideas:* Coherent, well integrated, clear and structured organization of ideas..
- Style:* Writing style is appropriate for the topic and target audience.

Goal 6: Domain Expertise: Students should be able to develop and manage the deployment of a supply chain management solutions

- Defines the problem statement* - clearly and unambiguously
- Identifies the data required*- Data requirement is clearly and comprehensively defined
- Applies appropriate concepts to the problem*- Identifies relevant concepts and is able to apply them suitably in the context
- Analyses the data to come to meaningful conclusions*- Analyses the data using appropriate techniques and interprets the findings with a practical lens
- Provides practical solutions to the problem* -Participates in evaluation of solutions and uses a structured approach to finalizing the solution

International components of the course (if any)

This may include any cases or study material which provides exposure to international contexts, international project components or other such engagements.

1: Some cases used in the course relate to international companies and businesses.

2. Guest speakers – particularly on global sourcing and sustainability, will speak about their international experience.

Pre-requisites

List prerequisites for the course (if any) : None

Required Text Book(s): None

List of Required Texts

Recommended Text Book(s)

List of Recommended/Reference Texts:

Books:

- 1) Sourcing and Supply Chain Management by Robert B Handfield, Larry C Giunipero, James L. Patterson, Robert M. Monczka (**Hanfield**)
- 2) World Class Supply Management by Burt, Dobler and Starling, Seventh Edition, Published by McGraw Hill (**Burt & Dobler**)
- 3) Additional reference: Purchasing and Supply Management by P. Fraser Johnson, Anna Flynn, McGraw Hill

Pedagogy

Lectures, Discussions of Cases, and Project Presentations.

Course Pack Distribution to students

Course material (if required) will also be issued from the Programme office. Additional course material may be shared during the course.

Technology enabled learning component for your course

If the students are required to use various IT-enabled analytical tools, techniques, and methods, they may be listed here :

Class Preparation, Participation, and Presentation

Expectations relating to class preparation, participation, and presentations, etc may be specified

- 1) Cases, Problems, Specific questions will be assigned to groups from time to time – these will be taken up in the class for discussion – groups will present their findings, analysis etc.
- 2) Participation in class discussion is essential and this will be graded

Session Plan

Session	Topic	Intended Learning outcomes	Reference/ Materials
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1 & 2	Introduction to Sourcing. Connecting sourcing and its impact on Business Performance. Concept of Purchase cycle	1.To understand the scope of Strategic Sourcing and Procurement 2.To understand the importance of Sourcing in ensuring Profitability and Sustenance of a business	1. Reading: Purchasing must become Supply Management, Peter Kraljic. HBR September – October 1983 2. Fast, Global and Entrepreneurial: Supply Chain management, Hong Kong Style. Victor Fung, Joan Magretta.98507 PDF- ENGE 3. Case of Ignacio Lopez – GM & Volkswagen. http://www.autonews.com/article/20080914/OEM/309149828/lopez-moved-from-cost-cut-hero-to-defector-and-alleged-thief
3	Sourcing Function and how it works: Introduction to Category Management, Supply management is an organization spanning activity	To understand involvement of several functions and people – their roles and contributions in Sourcing.	Case: Supplier Alliance at Quaker Oats. (Page 99 – 102 of Burt & Dobler) Reading: Chapter 3: Supply Management: An Organization Spanning Activity (Burt & Dobler)
4 & 5	Outsourcing: Make or Buy	To understand various considerations involved in make or buy decisions	Chapter 14 (Burt & Dobler) Case 1: Insourcing / Outsourcing: The Flexcon Piston Decision (Pages: 813 – 823, in the Book by Hanfield) Case 2: Strategic Outsourcing at Bharti Airtel Ltd.
6	Global sourcing	Rationale for Global Sourcing. Economic, cultural and Forex aspects.	Reading: Chapter 11: Worldwide Sourcing. (Hanfield Pages 390 - 427) Achieving Excellence in Global Sourcing, Trent and Monczka, MIT Sloan Management Review, Fall 2005, Vol.47 No.1 Case: The global sourcing Wire Harness Decision (Hanfield – pages 804, 805)
7	Supplier Selection, evaluation, development, contracts and performance management	To understand various issues involved in Supplier selection and development. Managing performance from vendors.	Reading: Chapter 7: Supplier Evaluation and selection (Hanfield)

8	Buyer – Seller relationships	To understand different types of buyer – seller relationships	Reading: Buyer Supplier Relationships: Chapter 5 of Burt & Dobler Case: Revisit the Case: Supplier Alliance at Quaker Oats . (Page 99 – 102 of Burt & Dobler)
9	Sourcing in the context of Product Development and Capital Purchases	<ol style="list-style-type: none"> 1. Contribution of Sourcing to Product Development. 2. Nuances of Capital purchases. 3. Total Cost of Ownership. 	Reading: Chapters 10 & 12: New Product Development & The Procurement of Equipment (Burt & Dobler) Cases: 1) The Opal Glass Story: The Cold Cream Jar – Opal Jar vs Plastic jar 2) Tulip Leathers
10	Green / sustainability in sourcing	Role of Sourcing and procurement in Sustainability	Case: Sourcing Wood Sustainably @ IKEA – an abridged case study.
11-13	Sustainable and low carbon supply chain	Managing reverse logistics and returns; Mitigating environmental and carbon footprint of logistics & supply chain	
14-15	Supply chain in the era of globalization	Globalization trends and supply chains; Drivers of global supply chain structures and trends	
16	Alternate supply chain strategies	Efficiency vs service driven strategies and supply chain structures	
17	Resilient supply chain	Building reliance and mitigating risks for supply chain	
18-19	Supply chain and new business models in the digital era	Digital technology enabled supply chain and Industry 4.0; New business models and supply chain; e-Commerce	
20	Logistics policy	Policy trends in logistics – India’s Gati Shakti program	

Evaluation Components

Components	Weightage
Case Participation/Presentation	10
Quiz and assignment	20
Group Project	20
End Term	50

Online Course Management (Moodle)/course web

Additional course materials, power point slides, tutorials and assignments are shared in the course web by respective instructors after the corresponding classes, as and when required.

Mapping for the course with Program Level Goals

Goal 1	Goal2	Goal 3	Goal 4	Goal 5	Goal 6
Ability to integrate across business disciplines	Critical Thinking	Team Dynamics (a,b,c)	Communications Skills (Oral) (a,b,c)	Communication Skills (Written) (a,b,c)	Domain Expertise (a,b,c,d,e)
Sessions 1,2,4,5, 11-19	Sessions 3,6,7,8,9, 11, 12, 13, 16, 18, 19	In-class group presentations in cases in selected sessions; Group project	All Sessions	Group Project; Assignment; Exam	All Sessions