


VER 2018-02-08

KRONOS CHAIR IN SOURCING AND PROCUREMENT LLSMG2009 SOURCING AND PROCUREMENT

LANGUAGE	English
SEMESTER	Spring 2018
ASSESSMENT	Case and course work, see below.
PREREQUISITES	Introductory courses in operations management, operations research and statistics.
ORGANIZATION	Lectures 30 h according to specific plan
INSTRUCTORS	<p>Prof. Constantin BLOME, Kronos Chair in Sourcing and Procurement, UCL/LSM/CORE and University of Sussex, constantin.blome@uclouvain.be</p> <p>Prof. Per AGRELL, Kronos Chair in Sourcing and Procurement, Professor of Operations Management, UCL/LSM and CORE, per.agrell@uclouvain.be, Office CORE, Phone: +32 10 474305</p>
ASSISTANT	Mr Manuel HERRERA, UCL/LSM and CORE, manuel.herrera@uclouvain.be
BACKGROUND	The course is motivated by the phenomenon that in order to achieve strategic performance in the Procurement function as such must be able to leverage the necessary potential of supplier relationships. As the procurement professions has drastically changed in recent years it is necessary to understand how best practices in organizational setup, processes IT, but also in negotiation skills might impact the organization.
COURSE FOCUS	The course focuses at procurement and sourcing topics, but elevates these topics also to the supply chain as procurement managers can't work any longer in isolation. We specifically emphasize a strategic understanding of procurement. The course format is interactive, theoretical sessions, readings and demonstrations intertwined with cases, computer simulations and company visits. The class is part of the Kronos Chair in Sourcing and Procurement, offering real-life cases and also opportunities for internships and/or Master's theses in the area.
LEARNING OBJECTIVES	<p>The course objectives are:</p> <ul style="list-style-type: none">- To develop the mindset and skills to understand and facilitate the strategic role of sourcing and procurement- To learn about best practices in enabling the right workforce and organization for strategic sourcing and procurement- To lead the sourcing and procurement organization according to a strategic mindset with adequate performance measures.- To pursue complex negotiations in a professional and effective manner.- To apply the concept of the triple bottom line to sourcing and procurement. <p>In general, you should be able after the course to understand which critical enablers impact the performance of the sourcing and procurement organization and how you might install these practices in order to achieve an efficient and effective organization. This comprises managing yourself as well as others in a professional way.</p>

TEACHING METHODS	A major part of the course consists of lectures related to the literature and some guest lectures from industry including the Kronos Group as leading practitioners. In addition, case discussion and short tasks during the course will further facilitate learning. An important asset of the course is the negotiation clinic in which participants will further develop their negotiation skills. Also the group and individual assignments are an important pillar for the overall learning success.										
CASE STUDIES	A considerable part of the learning in the course is achieved through case work. To be effective, emphasis is put on preparation (before class) and active participation (in class).										
GROUPS	Groups can comprise at most four members, but note that each report should be marked with the names of those, and only those, who collaborated towards its completion. Names cannot be added to already submitted reports.										
CASE SUBMISSION	At the announced deadlines, each group is responsible for submitting the summary through the Moodle webpage (only under Assignments). Submit the reports, one per group, under each case heading. Cases are normally graded the week after submission.										
ASSESSMENT	The performance assessment will be based on individual and group performance: <ul style="list-style-type: none">- <i>Group Performance</i> (50%), thereof<ul style="list-style-type: none">o Group case report (25%)o Group presentation (25%)- <i>Individual performance</i> (50%)<ul style="list-style-type: none">o Exam (35%)o Individual submission (15%)										
GROUP CASE REPORT	<p>The group case reports will be based on a case that will be provided during class. Furthermore, it is required to complement the findings with real life findings based on a) secondary data made available through homepages etc. and b) literature research.</p> <p>The final result is a case report which should be maximum 6-8 pages in English (single spaced (11 or 12 font size) including cover page with name, course, title, date, table of contents, bibliography. Appendices for graphs etc to not count into the page limit. The write-up should begin with an executive summary (max 100 words). Please make sure that the report is well organized with clear section headers. Please avoid repetition of facts and long expositions. Creativity in analysis and suggestions that are well-grounded will be given high credit.</p> <p>The group case report will be evaluated according to the following criteria:</p> <table><tr><td>Adequacy of executive summary</td><td>5%</td></tr><tr><td>Thoroughness of analysis</td><td>25%</td></tr><tr><td>Originality and critical thinking</td><td>25%</td></tr><tr><td>Quality of recommendations</td><td>25%</td></tr><tr><td>Quality of written presentation (organization, style, clarity, ...)</td><td>20%</td></tr></table> <p>At indicated dates, each group is responsible for submitting the solution through the course webpage (under Assignments only). Submit the reports, one per group, under the case heading.</p>	Adequacy of executive summary	5%	Thoroughness of analysis	25%	Originality and critical thinking	25%	Quality of recommendations	25%	Quality of written presentation (organization, style, clarity, ...)	20%
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Quality of written presentation (organization, style, clarity, ...)	20%										
FINAL EXAM	There is a two hour open book final exam.										
FAILED EXAM	In case you failed the course you will have the chance to pass by a three-hour written exam in the next available examination period.										

PARTICIPATION	Given the condensed format for the class and the role of case teaching, participation at all project presentations, guest lectures, and debriefings is mandatory. We will be discussing other cases and articles during the course. You should be prepared for class discussion.
ARTICLES	Under 'Readings' on the Moodle webpage. Articles are included in the exam.
COURSE TEXT	Van Weele, A.J (2014) "Purchasing and Supply Chain Management. Analysis, Strategy, Planning and Practice", Thomson. All required course texts will be provided online.
CASES	see outline below
SIMULATIONS	S1: Global sourcing simulation S2: Supply chain negotiation game
HONOR CODE	Any case of plagiarism in project work is penalized with at least zero points for the assignment. In case of groupwork, all members of the group will get zero points. In case you do not know how to cite other texts, illustrations or material, consult the instructor before the submission of the written work. Violations of the exam regulations are penalized according to the university rules, all instances are reported.
WEBSITE	Notes, slides, questions to cases and articles are available from Moodle under the course LLSMG2009 heading.



Course Modules

SUPPLY CHAIN & PROCUREMENT STRATEGY L 4h

LECTURES	Introduction to Procurement and SC as a performance driver in different industrial contexts. Examples of H&M, Toyota, Retail. Introduction of the procurement process. Course outline and case methodology. Group formation. Guest visit.
CASE	In class mini cases. If time allows and students are not aware of it: Beer Game
READING: PAPERS	Fisher, M L (1997) What is the right supply chain for your product? HBR, March, 105-116. van Weele chapters: 1 & 3

OPERATIONAL & STRATEGIC PROCUREMENT PROCESS L 4h

LECTURES	Separation of operational and strategic process. Development of procurement strategy. Supply market and internal research. Specifications. Development of category strategies. Supplier selection. Contracting. Implementation.
CASE	In class mini cases.
READING: PAPERS	van Weele chapters: 7, 9 & 10

STRATEGIC PROCUREMENT: OUTSOURCING & GLOBAL SOURCING L 4h

LECTURES	Discussion of different strategic levers: Make or Buy decision. Offshoring and Global sourcing practices.
CASE	Lego Case: An Outsourcing Journey (HBS)
SIMULATION	Global Sourcing Simulation (online)
READING: PAPERS	Van Weele book chapter 8

STRATEGIC PROCUREMENT: SUSTAINABLE PROCUREMENT & ETHICS L 3h

LECTURES	Strategic Procurement & Triple bottom line. Environmental performance and suppliers. Human rights issues in the supply chain. Internal levers for sustainability. Ethics & CSR. In class work on cases.
CASE	IKEA Global Sourcing Case (Ivey) Nestle & Hazelnuts (mini case) Blood Bananas & Chiquita (mini case)

READING: PAPERS Van Weele book chapter 17

GUEST VISIT KRONOS (1): STRATEGY & CATEGORY STRATEGY & PRACTICE CHALLENGE L 2-3h

LECTURES Kronos consultants share their experience and introduce the Kronos practice challenge.

STRATEGIC SOURCING: RISK MANAGEMENT L 3h

LECTURES Supply risk management frameworks discussed. Field study insights shared. Group case presentation in class as assessment center.

CASE GSK Case, Blome, UCL

READING: PAPERS Bode report (CAPS RESEARCH)

GUEST VISIT KRONOS (2): PRACTICE CHALLENGE & SUPPLIER RELATIONSHIP MANAGEMENT L 3h

LECTURES Students present their practice challenge results. Kronos shares insights on SRM.

READING: PAPERS Van Weele book chapters 15

PROCUREMENT NEGOTIATION L 3h

SIMULATION Negation techniques are discussed. Group simulation of multi-stage procurement negotiation with debrief and analysis of outcome, process and attitude. Insights from real-life negotiations. Auto-evaluation of the negotiation based on video recording.

CASE C4: Negotiation simulation, Blome, UCL

READING: PAPERS none

PROCUREMENT TRANSFORMATION, EXAM BRIEFING AND
END L 3h

LECTURES Procurement transformation. Organizational structure. KPIs. Procurement consulting. Exam Briefing.

CASE Mini cases in class

READING: PAPERS Van Weele book chapter 13 and 14
