

VER 2023-10-10

LCEMS2112 SUPPLY CHAIN AND SOURCING

LANGUAGE	English
SEMESTER	Q1 P1
ECTS	5 (30h)
ASSESSMENT	Case and course work (80%), individual reflection (20%), see below.
PREREQUISITES	Introductory courses in operations management.
TEAMS CHANNEL	Cours-LLSMS2112-2023-24
INSTRUCTORS	<p>Prof. Constantin BLOME, Kronos Chair in Sourcing and Procurement, UCL/LSM/CORE and University of Lancaster/Leipzig, constantin.blome@uclouvain.be</p> <p>Prof. Per AGRELL, Professor of Operations Management, UCL/LSM/CORE per.agrell@uclouvain.be</p>
ASSISTANT	HENRI DEHAYBE, UCL/LSM/OIS, henri.dehaybe@uclouvain.be
BACKGROUND	The course is motivated by the phenomenon that in order to achieve strategic performance in supply chains & procurement it is necessary to leverage the potential of supplier relationships. As the supply chain & procurement professions have drastically changed in recent years it is necessary to understand how best practices in strategic skills, processes, but also in negotiation skills might impact performance.
COURSE FOCUS	The course focuses supply chain management and sourcing. The course format is interactive, theoretical sessions, readings and demonstrations intertwined with cases, computer simulations and company visits.
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 supply chain management for the internal and external supply chain- To learn about best practices in enabling the right workforce and organization- To lead the supply chain 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 in supply chains. <p>In general, you should be able after the course to understand which critical enablers impact the performance of the supply chain & 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. In addition, case discussion and short tasks during the course will further facilitate learning. 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).

ASSESSMENT

The assessment will be based on individual and group performance:

- Group case report 1 (Case C4) (50%)
- Group case report 2 (Case C5) (50%)

GROUP REPORT

The first group work is based on the Negotiation clinic. The group report is evaluated based on:

Assessment criteria in both cases are:

Thoroughness of analysis	25%
Theoretical underpinning	25%
Quality of recommendations	25%
Quality of written presentation (outlines, style, clarity, ...)	25%

The second group work case R2 is to be submitted as a written report (PDF) and a presentation (PDF) on Moodle by the stated deadline. The format for the report is maximum five pages excluding appendix. The presentation should include one page per question, the presentation time is 5 minutes+ 5 minutes Q&A.

FAILED EXAM

In case you failed the course you will have the chance to pass by an oral exam (closed book on course content).

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.

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.

COURSE TEXT

Van Weele, A (2014) *Purchasing and Supply Chain Management*, any edition from 2014 onward.

Chopra, S. and P. Meindl (2012) *Supply Chain Management: Strategy, Planning and Operation*, Prentice Hall. ISBN 0-273-76522-1. [5th edition] (N.B. You may also use 4th edition, just check the chapter names rather than numbers.)

CASES

C1: Barilla A, HBS
C2: IKEA Global Supply Chain, Agrell, LSM, 2020
C3: Adidas Smartfactory Debacle, Agrell, LSM, 2022 (inclass).
C4: H&M Supply Chain Organization, Agrell, LSM, 2021
C5: Negotiation Clinic

SIMULATIONS	S1: Production-inventory distribution game S2: Global Sourcing Simulation
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 LCEMS2112 heading.
RIGHTS	The course material, recordings of sessions, case debriefs or other material in the course are made available for your personal use only and you may not publish or distribute them elsewhere or alter them in any other format or purpose.

Course Modules

Each of the eight modules contains a mix of lectures, case studies, papers and assignments.

1. SUPPLY CHAIN STRATEGY

L 2 h

LECTURES Strategic orientation of supply chains, orientations, levers, strategic fit, effectiveness frontier. Overview on strategic drivers & industries. Course outline and case methodology. Group formation.

READING Fisher, M L (1997) What is the right supply chain for your product? *Harvard Business Review*, March, 105-116.

Lee, H L (2002) Aligning supply chain strategies with product uncertainties. *California management review*, 44(3), 105-119.

2. STRATEGIC ORIENTATIONS: EFFICIENCY

L 3 h

LECTURES In this section we study in detail three different strategic orientations for a supply chain: (cost) efficiency, flexibility, responsiveness. The supply chains implement their chosen position using different performance drivers, achieving results in the intended direction but also with tradeoffs in other directions. We vary the sectors from service, luxury food to fast fashion.

CASE C1: *Barilla*, HBS (in class case)

GROUPWORK individual debrief on C1, group work on C1.

3. STRATEGIC ORIENTATIONS: FLEXIBILITY

L 3 h

LECTURES In this section we study in detail three different strategic orientations for a supply chain: (cost) efficiency, flexibility, responsiveness. The supply chains implement their chosen position using different performance drivers, achieving results in the intended direction but also with tradeoffs in other directions. We vary the sectors from service, luxury food to fast fashion.

CASE C2: *IKEA Global Supply Chain*, Agrell, LSM, 2020

GROUPWORK individual debrief on C2, group work on C2.

4. STRATEGIC ORIENTATIONS: RESPONSIVENESS

L 5 h

LECTURES In this section we study in detail three different strategic orientations for a supply chain: (cost) efficiency, flexibility, responsiveness. The manufacturing sector is rapidly evolving towards what is called the fourth industrial revolution (Industry 4.0), transforming the processing into a cyber-technical system with an exponentially increased flexibility. Which are the consequences and perspectives on supply chains?.

CASE C3: *Adidas Smartfactory Debacle* (in class case)

GROUPWORK individual debrief on C3, group work on C3.

5. INTERNATIONAL SUPPLY CHAIN CHALLENGES

L 5 h

LECTURES	International supply chains are facing particular challenges as markets are changing, transport prices are increasing, geopolitical uncertainty increases and ESG dimensions are prioritized. Using the example of 'fast-fashion' giant H&M, the past and current strengths and weaknesses of the approach are studied. This case is graded for the class.
CASE	C4: <i>H&M Supply Chain Organization</i> , Agrell, LSM, 2022
GROUPWORK	Group work submitted, graded for 40%

5. OPERATIONAL AND STRATEGIC PROCUREMENT

L 6 h

LECTURES	Operational procurement excellence. Process steps as procurement groundwork. Addressing major challenges. Category strategy development. Kraljic Matrix. Coursework.
GUEST SPEAKER	Kronos Group Consultant, Mini cases
READING	Van Weele, <i>A Purchasing and Supply Chain Management</i> , any edition from 2014 onwards, On Moodle: chapter 3, 7, 9, 10, 15

6. GLOBAL SOURCING

L 4 h

LECTURES	In this section we explore Global Sourcing, its challenges and potential successes. In an online simulation, we will try to bring Global Sourcing decision-making to live.
SIMULATION	S2 Global Supply Chain Management Simulation
	Stanczyk, A., Cataldo, Z., Blome, C., & Busse, C. (2017). The dark side of global sourcing: a systematic literature review and research agenda. <i>International Journal of Physical Distribution & Logistics Management</i> , 47(1), 41-67.
	Trent, R. J., & Monczka, R. M. (2003). Understanding integrated global sourcing. <i>International Journal of Physical Distribution & Logistics Management</i> , 33(7), 607-629.

7. NEGOTIATION CLINIC

L 5 h

LECTURES	Theory and practice on Negotiations for sourcing and supply chains.
REAL LIFE CASE	C4: Negotiation clinic

Lecture Plan

LEC	h	DAY	TOPIC / INSTRUCTOR	PROF	CASE
1.	$\frac{2h}{9h}$	20/09	Supply chain strategy (Hill et al.)	PA	
2.	$\frac{3h}{14h}$	20/09	A. Orientation: efficiency Barilla case	PA	C1
3.	$\frac{4h}{9h}$	4/10	Operational and Strategic Sourcing (part a) Mini cases	CB	
4.	$\frac{2h}{14h}$	4/10	Operational and Strategic Sourcing (part b) Kronos guest lecture, S2	CB	S2
5.	$\frac{3h}{9h30}$	11/10	B. Orientation: flexibility IKEA Global supply chain	PA	C2
6.	$\frac{2h}{14h}$	11/10	C. Orientation: responsiveness Adidas smart factory	PA	C3
7.	$\frac{5h}{9h}$	18/10	International supply chains H&M (guest lecture TBC)	PA	C4
8.	$\frac{2h}{14h}$	18/10	Supply chain chain dynamics Simulation	PA	S1
9.	$\frac{2h}{16h}$	tbc	Global Sourcing (part a) Simulation	CB	S1
10.	$\frac{2h}{9h}$	tbc	Global Sourcing (part b) Simulation	CB	S1
11.	$\frac{5h}{11h}$	tbc	Negotiation Clinic	CB	C5