

LSMS2036-2038

Overview on Kronos Chair Specialization in Sourcing and Procurement

WELCOME TO SPECIALIZATION

The Kronos Chair in Sourcing and Procurement is newly founded in September 2017. The foundation of the chair underlines the criticality of sourcing and procurement (S&P) expertise in today's competitive landscape. The overall aim of the chair is to foster research and education in the sourcing and procurement domain enabling the profession to continue its transformation into a value creating and strategic profession. Therefore the chair establishes a unique international think tank addressing always the latest research topics in S&P. Research is guided by theoretical rigor and praxis relevance at the same time. The chair devotes itself to bringing the education in S&P onto the Belgian education landscape combined with a strong expertise in Executive Education. From 2018 onward the chair offers a Master specialization to educate and develop leading executives with expertise in the S&P domain.

S&P is one among the jobs in a firm that has completely changed during the last years. Was purchasing understood as a more or less clerical job, the S&P professional today determines the strategic position of manufacturing and service firms the like. The job thus transformed to a function with strategic impact requiring new capabilities. The S&P professional is the person in a firm managing the interface of internal and external resources. A rather challenging work as the S&P professional has to ensure that corporate strategy, the internal clients' perspectives and the potential of the supply market are aligned. S&P as function is responsible that the firm is generating the best competitive advantage through interacting with the supply base. Competitive advantage can be generated by having more innovative suppliers and products/ components/materials, jointly exploring new product development, having access to scarce resources when others are short, exploiting cost reduction opportunities thoroughly, having more responsive and fast delivery suppliers, let sourcing & procurement professionals open up new market opportunities in new regions.

WHY SHOULD I PURSUE A SPECIALIZATION IN THIS FIELD?

S&P professionals manage in most firms the biggest spend due to an increased outsourcing ratio and further reliance on suppliers for generating innovations. The job of S&P professionals is characterized by having high responsibility from the first day in the job on. Moreover, procurement professionals heavily interact with international suppliers, thus being affluent and interest in diverse cultures is an important asset. As S&P professional you would:

- interact and negotiate with international suppliers
- analyse cost reduction opportunities with production and engineering
- ensure sustainability & quality of suppliers (e.g. supplier audits)
- provide supply market intelligence
- be involved in new product development and help to improve marketability
- coordinate global sourcing strategies
- mitigate supply chain risks.

Currently, the job market for S&P professionals in Belgium, but also in the rest of the world is very positive. Students educated in S&P are rare (e.g. UCL is the only university in Belgium offering courses in this specialization). Particularly those professionals are missing who understand S&P as a strategic profession and are thus able to create strategic opportunities. S&P professionals usually have a business or an (business) engineering background.

- The S&P job market is highly attractive as not many students in Belgium have the chance to qualify with expert skills in this domain. But also internationally S&P professionals with great skills and the right mindset are a scarce resource.
- S&P is highly attractive in case you want to pursue an international career. S&P is probably the profession where you have most access to international management as you have to deal with suppliers throughout the world.
- If you don't want to handle large sums of money and are not interested in getting high responsibility from the first day of your job, S&P might not be the right choice for you. In many other jobs like e.g. marketing you have to wait a long time until you have your own budgets you can work with, in S&P you will face responsibility from the first day on.
- In the 1970ies people believed that S&P would be a dead-end in their career, but have a look at the boards of the automotive, aerospace, manufacturing etc. most of them have an officer for S&P related topics.

Graduates of the Specialization in S&P qualify themselves for several career opportunities:

- Executives in leading multinational firms especially for large and medium-sized companies
- Special interest and strategy consulting
- Careers in S&P and related supply chain jobs
- Business analyst

The module opens up careers in almost every industry in manufacturing as well as service industries. Even though the demand in manufacturing firms is historically higher, the demand of the insurance & banking sector as well as in consulting have increased tremendously in recent years.

SPECIALIZATION PURPOSE AND OVERVIEW

The objective of the specialization is to provide you with the right skill-set to directly start in strategic S&P positions. Even though S&P professionals have to learn the markets they particularly manage on the job, the course provides you with a full tool-set, methods and approaches to generate strategic benefit right from the start in your job on. Practice examples, case studies, benchmarks, and also simulations will help you to learn the necessary skills. The course is rather a managerial course, so we will predominantly focus on application of tools and the right understanding. However, theoretical underpinning is also pivotal as it helps to better understand phenomena.

SEMESTER	Fall 2018
LANGUAGE	English
STRUCTURE	3 course design as mini specialization (15 ECTS, each course 5 ECTS)
INSTRUCTORS	Prof. Constantin BLOME, Kronos Chairholder in Sourcing and Procurement, UCL/LSM, constantin.blome@uclouvain.be

& c.blome@sussex.ac.uk

Prof. Per AGRELL, Professor of Operations Management,
per.agrell@uclouvain.be, Office UCL/LSM, Phone: +32 10 474305

DATE AND PLACE to be determined

TARGET AUDIENCE Open to INGE and MSG

The specialization can be combined with several other specializations. There is a good fit with marketing, SCM I, innovation and CSR. However, it is also possible to combine it with every other specialization without any disadvantage as no particular course is required as prerequisite.

LEARNING OBJECTIVES The course objectives are:

- To make students familiar with best practice concepts and methods in S&P as pursued by leading edge firms
- To develop student skills further necessary for a successful career in S&P (e.g. presentation skills, analytical skills)
- To provide a theoretical underpinning to further generalize findings and deepen understanding
- To provide the knowledge for reflecting, criticizing and improving concepts used in S&P
- To let students become familiar with state of the art concepts in S&P in order to apply them directly in their future job

ASSESSMENT The assessments will be done in all three courses individually by the instructors, so you will have to pass the courses individually. In case you failed a course you have a second chance to pass the course the next assessment period.

PREREQUISITES Managerial thinking and analytical skills. Particularly, it is not required to have selected SCM I in order to select this course.

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, newer version equally works.

LSMS2038 PROCUREMENT ORGANIZATION AND SCOPE

SEMESTER Fall 2018

LANGUAGE English

LECTURES 30 h (14 x 2 h) (5 ECTS)

INSTRUCTOR	<p>Prof. Constantin BLOME, Kronos Chairholder in Sourcing and Procurement, UCL/LSM, constantin.blome@uclouvain.be and c.blome@sussex.ac.uk</p> <p>Prof. Antony Paulraj, University of Nottingham in Ningbo, China, antony.paulraj@nottingham.edu.cn</p>
FOCUS	Strategic Value, organizational context and setup, operational processes of S&P and enablers of a high-impact organization
OBJECTIVES	<p>The course objectives are:</p> <ul style="list-style-type: none"> - To make you familiar with strategic and operational best practice processes in sourcing & procurement - To become proficient in the operational procurement process and understand which levers enable a high performance - To provide you with an understanding of the scope of S&P - To learn advanced negotiation skills - To learn how to set up a high impact S&P organization and enable high employee performance - To experience the best practice examples of how to enable a strategic S&P unit as well as to learn the basic requirements (e.g. law) <p>In general, you should be able after the course to have the right mindset for delivering value add with procurement, know how to set-up efficient and effective operation procurement processes and how to enable the S&P function to provide strategic value.</p>
BACKGROUND	Each procurement organization has to be positioned at the right place in the organization in order to provide value add. Oftentimes mindset, organizational structure, responsibilities, processes and enablers are not too well aligned. Understanding the scope of procurement, developing the right mindset and being able to match structure, process, people and tools is pivotal in this regard. By following procurement processes in practice and an elaborated semester project we will learn how to develop a high impact S&P organization. These skills are particularly necessary in order to qualify as executive shaping organizations and supervising teams.
TEACHING METHODS	The course will be based on real life procurement processes as framework to enable the strategic understanding. Mini cases, company visits, a negotiation clinic and an own research project as semester report will challenge you.
ASSESSMENT	<p>The performance assessment will be based on individual and group performance:</p> <ul style="list-style-type: none"> - Group Performance (group research project) (70%): - Individual Performance (final exam) (30%):
GROUP RESEARCH PROJECT	The group research project is a challenging own research project taking a considerable amount of time for data gathering, analysis, write-up and

presentation. This group work will predominantly determine your final grade in this course and it is thus requested to start very early in it.

Introduction: Different companies work differently with S&P – and as you will recognize from literature and lectures this could have many reasons, e.g. type of industry, the importance of purchasing, type of products, history etc

To create an opportunity for You to meet a purchaser in practice and to have an initiated and structured discussion with him/her about how they work, and afterwards reflect on this with the course's literature and lectures as framework, You will get this assignment: "To describe and analyze a company's purchasing function".

Assignment and Examination: You shall, in teams of 5 students, make an interview with a S&P manager, and based on this write a report where you describe how the company works today, and plan to work in the future, related to a number of areas that the course and the literature covers. You should also analyze and reflect about similarities and differences between the company's way of working and the course literature. The report should be professional written - when approved, it will be sent back to the company representative.

The areas that you should address are:

- Purchasing strategy
- Purchasing organization
- Purchasing process
- Supplier Relationship Management & Alliances
- Purchasing performance measurement
- Environmental aspects in purchasing work
- Position the company (with motivation) in van Weele's development model

The report should be e-mailed uploaded to the course page to be determined in the course. The size of the report will probably be between 10-20 pages. The main body of text (from introduction to conclusion but excluding preface, table of content, reference list, appendix) should not be more than 7500 words.

The final report will afterwards be send (by the course responsible) to the company representative. This implies that the report should be professional what regards style, language as well as description, analysis and conclusions.

Finally, you should present your study orally (time to be determined in the course). The report should be uploaded to the course page.

Evaluation: The report will be graded between 0 – 20 points. Below 10 points means failed: then the report must be considerably complemented and the final points of the assignment can never reach more than 10 points.

The report will be evaluated based on:

- how well the given areas are discussed and described.
- how well you have based your description and discussion on the literature and lectures (by using models, frameworks, classifications etc)
- how well you compare and discuss theory and practice
- how well motivated conclusions are (based on company description and theoretical framework)
- how well You have prepared for the interview by developing an interview guide based on literature and lectures (the interview guide should be an appendix to the report)
- and finally, formalia, layout and language.

Contacts with the companies: It is important to be well prepared when interviewing company people. They have devoted time to you, and their time is limited. Hence a “semi-structured” interview guide will be of great help to keep the interview focused and professional.

At the beginning of the course we will present a list of S&P staff who are available for such an interview.

When you your company representative is decided, you have to contact him/her yourself to set up a meeting. Your purchasing manager has been asked to participate in 1-2 interviews with max. 2 hours. The contact persons are prepared to take a meeting in this period; you will have had enough time to prepare your investigation and an interview guide, and you will have enough time afterwards to write your report

GROUPS

Groups can comprise at most five 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. Groups should exist of a mixture of international and resident students. The ratio of international and resident students will be announced in the course. On top of that you can choose your group members.

FINAL EXAM

The final exam is a written examination based on course literature and lectures. It is allowed to bring your notes and books etc, however it is not allowed to access internet etc. during the examination.

The date of the final exam will be announced in class.

FAILED EXAM

In case you failed the course in the first assessment block you will have the chance to pass by an 3 hours written exam in the second assessment block (closed book on course content).

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.

HONOR CODE

Any case of plagiarism is penalized with at least zero points for the assignment. In case of group work, all members of the group will get zero points. In case you don't know how to cite other text, illustrations or material, consult the instructor before the submission of the written work.

COURSE TEXT

All relevant literature will be provided online through the course website.

WEBSITE

Notes, slides, questions to cases and articles are available from the course website under the course LSMS2038 heading.

Lecture Plan

Slot	Content	Date	Hours
LLSMS2038 Procurement Organisation and Scope (Blome/Paulraj)			
A. Introduction			
1	Introduction to Procurement: Strategic Importance, Scope and Organizational Context	13.11.18, 08:30-12:45	4
2	Procurement settings across different industry settings	13.11.18, 14:00-16:00	2
B. The Procurement Process			
B.1 Operational Procurement			
3	Managing internal stakeholders & Specifications & Contracting	15.11.18, 08:30-12:45	4
4	Supplier Selection	15.11.18, 14:00-16:00	2
B.2 Strategic Procurement			
5	Strategic Procurement Process	16.11.18, 08:30-12:45	4
6	Supplier Relationship Management	16.11.18, 14:00-16:00	2
C. Enablers			
7	IT Tools & High-Impact Organization	20.11.18, 08:30-12:45; 22.11.18,	6
C. Corporate Assessment Reports			
8	Presentation & Performance Metrics	14.12.18, 08:30-12:45 & 14:00-16:00	6

LSMS2037 SOURCING STRATEGY

SEMESTER	Fall 2018
LANGUAGE	English
LECTURES	30 h (14 x 2 h) (5 ECTS)
INSTRUCTOR	<p>Prof. Constantin BLOME, Kronos Chairholder in Sourcing and Procurement, UCL/LSM, University of Sussex, UK constantin.blome@uclouvain.be and c.blome@sussex.ac.uk</p> <p>Prof. Michael Henke, TU Dortmund, Fraunhofer IML Dortmund, Germany, henke@ifo.tu-dortmund.de</p>
FOCUS	Developing and implementing sourcing strategies
COURSE OBJECTIVE	<p>The course objectives are:</p> <ul style="list-style-type: none"> - To implement and apply professional category strategies - To become familiar with the arsenal of potential sourcing strategies - To experience best practices in sourcing strategies and learn their hurdles and success factors - To learn how to provide a thorough supply analysis to derive superior sourcing strategies - To make students familiar with best practice concepts and methods in supplier relationship management and supply chain governance as pursued by leading edge firms - To enable students to best use the innovation potential of the supply base - To become familiar with best practice concepts in managing supply chain risks <p>In general, you should be able after the course to understand different types of sourcing strategies and understand the impact of these strategies on performance and competitive advantage. Special attention will be given to spend analysis, alignment with corporate strategies, outsourcing and global sourcing.</p>
BACKGROUND	This course focuses on how firms can obtain competitive advantage through a careful management of the input side via sourcing strategies. The issue of

competitive advantage is key for purchasing and supply chain management, but also draws significantly from industrial marketing, strategic management and international business. In the course, we will discuss the history of sourcing strategies to understand why companies currently behave as they do. The course elaborates on the importance of sourcing strategy as a tool to achieve better performance. Current developments in the world (globalization trend, new developing economies, reduction of trade barriers, etc.) imply that companies are/should be more aware of opportunities, threats and changes (new possible suppliers and/or business partners, foreign competition, substitute goods, changes in company structures, etc.) and the impact of these elements on sourcing. Prospects for the next decade suggest a spectacular increase in gains through changes in sourcing strategies. An efficient implementation of those strategies requires first of all an alignment with the organizational structure. In this respect, coordination, risk mitigation and strategic partnerships are indispensable to achieve full alignment and integration with the general strategy and organization structure of a company as well as with the strategy and structure of other members in the supply chain.

TEACHING METHODS	The course consists of lectures that are related to the van Weele book as well as additional articles. Furthermore, the course involves a number of case discussions and assignments are used. Mini cases, discussion papers and active class participations will challenge you.
ASSESSMENT	<p>The performance assessment will be based on individual and group performance:</p> <ul style="list-style-type: none"> - Group Performance (60%) <ul style="list-style-type: none"> - Case presentation (60%) - Individual Performance (40%): <ul style="list-style-type: none"> - Final exam (40%)
CASE PRESENTATION	The group case presentation will be done on a case we will work provided Kronos Group. Details on Case and Assessment will be shared in class.
FINAL EXAM	<p>The final exam is a written examination based on course literature and lectures. It is allowed to bring 2 pages of notes to the exam, however it is not allowed to access internet, books etc. during the examination.</p> <p>The date of the final exam will be announced in class.</p>
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.
HONOR CODE	Any case of plagiarism 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 don't know how to cite other text, illustrations or material, consult the instructor before the submission of the written work.

COURSE TEXT	All relevant literature will be provided online through the iCampus website.
PARTICIPATION	Given the condensed format for the class, participation at all courses, presentations, debriefings and games is mandatory.
WEBSITE	Notes, slides, questions to cases and articles are available from Moodle under the course LSMS2037 heading.

Lecture Plan

LLSMS2037 Sourcing Strategy (Blome/Henke)			
A. Category Strategies			
1	Category Strategy Development	22.11.18, 10:30-12:45 & 23.11.,	4
B. Sourcing Strategies			
2	Outsourcing, Offshoring & Global Sourcing	23.11.18, 10:30-12:45 & 14:00-16:00	4
3	Supply Chain Risk Management	29.11.18, 08:30-12:45	4
4	Sustainable Procurement & Procurement Ethics	30.11.18, 08:30-12:45	4
5	Procurement 4.0 & Internet of Things	04.12.18, 08:30-12:45 & 14:00-16:00	6
6	Supply Chain Finance	07.12.18, 08:30-12:45 & 14:00-16:00	6
C. Assessment			
7	Category Strategy Development Presentation	13.12.18, 14:00-16:00	2

LSMS2036

SUPPLY CHAIN AND PROCUREMENT

SEMESTER	Fall 2018
LANGUAGE	English
LECTURES	30 h (14 x 2 h) (5 ECTS)
INSTRUCTORS	Prof. Constantin BLOME, Kronos Chairholder in Sourcing and Procurement, UCL/LSM, constantin.blome@uclouvain.be and c.blome@sussex.ac.uk Prof. Per AGRELL, Professor of Operations Management, per.agrell@uclouvain.be , Office UCL/LSM, Phone: +32 10 474305

FOCUS

Procurement's role in the supply chain and the strategic dimension in the collaboration and development of supplier relations in order to provide competitive advantage

LEARNING OBJECTIVES

The course objectives are:

- To develop the mindset and skills to understand and facilitate the strategic role of S&P in the internal and external supply chain
- To make students familiar with best practice concepts and methods in supplier relationship management and supply chain governance as pursued by leading edge firms
- To enable students to best use the innovation potential of the supply base
- To become familiar with best practice concepts in managing supply chain risks

In general, you should be able after the course to apply best practices in managing supplier relationships. This means also that you are able to choose the right governance mechanisms depending on the situation and potential strategic impact and develop the relationship accordingly. Furthermore, you develop a feeling for the crucial impact factors in governing these relationships including awareness for IP, culture etc. Furthermore, you will see how unexpected incidents will affect these relationships and your situation as well as how you can manage these.

BACKGROUND

The course is motivated by the phenomenon that suppliers have been traditionally perceived as non-strategic source, but nowadays supplier relationship management gained importance as suppliers play more and more a critical role in value creation. Not only by providing cost advantage, but also by providing superior innovation capabilities. This requires a new set of capabilities of the sourcing & procurement professional as he has not only to choose the right governance mechanism, but also has to learn how to interact as a strategic partner. Only if the right supplier is selected and the buyer-supplier relationship is adequately handled it is possible to benefit strategically from the supply base. With this respect we also focus if partnerships really do exist in practice and if it is beneficial for firms to exploit suppliers as much as possible. Extant theories like resource-dependence theory, social exchange theory as well as transaction cost economics will further substantiate our analyses and provide guidance for future business decisions.

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. Also the group and individual assignments are an important pillar for the overall learning success.

ASSESSMENT

The performance assessment will be based on individual and group performance:

- Group Performance (50%):
- Group case report (50%)

- Individual Performance (50%):
 - Individual submission (15%)
 - Final exam (35%)

GROUP CASE REPORT The group case report 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) primary data through interviews, b) secondary data made available through homepages etc. and c) literature research.

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.

The group case report will be evaluated according to the following criteria:

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%

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 each case heading.

INDIVIDUAL SUBMISSION

The individual submission is based on the negotiation exercise. Each person is asked to reflect on its behavior in the negotiation by analyzing his or her video tape. The maximum length of the paper is three pages. The questions to address are:

- 1) Please evaluate the result of the negotiation and the way how it came up? How has the behavior of your group and particularly your own behavior affected the outcome? (1 page)
- 2) Please reflect what has been done well in terms of negotiation theory and what could have been done better? Please make recommendations. (1 page)
- 3) Please try to describe which type of negotiator you are and which types of negotiation strategies are easy or more difficult for you to handle. (1 page)

This individual submission will be evaluated according to the following criteria:

Thoroughness of reflection on own and group behavior	50%
Quality of description	30%
Quality of written presentation (organization, style, clarity, ...)	20%

FINAL EXAM

The final exam is a written examination based on course literature and lectures. It is allowed to bring your notes and books etc., however it is not allowed to access internet etc. during the examination.

The date of the final exam will be announced in class.

FAILED EXAM

Students that have failed or missed the group case presentation can hand in an 8-10 pages written assignment solving the case up to two weeks after the case presentation. Students that failed or missed the group case report have the chance to take a written final exam on the course text at the end of the semester (two hours, closed book on course content).

In case you failed the course in the first examination block you will have the chance to pass by an 3 hours written exam in the second examination block (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. Groups should exist of a mixture of international and resident students. The ratio of international and resident students will be announced in the course. On top of that you can choose your group members.

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.

HONOR CODE

Any case of plagiarism is penalized with at least zero points for the assignment. In case of group work, all members of the group will get zero points. In case you don't know how to cite other text, illustrations or material, consult the instructor before the submission of the written work.

COURSE TEXT

All relevant literature will be provided online through the course web page.

WEBSITE

Notes, slides, questions to cases and articles are available from the course web page under the course LSMS2036 heading.

Lecture Plan

LLSMS2036 Supply Chain & Procurement (Blome/Agrell)			
A. Procurement and...			
1	...external supply chain (Efficiency & Responsiveness)	20.11.18, 14:00-16:00, 22.11.18,	4
2	...internal supply chain (S&OP, QM, OEx)	27.11.18, 08:30-12:45	4
B. Supply Chain Strategies			
3	Supply Network Planning	27.11.18, 14:00-16:00, 29.11.18,	4
4	Supplier Network Innovation	30.11.18, 14:00-16:00	2
5	TCO & Strategic Cost Management & E-Auctions	06.12.18, 08:30-12:45	4
6	Supplier & Retailer Game	06.12.18, 14:00-16:00	2
7	Supply Chain Coordination & Game	11.12.18, 08:30-12:45	4
C. Negotiation Clinic			
8	Negotiation Clinic	11.12.18, 14:00-16:00, 13.12.18,	6