

Semester	IV	Specialization	Supply Chain Management
Course Code	407SCM	Type	Subject - Elective
Course Title	Purchasing & Supplier Relationship Management - II		

Course Objectives:	
1	To provide an in-depth understanding of the fundamentals surrounding purchasing in different contexts.
2	To make the students aware of the different demands placed on the purchasing and supply chain managers by business stakeholders.
3	To help the students understand the impact of purchasing on competitive success and profitability of modern day organizations.

**Syllabus:**

Unit Number	Contents	Number of Sessions
1	<b>Purchasing for Institutions &amp; Government Organizations:</b> Similarities and dissimilarities with industrial purchasing. Purchasing procedure, roles of purchasing. Products & services purchased, functions performed, Purchase Cycle, Establishing sources of supply, Contracts Administration, Internal & External Environmental factors	5 + 1
2	<b>Purchasing of Services:</b> Hidden Opportunities, Planning the statement of work, Writing the statement of work, Selecting service contractors, Compensating Service suppliers, Professional services, Technical services, Operating services, Contract administration, Develop a sound Procedure for Evaluation	5+ 1
3	<b>Purchasing of Capital Equipment:</b> Differences in the procurement of capital equipment - Nonrecurring purchases, Nature and size of Expenditure. Considerations in Source Selection –Operating Characteristics of equipment, Engineering features of equipment, Total economic analysis, Various qualitative considerations, Life cycle cost analysis, Role of Purchasing, Used / Second hand equipment Purchasing, Leased equipment– factors favouring leasing	5 + 1
4	<b>Worldwide Sourcing - Creating a world class supply base:</b> An overview of Worldwide Sourcing, Why source worldwide? Barriers to worldwide sourcing, Information about Worldwide sources, Supplier selection issues, Cultural understanding, Language and communication differences, Legal issues, Logistical issues, Organizational issues, Costs associated with Worldwide Sourcing, Managing international currency risk, Hedging – Spot & Forward Contracts, Progressing from International Purchasing to Global Sourcing, Differentiating factors between successful and less successful Global Sourcing Efforts, Benefits of global sourcing, Future Global Sourcing Trends	5 + 1
5	<b>Performance Measurement &amp; Evaluation:</b> Why Measure Performance, Problems with Purchasing Measurement and Evaluation, Purchasing	5 + 1

	Measurement Categories – Price Performance Measures, Cost-Effectiveness Measures, Quality, Time related Measures, Technology Innovation Measures, Physical Environment and Safety, Asset Management and Integrated SC Measures, Administration and Efficiency Measures, Developing a Performance Measurement and Evaluation System - Determining which Performance Categories to Measure, Developing Specific Performance Measures, Establish Performance Objectives for each Measure, Finalize system Details, Implement and Review	
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Learning Resources:		
1	Text Books	Purchasing & Supply Chain Management by Monczka, Trent, Handfield, Cengage South Western, 3 <sup>rd</sup> Edition.  Purchasing & Supply Chain Management by Lysons and Farrington, Pearson Education, 2010.
2	Reference Books	Purchasing & Supply Chain Management by Dobler, Burt, TMGH, 6 <sup>th</sup> Edition.
3	Supplementary Reading Material	Organizational Buying Behaviour by Webster and Wind, Prentice Hall, 1972
4	Websites	<a href="http://www.cips.org">www.cips.org</a>  <a href="http://www.eipm.org">www.eipm.org</a>
5	Journals	e Global Sourcing and Logistics Exercise: A Group Exercise to Demonstrate Basic Global Supply Chain Principles by Ashenbaum, Bryan., Decision Sciences Journal of Innovative Education, Sep2008, Vol. 6 Issue 2  Strategic Alliance-Based Global Sourcing Strategy for Competitive Advantage: A Conceptual Framework and Research Propositions by Murray, Janet Y., Journal of International Marketing, 2001, Vol. 9 Issue 4  Global sourcing in the auto industry by Bergmann, Markus; Mangaleswaran, Ramesh; Mercer, Glenn A., McKinsey Quarterly, 2004 Special Edition  Pursuing competitive advantage through integrated global sourcing by Trent, Robert J.; Monczka, Robert M., Academy of Management Executive, May2002, Vol. 16 Issue 2