COURSE OUTLINE

This course focuses on the management of services and/or products sourced from outside of the firm, with an international focus. Unlike Global Sourcing I, this course focuses more on tactical issues. It is organized in a logical order: understanding spend, finding possible suppliers/vendors, evaluating and selecting the appropriate supplier(s), contracting with them, and managing them (including specifically for quality). We then touch upon cost modeling which informs many of these steps. Of course, the approach to all of these decisions will depend upon the strategy of the firm and the business unit, as well as the sourcing strategy for the specific spend.

At the end of the course, the student should be able to:

- understand terminology used in the discipline, such as RFI, e-sourcing, reverse auctions, etc.,
- understand approaches and trade-offs in different approaches for all aspects of the sourcing/procurement process,
- understand various aspects of contracting in a buyer-supplier setting
- develop approaches to on-going management of suppliers and vendors.

We will learn by analyzing case situations of real companies facing strategic issues in sourcing. We will supplement case analysis with readings, class discussion and group presentations. In addition, we will have guest speakers.

To obtain the full benefit of the case approach, it is necessary that everyone come to class well prepared. “Well-prepared” means that you have thoroughly read the case and other assigned materials, have thoughtfully considered the issues raised by the case and the assignment questions, and have done whatever quantitative analysis is appropriate. And, based on that analysis, you are prepared to propose a course of action. By participating actively in the discussions, you will sharpen your own insights, and those of your classmates.

REQUIRED COURSE MATERIALS

A course packet is required for the course. The packet can be purchased on the Carmen site at the Xanedu link. The course packet includes many of the material required for the course. Some required readings are also posted to Carmen.
Class Attendance

Occasionally, students have legitimate conflicts which prevent them from completely preparing a given case, or from attending class. If you are unable to fully prepare for class, please attend anyway and participate as best you can. But, please inform me of your situation before class, so that I will not ask you questions that you are not well enough prepared to discuss. If you must miss class, please turn in a short write-up that addresses the material for that day's class. In general, missing more than two classes is not acceptable.

Project Groups

A group project and presentation must be completed during the semester (i.e., across both courses). Students who took MGT 7233 should already have begun their projects. Students only taking this class, or taking it concurrently with the working professional MGT 7233 will likely need to do a “research” project as it will be difficult to develop a company project in only 7 weeks.

Global sourcing is a broad topic, so many topics are acceptable. I will enlist some companies that have offered to support group projects and propose some “research” ideas that interest me.

The groups will need to produce deliverables for their group projects during the semester (see syllabus below for timing and “Grading” below for % value of each submission).
(1) One-page summary of project, plus a timeline (for new projects)
(2) Final project presentation & written submission

Group Cases

Each group must turn either 4 cases marked with a *, or two cases marked with a * and the Whirlpool case marked with**. The Whirlpool case will be 10% of the grade; all other cases will be worth 5% of the grade. Thus, cases are a total of 20% of the grade in this class. Each group should indicate their preferences in rank order by the second class. I will post case assignments to Carmen shortly thereafter. Note that you will be expected to participate in class whether you are writing up the case or not—it is expected that you are prepared to discuss all cases assigned to the class.

Books / Professional Memberships

The course packet is all that is required for the course; there is no text book. However, if you plan to be a procurement/purchasing/sourcing manager, there are several books that may be worth purchasing. They can also serve as references for the material in this course, and so it may be in your interest to purchase them now. A listing of books will be provided on Carmen by the first week of class. Further, if you are interested in pursuing a career in these areas, there are many excellent professional societies, many of which are free for students. Information on these will also be posted to Carmen.

*I strongly recommend that you join ISM (www.ism.ws). It is free for students (and professors!). You get a free magazine subscription and a weekly e-mail with tons of articles related to topics we cover.*
Class Contribution

You are expected to participate in the class discussion of cases and articles. Discussion questions will be posted to Carmen at least a few days before each class. Your class contribution grade will be based on:

(a) evidence of careful preparation of case and readings
(b) clarity and conciseness of your recommendations
(c) convincing quantitative and qualitative analysis to support your recommendations
(d) engaging in discussions on Carmen related to course material

You may check with me periodically to find out about your contribution grade.

Exam

You will have one exam. The exam will cover outsourcing/“make-buy”, as well as the global sourcing topics covered up to that point. Everything covered in class and required readings is fair game for the exam. Details of the format of the exam will be discussed as the exam approaches.

Grading

Your grade will be based roughly on the following scheme:

- Project presentation & write-up (final) 30%
- Group case write-ups 20%
- Class contribution 25%
- Exam 25%

Note: I reserve the right to require some form of within-group evaluation of team members to be completed at the end of the quarter. If this is done, individuals within the same group may receive different grades on group work.

Academic Misconduct: Material submitted for course grade credit must be your own work. Please be informed that both you and I must follow Faculty Rule 3335-5-54, which requires that “all instances of what he or she believes may be academic misconduct” be reported to the University Academic Misconduct Committee. Academic misconduct is a serious threat to the integrity and value of your diploma.

Disability Accommodation: If you need an accommodation based on the impact of a disability, arrange an appointment with me as soon as possible. I rely on the Office for Disability Services for assistance in verifying need and developing accommodation strategies. You should start the verification process as soon as possible.

SCHEDULE

<table>
<thead>
<tr>
<th></th>
<th>October 14</th>
<th>GLOBAL SOURCING PROCUREMENT PROCESS/OVERVIEW</th>
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<tbody>
<tr>
<td></td>
<td>Readings</td>
<td>“Global Sourcing Process” posted to Carmen</td>
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<tr>
<td>2</td>
<td>October 16</td>
<td>eProcurement</td>
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<tr>
<td></td>
<td>Guest Speakers</td>
<td>Ariba (not confirmed)</td>
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<tr>
<td></td>
<td>Group Assignment</td>
<td>If not already working on a project, provide outline of project, a description of deliverables, and a milestone schedule</td>
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### DRAFT April 2013: subject to substantial changes

<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Reading(s)</th>
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<tbody>
<tr>
<td>October 21</td>
<td>SPEND ANALYSIS &amp; IDENTIFYING SUPPLIERS/VENDORS</td>
<td>Eagle Case</td>
</tr>
<tr>
<td></td>
<td><strong>Case</strong></td>
<td>Still, A.; Rhone, S.; Rosenbaum, D. Driving Spend Management Through Advanced Analytics, <em>Supply Chain Management Review</em>, Nov. 2011</td>
</tr>
<tr>
<td>October 23</td>
<td>IDENTIFYING POSSIBLE SOURCES AND LOCATIONS</td>
<td>TBD to discuss the finding of locations</td>
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<tr>
<td></td>
<td><strong>Guest Speakers</strong></td>
<td>Exel Logistics to Discuss how to understand Customs, Duties, and Tariffs</td>
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<td>October 28</td>
<td>SUPPLIER/VENDOR SELECTION</td>
<td>Supplier Selection (Damien Beil, July 2009), Sections 1-5</td>
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<tr>
<td></td>
<td><strong>Case</strong></td>
<td>Pacific Systems Corporation Case</td>
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<td>November 5</td>
<td>ON-GOING MANAGEMENT OF SUPPLIERS AND VENDORS</td>
<td>Metalcraft Supplier Scorecard. HBS Case #9-102-047</td>
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<td>November 7</td>
<td>MANAGING QUALITY AT GLOBAL SUPPLIERS</td>
<td>Posted to Carmen</td>
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<td>November 14</td>
<td>COST MODELING: Case</td>
<td>Whirlpool Corporation Global Procurement. UVA-OM-1071</td>
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<td>November 19</td>
<td>Review and Topic TBD</td>
<td>TBD</td>
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<tr>
<td>November 21</td>
<td>EXAM</td>
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<tr>
<td></td>
<td><strong>Case</strong></td>
<td>Feed R&amp;D—or Farm it Out? HBR Reprint R0507X.</td>
</tr>
<tr>
<td>December 3</td>
<td>Final Group Presentations</td>
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