

DSC5211A SUPPLY CHAIN COORDINATION AND RISK MANAGEMENT

AY2016/2017 Semester 2

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COURSE DESCRIPTION

Supply chains have become far-flung and global as companies expand their operations to new markets and new supply sources. Concurrently, a number of macro-trends are emerging and evolving which cause changes to traditional supply chains structures and assumptions. These include: rising costs in the usual outsourcing manufacturing sites, entering into emerging markets, changing country regulations and regional trade agreements, impact of technologies on new business models and process changes, cross-border M&A, and emerging marketing companies expanding regionally, etc.

Companies will have to continuously evaluate their strategies and adapt their supply chains to deal with these changes. They will need to improve their flexibility, coordination, and responsiveness to deal with the risks and opportunities.

LEARNING OUTCOMES

The course will cover functional areas of the supply chain and integration of these concepts into a holistic framework. It will examine how global supply chain configurations are changing and adapting, and how companies should prepare for the impact of macroeconomic trends and new technologies to their business models, distribution, and supply chains. Through case studies, simulation game, and project work, students will gain a better understanding of corporate strategies, and how to align their supply chains and manage risks.

TOPICS

- 1) Key supply chain concepts and strategies
- 2) Global supply chain configuration and re-alignment
- 3) Planning for supply chain risk and disruption
- 4) Impact of e-commerce and technology on business models and supply chains
- 5) Simulation game
- 6) Managing global supply chains:
 - a. The impact of macroeconomic trends and country regulations
 - b. Supply chains in emerging markets
- 7) Group project

READINGS

Textbook: Supply Chain Management: A Concise Guide, 2nd Edition, by Puay-Guan Goh, Pearson 2015

Article readings: Refer to Course Schedule

PREREQUISITE

Nil

PRECLUSION

BMS5202: Global Supply Chain Management

ASSESSMENTS

Components	Weight
Individual Assignment	15%
Midterm Test	25%
Class Participation	10%
Group Simulation Game	20%
Group Project	30%
Total	100%

COURSE SCHEDULE

Instructional Week	Content	Cases / Examples	Reading (s)	Deadlines
1 13 Jan	Course Introduction		Goh Chapter 1 “Shining examples: How three large and successful companies are using their supply chains to compete” “The Democratization of Fashion’: William Fung and Vera Wang on the Implications of Going Global” “Stuff keeps getting cheaper”	

			<p>“McDonald’s and the Challenges of a Modern Supply Chain”</p> <p>“Starbucks’ Howard Schultz: Finally, A CEO Who Gets the Importance of the Supply Chain”</p>	
<p>2</p> <p>20 Jan</p>	<p>Managing procurement and procurement risks</p> <p>Sourcing segmentation – the Kraljic Metric</p> <p>Procurement contracts</p> <p>Retail and e-commerce procurement</p>	<p>Case: Walmart – procurement for competitive advantage</p> <p>Case: Retail localization at IKEA</p> <p>Case: Global Sources – combining online and offline sourcing</p> <p>Case: Blockbuster Video – risk sharing contracts</p>	<p>Goh Chapter 2</p> <p>“Now Showing at Blockbuster: How Revenue-sharing Contracts Improve Supply Chain Performance”</p> <p>“Apple Squeezes Parts Suppliers to Protect Margins”</p> <p>“This Wal-Mart tactic should send shivers across retail”</p> <p>“The Infinite Shelf: How E-Commerce is Shaking Up Consumer Staples”</p> <p>“Lower Retail Prices Threaten Profits of Middleman Li & Fung”</p>	
<p>3</p> <p>27 Jan</p> <p>(Note: As this is Eve of CNY, we will not have class on 27 Jan and will arrange a make up class)</p>	<p>Manufacturing strategies and product design</p> <p>Manufacturing flexibility – analyzing trade-offs</p> <p>Changing product design paradigms</p>	<p>Case: Matex International – manufacturing planning and innovation</p> <p>Case: Haier – targeting niche markets</p>	<p>Goh Chapter 3</p> <p>“How can a newcomer disrupt the course of an entire industry?”</p> <p>“GE Healthcare innovates in India for bottom of the pyramid”</p>	<p>Submission of teams for projects and simulation game</p>

	Producing for new / emerging markets	Case: Proctor and Gamble - -the detergent wars	"Appliances for Everyone" " IKEA Can't Stop Obsessing About Its Packaging"	
4 3 Feb	Managing distribution and inventory Inventory risk management Is inventory always bad?	Case: HP – trading off between inventory and distribution costs Case: Zara's fast fashion strategy Case: Book launch of Harry Potter and the Deathly Hallows	Goh Chapter 4 and Chapter 5 "How to send flowers in 2016" "The Downside of Just-in-Time Inventory"	Finalization of teams for projects and simulation game Assignment 1 due
5 10 Feb	Global supply chain re-alignment Global supply chain canvas The new manufacturing hubs Entering new markets Explanation of simulation game	Case: Pacific Agriscience – Factory to Farm (A) Case: Italcementi – entering and growing in Asian markets for a commodity product	Goh Chapter 6 and Chapter 11 "Fighting for the next billion shoppers" "Huawei Begins Making Phones in India to Tap Local Market Boom" "China's Strategy in U.S. Car Market: Make Parts First"	Class voting on simulation game scenario
6 17 Feb	Planning for supply chain risk and disruption Risk Management framework Strategic and operational contingency planning Simulation Game Round 1	Case: Nokia and Ericsson in 2000 Case: Supply chain tracking at Charoen Popkhand Foods	Goh Chapter 7 "From Superstorms to Factory Fires: Managing Unpredictable Supply-Chain Disruptions" "Why Nissan's Disaster Recovery Bested Rivals" "Ford Curbs Black, Red Paint Use Amid	Simulation Round 1

			Japan Quake Shortage”	
Recess week 24 Feb	No class (note this week may be used as make-up week)			Assignment 2 due
7 3 Mar	Managing the global supply chain Outsourcing vs inhouse decisions Offshoring vs local productions decisions Structuring global organizations Centralization versus decentralization	Case: Dell versus Lenovo -- virtual and vertical integration Case: Pacific Agriscience – Factory to Farm (B) Case: Bossard – integrating supply and demand chains (A)	Goh Chapter 8 and 12 “The 10 hidden costs of outsourcing” ” Why Amazon Can't Make A Kindle In the USA” “Jaguar Land Rover to contract out production of future cars” “Robot revolution helps Adidas bring shoemaking back to Germany”	Simulation Round 2
8 10 Mar	Midterm Simulation Round 3			
9 17 Mar	Future-scaping supply chains: The Impact of macroeconomic forces Impact of macroeconomic developments Impact of country and trade regulations New distribution modes Industry Guest Speaker (TBC)	Case: London Metal Exchange in North Asia Case: Shortening the Indian supply chain at Panduit	“How Hard is the Yuan Devaluation Hitting the New Apple iPhone? “ “China and Europe: Reconnecting Across a New Silk Road”	Simulation Round 4 and 5 Project outline submission

<p>10 24 Mar</p>	<p>Future-scaping supply chains: The Impact of new sales and distribution channels</p> <p>New distribution capabilities and innovations emerge</p> <p>Integrating information and physical flows</p> <p>Review of Simulation Game</p> <p>Prize presentation</p>	<p>Case: Online and offline fulfillment at Netflix.com</p> <p>Case: Building up order fulfillment infrastructure at Amazon, Cainiao (China), and Flipkart (India)</p>	<p>Goh Chapter 10</p> <p>“E-Commerce and New Delivery Paradigms Shape Future of Global Logistics”</p> <p>“Amazon unveils its first branded cargo plane to speed up deliveries”</p> <p>“Amazon to build three more bookstores”</p>	<p>Submission of simulation game report</p>
<p>11 31 Mar</p>	<p>Future-scaping supply chains: Impact of technologies on business models and supply chains</p>	<p>Case: Bossard – integrating supply and demand chains (B)</p>	<p>Goh Chapter 9</p> <p>“3-D Printing Will Change the World”</p> <p>“FDA Approves First 3-D Printed Drug”</p> <p>“Unlocking the potential of the Internet of Things”</p> <p>“The rise of the sharing economy”</p> <p>“Trucking Startup Convoy Inks Its Biggest Deal With Unilever”</p>	
<p>12 7 Apr</p>	<p>Group Project Presentations</p>			<p>All presentations and reports due before class starts</p>
<p>13 14 Apr</p>	<p>Group project presentations</p> <p>Course wrap up: Supply chains of the future</p>			

Article Readings:

“Shining examples: How three large and successful companies are using their supply chains to compete”, Economist, Jun 15th 2006, accessed at <http://www.economist.com/node/7032179>

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“Starbucks’ Howard Schultz: Finally, A CEO Who Gets the Importance of the Supply Chain”, Berman, Jeff, SupplyChain 247, Oct 03, 2015, accessed at <http://www.supplychain247.com/article/starbucks-howard-schultz-a-ceo-who-gets-supply-chain/news>

“The Democratization of Fashion’: William Fung and Vera Wang on the Implications of Going Global”, Apr 13, 2011, Knowledge@Wharton, accessed on <http://knowledge.wharton.upenn.edu/article.cfm?articleid=2752>

“Stuff keeps getting cheaper”, Fox, Justin, Bloomberg, Feb 26, 2016, accessed at <https://www.bloomberg.com/view/articles/2016-02-26/stuff-keeps-getting-cheaper>

“Now Showing at Blockbuster: How Revenue-sharing Contracts Improve Supply Chain Performance”, Knowledge @ Wharton, Oct 16, 2000, accessed in Oct 2013 at <http://knowledge.wharton.upenn.edu/article/now-showing-at-blockbuster-how-revenue-sharing-contracts-improve-supply-chain-performance/>

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“Lower Retail Prices Threaten Profits of Middleman Li & Fung”, Chu, Kathy. The Wall Street Journal, Aug, 25, 2016, accessed at <http://www.wsj.com/articles/online-shoppings-rise-threatens-to-cut-out-middleman-li-fung-1472105939>

“This Wal-Mart tactic should send shivers across retail”, Gustafson, Krystina, CNBC, 19 May 2016, accessed at <http://www.cnbc.com/2016/05/19/wal-marts-low-price-commitment-should-send-shivers-across-retail.html>

“Apple Squeezes Parts Suppliers to Protect Margins”, Dou, Eva, Wall Street Journal, Sep 1 2016, accessed at <http://www.wsj.com/articles/apple-squeezes-parts-suppliers-to-protect-margins-1472713073>

“How can a newcomer disrupt the course of an entire industry?”, Patiky, Mark, May 1, 2013, accessed on: <http://www.forbes.com/sites/businessaviation/2013/05/01/how-can-a-newcomer-disrupt-the-course-of-an-entire-industry/>

“GE Healthcare innovates in India for bottom of the pyramid”, Roy, Subir, Business Standard, May 4, 2009, accessed at http://www.business-standard.com/article/companies/ge-healthcare-innovates-in-india-for-bottom-of-the-pyramid-109050400019_1.html

“Appliances For Everyone”, Gluckman, Ron, Forbes, 4/25/2012, accessed at: <http://www.forbes.com/global/2012/0507/global-2000-12-feature-haier-zhang-ruimin-appliances.html>

“How to Send Flowers in 2016”, Stock, Kyle, Bloomberg, October 24, 2016, accessed at <https://www.bloomberg.com/news/articles/2016-10-24/how-to-send-flowers-in-2016>

“IKEA Can’t Stop Obsessing About Its Packaging”, Chaudhuri, Saabira, The Wall Street Journal, June 17, 2015, accessed at <http://www.wsj.com/articles/ikea-cant-stop-obsessing-about-its-packaging-1434533401>

“The Downside of Just-in-Time Inventory”, Ray, Susanna, and Thomas Black, Business Week, Mar 24, 2011, accessed on http://www.businessweek.com/magazine/content/11_14/b4222017701856.htm

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“Why Nissan’s Disaster Recovery Bested Rivals”, Nunn, Peter, Edmunds Auto Observer, December 5, 2011, accessed at <http://www.edmunds.com/autoobserver-archive/2011/12/why-nissans-disaster-recovery-bested-rivals.html>

“Ford Curbs Black, Red Paint Use Amid Japan Quake Shortage”, Naughton, Keith, Bloomberg, Mar 25, 2011, accessed at <http://www.bloomberg.com/news/2011-03-24/ford-limits-use-of-black-red-paints-amid-japan-quake-shortage.html>

“The 10 hidden costs of outsourcing”, Burton, Terence T., Supply Chain Quarterly, Quarter 2 2013, accessed at <http://www.supplychainquarterly.com/topics/Procurement/20130621-the-10-hidden-costs-of-outsourcing/>

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“E-Commerce and New Delivery Paradigms Shape Future of Global Logistics”, Harrington, Damian, October 20, 2015, accessed at http://www.supplychain247.com/article/ecommerce_and_new_delivery_paradigms_shape_future_of_global_logistics

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ACADEMIC HONESTY & PLAGIARISM

Academic integrity and honesty is essential for the pursuit and acquisition of knowledge. The University and School expect every student to uphold academic integrity & honesty at all times. Academic dishonesty is any misrepresentation with the intent to deceive, or failure to acknowledge the source, or falsification of information, or inaccuracy of statements, or cheating at examinations/tests, or inappropriate use of resources.

Plagiarism is ‘the practice of taking someone else's work or ideas and passing them off as one's own’ (The New Oxford Dictionary of English). The University and School will not condone plagiarism. Students should adopt this rule - You have the obligation to make clear to the assessor which is your own work, and which is

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Online Module on Plagiarism:

<http://emodule.nus.edu.sg/ac/>