

**MGSC 871T**  
**Global Sourcing Strategies and Applications**

**Instructor:** Dr. Jayanth Jayaram

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**Office Hours:** To be announced

**Class Times:** To be determined

**Web Site:** The Home Page for the course is: **blackboard.sc.edu**; During the semester, a variety of materials will be posted on the web site for student use. These will include lecture slides, supplementary readings, information on case assignments, and other materials.

**Required** Course pack of readings, cases and other handouts will be required.

**Course Description:** This course covers skills necessary to pursue sourcing related careers in manufacturing, services, retailing, and government agencies, including discussion of cutting edge negotiation and sourcing strategies pursued in exemplar firms.

**Course Objectives:**

- To expose students to leading edge concepts and principles in strategic sourcing as pursued by leading edge firms;

- To generate student interest in pursuing sourcing as a viable career opportunity, be it in retailing, manufacturing, government agencies or non-profit organizations;

- To provide applied learning opportunities in strategic sourcing through a combination of case analyses, negotiation exercises and a field project involving a sourcing strategy for a commodity;

- To develop student expertise in the areas of team building skills, presentation skills; analytical skills and report writing skills.

**Course Format:** The course consists of lectures supplemented by discussion of required reading materials that include cases. Please check the course web site periodically to access class resources. Each student needs to have completed the required readings before the start of the class session. In class, the student will participate in a lecture that is heavily oriented towards discussion. Good preparation is therefore critical if the student is to get the most out of the class.

This course is also designed to give the student opportunity of building on key skills such as improving both oral and written communication skills through the commodity sourcing project and negotiation exercise. Select cases will be used to illustrate one or more of key principles in strategic sourcing.

**Evaluation and Grades:**

Your final grade in this course will be based on four components:

1) **Commodity Research Project (25%):** Students will form teams and do background research, interview knowledgeable persons and put together a sourcing strategy for a chosen commodity. The expectation is to gather data from secondary sources, analyze these trends and use the analysis to offer commodity-specific sourcing strategies along with contingency planning. Students will also be exposed to tools such as risk mitigation strategies. **This is a group exercise.**

2) **Negotiation Exercise (15%):** Students will engage in a simulation exercise that will mimic a hypothetical negotiation exercise. The expectation is to write a short summary of each team's negotiation tactics and share it with the class. **This is a group exercise.**

3) **Case Analysis/Cost Management Exercise (20%):** You will be required to submit written case analyses for a few cases that illustrate one or more principles of effective sourcing strategies. In addition, you will be required to submit responses to a cost management exercise. **You can work in groups for case analyses/cost management exercise and turn in one report.**

4) **Exam (40%):** There will be two exams in this course. The mid-term is worth 20% and the final exam (during finals week) is worth 20%.

**GRADING SCALE**

**A = 90% or higher   B+ = 87-89.99%   B = 80-86.99%   C+ = 77-79.99%**  
**C = 70-76.99%   D+ = 67-69.99   D = 60-66.99   F = under 60**

**Group Work:** *Group Case Write-up:*

Each group will submit written analyses for two cases - the "Emerson Electric Case" and the "Pacific Systems Case" for grading. Guidelines for case write-ups will be posted on the course web site.

*Group Homework Exercises:*

Each group will complete a "Cost Management Exercise" and a "Negotiation Exercise". Specifics of these exercises will be handed out and discussed in class. Also, there will be several homework assignments requiring the use of spreadsheet analyses.

**Attendance:** Class attendance is required. I realize that at times you may have legitimate reasons (university approved) for missing class. I would appreciate an e-mail when you know you are going to miss class. It is your responsibility to obtain notes from your peers. Excessive absences will negatively affect your course grade.

**Makeup and Free Rider Policy** There are no makeup assignments in class. Homework assignments, case analyses and exams cannot be made up and students missing assignment due dates or exams earn an automatic zero. **If you have an university approved excuse that conflicts with our exam date, you need to let me know in advance along with the proof to be considered for a possible makeup exam. No makeup exam will be given after the scheduled exam date.**

If you do not participate adequately in team efforts, your grade will suffer. If you have excessive absences in the class, even if it is for university approved reasons, you cannot makeup in-class activities. In such rare circumstances, you need to contribute ahead to your group and keep me informed. **I will not accept excuses after the fact** when you decide to not participate on your own. Please do not test this policy.

**CLASS SCHEDULE\***

<b>Date:</b>	<b>Topic:</b>	<b>Reading:</b>
Week 1	- Course overview and Introduction to Purchasing - Purchasing process  <b>Due: E-mail instructor group composition</b>	<b>Reading:</b> Strategic Supplier Segmentation  <b>Reading:</b> How Delphi went lean
Week 2	- Purchasing and Supply Organization  - Purchasing and commodity strategy development	<b>Case:</b> Bose Corporation  <b>Reading:</b> Rethinking raw materials
Week 3	- Purchasing and commodity strategy development (Cont'd)  <b>Due: E-mail Topic for Commodity Sourcing or Best Practices Project to Instructor</b>	<b>Reading:</b> Managing commodity spend in turbulent times  <b>Case:</b> FlexCon Piston Case
Week 4	Supplier evaluation and selection	<b>Reading:</b> Identifying and Evaluating Chinese Suppliers  <b>Case :</b> Pacific Systems <b>Graded</b>
Week 5	<b>Commodity Sourcing Project Proposal Presentations (All teams)</b>  - Supplier quality management	<b>Reading:</b> Supply Base Reduction within supply base reduction.  <b>Case:</b> Electronic Systems
Saturday	- Supplier risk assessment	<b>Reading:</b> Measuring Supply Risk: An Example from Europe
Week 6	<b>Midterm Exam</b>	
Week 7	- Supplier management and supplier development  - Global sourcing	<b>Reading:</b> Avoid the Pitfalls in Supplier Development.  <b>Case:</b> Avion  <b>Reading:</b> What you need to know about sourcing from China

		<b>Case:</b> Wire Harness Decision
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**CLASS SCHEDULE\***

<b>Date:</b>	<b>Topic:</b>	<b>Reading:</b>
Week 8	Global Sourcing (Cont'd)  Strategic cost management	<b>Case:</b> Emerson Electric <b>Graded</b>  <b>Reading:</b> How Sainsbury's Transformed Its Supply Chain  <b>Case:</b> Cost Management <b>Graded</b>
Week 9	Negotiation	<b>Reading:</b> Seven effective habits of negotiation.  <b>Reading:</b> Negotiation Strategies of US purchasing professionals.
Saturday	Negotiation Exercise	
Week 10	Project Presentations	
Saturday	Project Presentations (Cont'd)	
Finals Week	<b>Final Exam</b>	

**We may be ahead or behind this schedule. In addition, articles pertaining to some chapters will be distributed in advance.**