

MGB 282: Supply Chain Management

Instructor: Sanjay Saigal

Schedule: Thursdays 3:10-6:00 pm – April 3, 10, 17, 24; May 1, 8, 15, 22 and 29; June 5 and 12.

Room: 1302

Office hours: Online or before class, by pre-arrangement.

Description

Supply Chain Management (SCM) is concerned with the profitable creation and distribution of goods and services. This course surveys operational and logistical functions of organizations, both intra-company and within the supply chain network. We discuss opportunities to improve efficiency and profitability, with emphasis on analytic problem solving in the context of management.

The key consideration in SCM is the interplay between efficiency and risk. A typical decision is whether or not to off-shore. Making products in China lowers production cost. But it also introduces lag into going from concept to market: by the time the product reaches stores, demand may have evaporated. Or, equally bad, production won't meet demand. If we're talking services, off-shoring those to India may improve short-term profitability, but that'll introduce other risks—reduced quality of service, lower customer retention, brand dilution, and so on. Over the quarter we learn to profitably (and defensibly) manage such tradeoffs.

MGB 282 prepares you to

1. *Understand* operational business functions, decision areas, and systems and tools within organizations and across supply chains
2. *Recognize* SCM-related opportunities to improve profits and reduce risk
3. *Prepare to apply* industry best practices and tools to exploit such opportunities
4. *Communicate* the value of value-add process interventions to stakeholders and partners

Text

Our primary classroom text is

David Simchi-Levi, Philip Kaminski & Edith Simchi-Levi
Decision Designing and Managing the Supply Chain
Third edition
McGraw-Hill

For SCM professionals, this book's a keeper. But a new edition is expected in 2014, so purchasing a used copy of the current (third) edition may be most cost-efficient. The enclosed CD is inessential for the course.

Other supplemental readings, including external cases, will be put on Smartsite.

Topics

Day	Subject	Topics	Chapter
4/3	Introduction	SCM overview, course logistics, case discussion	1
4/10	Inventory	Order quantity, reordering, risk pooling	2.1-2.4
4/17	Demand	Demand planning and management	2.6-2.7
4/24	Network	Distribution network design, postponement	3.1-3.4
5/1	Information	Value of information (e.g., Bullwhip effect), role of IT	5, 14
5/8	Supply	Managing supplier relationships and contracts	4
5/15	Distribution	Transportation strategy and tactics	7
5/22	Partnering	Procurement and outsourcing	8,9
5/29	Sustainability	Social measurement, technical and economic factors, ethics	External
6/5	Cases	Team presentations of cases	-
6/12	Exam	Final examination	

Prerequisites

Familiarity with Microsoft Excel and statistical analysis. Discuss with instructor *before registering* if in doubt.

Grading scheme

In-class quizzes: 20% (quiz completed at start of class)

Homework assignments: 40% (individual)

Case report and presentation: 20% (team)

Final exam: 20% (individual)

Attendance and in-class quizzes

Missing the start of a class means missing points on the in-class quiz. If unable to attend any class due to illness, contact the instructor as soon as possible so we can figure out a make-up strategy for the material.

Make every effort to attend the first five meetings.

Homework

Assignments will be available following each session. **Completed assignments should be uploaded to Smartsite by midnight (PT) of the following Monday.** A delay of 24 hours or less will incur a 25% penalty. Anything later than that will result in zero credit.

Case analysis (team exercise)

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| 4/18 | Inform instructor composition of your 3-person team |
| 4/24 | Get assigned case materials from instructor |
| 5/24 | Provide 3-5 page analysis report (summarizing case and answering assigned case questions) |
| 6/5 | Present case in class (5-7 minute presentation, 2 minutes for Q&A) |

Final examination

The final written exam will range over all class topics.