Supply chain Relational Design

**SCM 4500**

Instructor: Dr. A. M. Fawcett

Office: WB 273

E-mail: amydeefawcett@weber.edu

Office Hours: TBD

**Course Description and Learning Objectives:**

This course focuses on the soft side of supply chain management, addressing both the internal and external relationships that allow a supply chain to function, and also the need to locate and develop talent and leadership within the organization in order for supply chain goals to be achieved. Key elements of the course include the perspective on supply chain strategic relationships, managing cultural disparities and conflict between businesses and functional units within them, internal and external relationship and process integration, and change management issues. The curriculum emphasizes the practical tools associated with collaborative relationship management through the life cycle. Students will learn core processes around initial exploration and assessment of supply chain relationships, establish metrics/expectations for the relationship, craft and manage teams and work groups, and develop negotiation skills. This course will help you to be able to:

• *Describe and discuss key issues in developing and managing supplier, customer management and partner relationships*

*• Provide a conceptual framework to better understand the process of developing, negotiating, and measuring performance in supply chain business*

• *Perform appropriate analysis to solve tough problems and create a dynamic environment for competitive success*

• *More effectively communicate your ideas and analysis in a creative and persuasive way*

• *More effectively work as a member of a team and fulfill leadership roles, and*

• *Build the scanning habits & institutional knowledge to design a winning SC for tomorrow’s challenges*.

This course incorporates readings, case analysis, role play and negotiation exercises to convey state-of-the-art and emerging relationship and change management techniques. Development of leading-edge strategies which promote a firm’s ability to differentiate itself in terms of its to create dynamic supply chain relationships is emphasized. *Prerequisite: SCM 3500, SCM 3600, SCM 3700 Co-requisite SCM 4500*

**Teaching Philosophy**: A favorite quote states, “True education prepares one for "making a life," not merely the "making of a living." Education is about *building habits*, *developing skills*, and *gaining the understanding* to be clear thinkers and decision makers. Two philosophies guide *everything* that I do in designing and teaching a class:

• Tell me and I will forget, show me and I may remember, involve me and I will learn.—Confucius

• We are what we repeatedly do, excellence is not an act but a habit.—Aristotle

Education should be collaborative—professor and student working together to awaken a love for truth.

**Office Hour Policy**: My goal is to help you build the *understanding*, *skills*, and *habits* to achieve higher levels of success throughout life. Office hours provide one-on-one time to answer questions, and discuss relevant issues. I encourage you to come by and meet with me throughout the semester; however, I expect you to come prepared. If you would like to make a specific appointment, talk with me to arrange a time.

**Workload Policy**. The workload expectation at most U.S. universities “is three hours of work per week per credit hour for the average student who is appropriately prepared.”

**Course Materials:**

* *Supply Chain Management: From Vision to Implementation,* S. Fawcett, L. Ellram, J. Ogden
* Cases, Simulation, and Negotiation exercise course packet

### “[Getting to Yes: Negotiating Agreement Without Giving In](http://www.amazon.com/Getting-Yes-Negotiating-Agreement-Without/dp/0143118757/ref%3Dsr_1_1?ie=UTF8&qid=1379096464&sr=8-1&keywords=getting+to+yes)” by Roger Fisher, William L. Ury and Bruce Patton (May 3, 2011)

### “[Leading Change” (Hardcover)](http://www.amazon.com/Leading-Change-Hardcover-Kotter-Author/dp/B003ODC03K/ref%3Dsr_1_2?ie=UTF8&qid=1379096489&sr=8-2&keywords=leading+change) by John P. Kotter (Author) (1996)

### “[The Five Dysfunctions of a Team: A Leadership Fable](http://www.amazon.com/The-Five-Dysfunctions-Team-Leadership/dp/0787960756/ref%3Dsr_1_1?ie=UTF8&qid=1379096538&sr=8-1&keywords=team)” by [Patrick Lencioni](http://www.amazon.com/Patrick-Lencioni/e/B001ILFMB2/ref%3Dsr_ntt_srch_lnk_1?qid=1379096538&sr=8-1) (Apr 11, 2002)

* Plus one book chosen by students from an assigned readings list

***Course Grading:***

**Course requirements include the following**: **Grades are based on total points earned**:

***Assessment:*** A 940-1000 C 740-769

Final Exam 250 points A- 900-939 C- 700-739

Midterm Exam (Best of two mid-terms) 100 points B+ 870-899 D+ 670-699

***Individual Assignments:***  B 840-869 D 600-669

#### Cases, Teaming and Negotiation Exercise 150 points B- 800-839 D- 500-599

#### Book Review 50 pointsC+ 770-799 E 000-49

***Group Project:***

SC Relationship Simulation & Presentation 250 points

***In-class:***

Preparation/**Contribution**/Professionalism 200 points

 1000 points

*You will receive the grade that you earn*. The time to begin investing in your skills—and grade—is now. Consistent effort throughout the semester will mitigate the end-of-semester cramming. If you wait until the final two weeks of the semester to start to build the habits and skills that are the focus of our class assignments, it will be too late. I invite you to take ownership of your education.

**Course Requirements**:

**Final Exam**—A final exam serves three purposes. First, it invites you to review and synthesize the key concepts and learning points from the semester. Second, it assesses what you have learned. Third, it provides for a final opportunity to teach—that is, questions let me reiterate key points from our activities, discussions, and readings.

Further, please remember that employers expect you to develop and retain key knowledge and specific skills through your coursework. That is, they care what you know when they hire you. My last opportunity to encourage learning and retention is via the final exam at the end of the semester.

Therefore, the final will be a ***comprehensive*** exam. The final will cover the text (including cases), in-class discussions, colleagues’ presentations, quantitative exercises, and current issues (from WSJ and Economist). The final may include multiple choice, true/false, short answer, short essay, and quantitative analysis. The final will consist of a total of 50 questions. The final will be available the first three days of final exam week in the testing center.

**Midterm Exam**—Two midterms will be given during the semester. Each may cover the text (including cases), in-class discussions, colleagues’ presentations, quantitative exercises, and current issues. The midterms may include multiple choice, true/false, short answer, short essay, and quantitative analysis. The midterms will be available for three days in the testing center. Each midterm will consist of a total of 40 questions. Your two highest midterm scores will be used to calculate your final grade.

**Preparation/Contribution/Professionalism**—We expect you to *contribute to the in-class learning experience; that is, to become personal trainers for one another*. *Your preparation and contribution influence the learning environment for each member of the class.* *Therefore, your contribution will be evaluated daily. Please remember to show respect for your peers.* A thoughtful question is as valuable as a “WOW” response to a question.

Specific opportunities to improve your contribution score include the following:

* Providing unique, but relevant perspective based on analysis, theory, and life experience
* Building on the comments of others
* Relating reading materials to the discussion
* Relating exercise experiences to the discussion
* Relating knowledge from your other university studies to class discussion
* Being a personal trainer for your colleagues by asking tough, but fair and relevant questions

Each student is expected to critically read the assigned material before coming to class so you can contribute to the discussion. Attendance and participation will be taken on a daily basis. If you let me know 42 hours ahead of time that you will not be able to attend class, you can receive full credit for the day if you provide a summary of all the assigned readings, which must be turned in by the next class period. Not everything from the textbook will be covered in-class, however, students will be responsible to know what is in the textbook.

Please do not have laptop computers on in class, unless you are using them for legitimate class purposes. Please turn off all phones before class starts.

**Case Analysis**. The case method invites you to step into the environment and role of a decision maker. Cases encourage active, experiential learning. As you analyze and discuss a case, you have a unique opportunity to suspend your assumptions, evaluate a problem from many different perspectives, and develop a potential, and hopefully powerful, solution.

Case discussion can provide a powerful learning experience as it invites every member of a discussion group to enter a dialogue about the case’s context (setting and problems), action recommendations, and desired results. During this dialogue, each individual’s analysis and perspective can be compared and contrasted, leading to constructive confrontation and hopefully refined thinking and a better solution.

We will use the CAR (Context, Action, Results) framework to guide our case discussions. The CAR technique provides you a straightforward framework for case analysis. A side benefit is that many leading companies employ CAR in the interview process (e.g., do a Google search on “Context, Action, Results Framework and job interviews”). As you practice CAR in the classroom, you will be better prepared to sell your abilities in the interview process. That is, in-class case discussions can help you gain competitive advantage in the quest to find employment.

To help you prepare to engage in our case discussions, MS Word files for each case have been posted to Canvas. The files are called, “THE CAR METHOD—CASE NAME.” You should download this file and use it to prepare a brief write up for each case (both “Opening Story” cases and “End-of-chapter” cases). For each case, we will focus on the context and the case questions. It is often said, that if you get the problem statement right, half of the battle is over. I am not looking for a detailed write up. Rather, a bullet-point, executive-level summary that

1. Identifies the protagonist

2. Clearly states the immediate issue at hand

3. Identifies any underlying contextual issues

4. Answers the questions at the end of each case

5. Identifies your desired results.

This write-up should be between 50-100 words. ***Highlight your text in bolded italics.*** Please turn this in at the beginning of each class in the “***Turn-In***” folder. You will want to use your more detailed notes to help you contribute during class discussion.

As I am asking you to prepare the write-up before our class discussion in order to help you prepare to contribute to our discussion, my focus in the grading process will be on whether or not you have made a legitimate effort to understand the case and help the protagonist find a solution by answering the case questions. Thus, your score will either be a 1 (you did the work and turned it in by placing it in ***“Turn-In”*** folder *before* class begins) or a 0 (you did not turn in completed work at the beginning of class). Late work turned in by the beginning of the next class will receive half credit. If you will not be in class on the day an assignment is due, ask a group member to turn it in for you or turn it in early (previous class or by sliding it under my door).

**Teaming and Negotiation Exercises**: Throughout the semester, we will learn a variety of negotiation tools and teaming techniques. For each exercise, you will be expected to do the following:

1. Read the assigned material in the case to become acquainted with the conceptual background as well as mechanics of the exercise.

2. Download the appropriate documents from Canvas, review the discussion as needed, and then do the appropriate analysis for the teaming or negotiation exercise. Complete a role-planning document for each exercise. These will be due at the beginning of each exercise.

3. Come to the teaming or negotiation exercise.

4. Complete a post teaming or negotiation analysis. The purpose of this paper is to encourage you to reflect upon your experiences, including your behavior and your classmates’ behaviors during the exercise. Briefly describe what happened during the exercise in 100 words or less providing a short overview of the key events. Post analysis will be due within 24 hours of the exercise to canvas.

**SC RELATIONSHIP SIMULATION:** In the latter portion of the class, we will run a comprehensive supply chain computer simulation exercise. As teams, you will be assigned one of the following roles: distributor or manufacturer of a pharmaceutical supply chain, and are required over the course of the semester to develop a relationship and execute a contract with each other. The simulation effectively reflects the profit or loss outcomes of these relationships, and also identifies the participants’ tolerance for risk and the consequences of doing so. Each team will develop a written contract with selected partner(s) that documents the agreement resulting from the negotiation process. The student teams then experience a one year simulated environment, which requires them to think about how to deal with conflict in the supply chain over a period of time, how to manage inventory, meet customer/supplier requirements, and do so profitably. A final presentation reflecting the final outcome of the experience will be made in class.

**BOOK REVIEW:** It is important to continue learning once you have completed your formal education. This assignment will help familiarize you with some of the best business books currently available. Each student will be required to select a book from the list provided. You must choose a book that you have NOT read before. Only one student per section may review any particular book. You will review the booklist provided on Canvas and submit your top five choices, listed by number. If there is a book you are interested in reading that is not in the list, please contact me for approval.

In order to gain a thorough understanding of your book, and an introduction to a few more books, I am requiring that you meet once for a book discussion. This discussion is to take 1 hour, and be held with people who are not your assigned group members. These discussion groups should have no more than 4 people. Following the discussion, each participant will submit a one-page write-up of the key points from the evening and include a roster of the participants.

You are required to submit (electronically) your final review of your book, which will consist of a 4-page paper summarizing key points and application to what we have been studying in this course. These reports will be posted for all class members to read.

**Team Member Evaluations**—The average contribution score received from other team members will be used to weight each team member's grade on group projects. Thus, if the team consists of five members—Dick, Jane, Char, Tom, and Spot—the grade for Spot would be calculated as follows:

Group Projects=96 Peer evaluations of Spot are 75, 50, 80, 60, 100

Average score for Spot=365/5=73 Spot’s grade for the group projects=96 x .73=70

We will use a three-step process for dysfunctional groups. Step one is for a member of the group to visit with me. I will offer suggestions and ask you to proactively resolve the difficulties. If this does not resolve the problem, please visit with me again. I will then meet with the group to set expectations, define roles, establish measures, and fix progress report dates. If performance still does not improve, we will invoke the survivor rule and vote the individual off of the team.

*Your completed Peer Evaluation Form should be turned in with your final exam.*

**Course Outline**

Defining Buyer/Supplier Relationship Intensity (approx. 5 weeks)

* The relationship continuum
* Managing strategic alliances for success
	+ Value co-creation potential
	+ Collaborative capability
* Inter-organizational trust development
* Modern Negotiation and relationship management
* Beyond “Win-Win” and dispute resolution

Strategic Positioning & Process Change (approx. 5 weeks)

* Building the case for change
* Magic Bullet Theory and IT-Based organizational change
* Managing ERP implementation
* Managing cultural change
* Performance measurement
* create understanding
* motivate behavior
* drive execution
* Pilot projects and project management

Supply Chain Governance & Innovation (approx. 5 weeks)

* Creating functional teams and work groups
* Investing in employee capabilities
* Establishing an empowerment culture
* Information sharing willingness & communication
* Problem solving & decision making