Strategic Purchasing and Supply Chain Management (Part Time)

MBA Module (SPM)

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Introduction

This module investigates `best practice' purchasing, contracting and supply chain management. The module is divided into five main segments. First, the module explores the different philosophies of purchasing, contracting and supply chain management. Key questions asked include: Is collaboration best practice or should relationship choices fit the commercial circumstances in question? Is the development of trust possible between buyers and suppliers? Does it matter? Does power matter in buyer-supplier relationships? Second, and influenced by the above exploration, the module discusses how managers might plan their strategic purchasing, contracting and supply chain management activities. Such planning consists of a number of aspects: the management of internal clients; the mapping of power relationships within supply markets; and the assessment of post-contractual risks, such as lock-in. Third, and again influenced by the exploration in the first segment of the module, the module starts the process of examining how managers might implement their strategic purchasing, contracting and supply chain management activities.

Students will be introduced to both the make-buy decision and the four sourcing options available to managers should they decide to source externally.The fourth section continues with the implementation dimension, showing how the strategic planning discussed earlier might be put into action. The practical applications covered include: supplier selection, relationship selection, contract development and management, conflict management, business relationship alignment, and performance measurement. Much, although by no means all, of the discussion of these aspects is informed by the distinctive 'Birmingham approach' to the subject. The module then finishes with a session that asks the question: Is purchasing and supply chain management strategic?

Learning Outcomes

By the end of the module the student should be able to:

- Understand and critically evaluate the debate within the field of strategic purchasing, contracting and supply chain management.
- Have a sophisticated appreciation of the challenges associated with the management of internal clients and be able to demonstrate how those challenges might be met.
- Calculate buyer-supplier power relations and recognise potential post-contractual risks.
- Undertake a rigorous make-buy analysis for an area of third-party expenditure.
- Recognise the sourcing options available to managers and understand the criteria that affect their suitability.
- Critically evaluate traditional models of supplier selection.
- Have a sophisticated understanding of the importance of appropriate relationship selection, management and measurement.
- Demonstrate how contracts might be used to manage supply market hazards and recognize their limitations as a management mechanism.
- Understand the main principles of conflict modeling and management.
- Critically reflect on whether purchasing and supply chain management are strategic activities within organisations.
- Develop a full strategic source plan for their organization.

Method of Assessment

3-hour unseen exam (50%). 3000-word assessed project (40%). Two group assessed projects (2 x 5%)

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