

## Strategic Purchasing and Supply Chain Management

### Lecturer:

Dr Joe Sanderson

### Introduction

The first part of this module starts a two-part investigation of 'best practice' purchasing, contracting, supplier and supply chain management. First, the module explores the different philosophies of the broad subject area. 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? What is ethical purchasing and supply? Is it possible to plan a medium-term supply strategy?

Second, and influenced by the above exploration, the module discusses how managers start the process of examining how their strategic purchasing, contracting and supply chain management activities might be implemented. The implementation issues covered in this part of the module include the make-buy decision, organisational structures for procurement, internal demand management, supplier selection, supplier relationship management and global sourcing.

Part 1 ends by informing students that the discussion of implementation is continued in Strategic Purchasing and Supply Chain Management Part 2 in July. Subjects covered in the second part of the module include further issues related to contracting, negotiation, sustainable procurement, performance management and conflict management. The module ends by asking to what extent procurement and supply chain management can make a contribution to corporate strategy and sustainable competitive advantage.

### Learning outcomes

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

- Understand, and have opinions on, the debate within the field of strategic purchasing, contracting, supplier and supply chain management;
- Undertake a rigorous make-buy analysis for an area of third-party expenditure;
- Consider the pros and cons of the centralisation of procurement;
- Recognise the challenges associated with the management of internal clients and be able to demonstrate how those challenges might be met;
- Recognise the danger of adverse selection and suggest responses;
- Understand the key criteria that should inform supplier selection decisions;
- Calculate buyer-supplier power relations;
- Understand the key issues related to supplier relationship management concepts and implementation.
- compare it with 'western practices
- Demonstrate understanding of the nature of corporate governance in an Islamic system and be able to contrast it with 'western' systems
- Explain the implications of 'Islamisation' for economic development and financial stability

### Assessment

- Individual Assignment 4,000 words (40%)
- Group Exercise (5%)