



PEPPERDINE UNIVERSITY
THE GRAZIADIO SCHOOL

of Business and Management

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THE GEORGE L. GRAZIADIO
SCHOOL OF BUSINESS AND MANAGEMENT

Devendra Mishra

MBAM 698.17

Issues in Business: Supply Chain Management

Fall 2008 - Session B

Tuesday

1:00 - 5:00 PM

MALIBU CAMPUS



The Main Campus in Malibu

SYLLABUS

Supply Chain Management

MBAM 698.17

FALL 2008

Tuesday, 1:00 – 5:00 PM
MALIBU CAMPUS

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Introduction

The course on Supply Chain Management provides a systematic approach to the management of flow of information, materials, money, energy and services through the supply chain consisting of the suppliers, manufacturers, distributors, retailers and ultimately the consumers of any industry.

The global economy is transforming the way you do business. It favors organizations that can reach across boundaries effectively. It rewards those that can collaborate smoothly with their partners and customers. As a result, business excellence is no longer about individual players -- it's about effortless coordination and orchestration across your value chain. This course is designed to help executives thrive in this environment, where one must optimize the performance of the entire business community -- from the smallest supplier to the largest customer.

The format of the course will consist of workshop-like problem-solving sessions, real-life case studies from industry experts, supported by principles of supply chain management and proven methodologies so that executives can learn to deploy the value of collaborative thinking to achieve competitive edge. The essentials of the course are based on 25 years of executive management experience at fortune 500 companies, academic pursuits and industrial consulting.

Course Objectives

To develop a holistic view of management, which integrates other disciplines of an enterprise in the context of the overall industry, enhance managerial skills for increased productivity and customer service, and equip you with principles and tools to address the broad questions:

1. How can supply chain management thinking integrate the functional domains of an enterprise - manufacturing or service, to enhance shareholder value?
2. How can the supply chain be managed to enhance the competitiveness of the enterprise within an industry? Streamlining supply chain efficiency is to maximize profitability, increase customer satisfaction, increase sales and enhance business opportunities.
3. How can technology and sustainability of the environment be deployed to achieve competitive edge in the overall supply chain?

Text Book

“Designing and Managing the Supply Chain: Concepts, Strategies, and Case Studies”
Authors: David Simchi-Levi, Philip Kaminsky, Edith Simchi-Levi, Third Edition,
Published by Irwin McGraw-Hill

Grading

Two Take Home Examination(s)	30%
Final Open Book Examination	30%
Project/Research Paper	30%
Class Participation	10%

Grades will be based on a total of 100-point scale (see table on page 4 for grade breakdown).

DECISION SCIENCES DEPARTMENT GUIDELINES

3/15/2005 (revised 9/20/05)

Expectations of Faculty:

1. Faculty Attendance

- a. Faculty should arrive at least an hour before class and conduct class for the full period. For four-hour classes, there should be a 15-20 minute break. Be specific about when it starts and ends and be prompt about resuming class.
- b. Faculty attire should be appropriate.
- c. Schedule missed classes and make-ups when known in advance in the Syllabus. Unfortunately Saturday make-ups are now virtually impossible.
- d. If an emergency arises that causes you to have to miss class, contact the center director at your teaching center, Doris Jones, and me so we can help contact students or provide a backup.

2. Faculty Communication

- a. Student work turned in to you should be returned the next period, with appropriate feedback. That means either graded with comments or reviewed in class. Possible exceptions would be large project papers, but they must be returned in time for students to learn how to do the next assignment better.
- b. Phone messages and should be responded to within 24 hours in some manner (return call, leave message, send email). Faculty should be available by email and respond within 24 hours when at all possible. If out of town, make an effort to check email or let the class know when you are not available.

3. Use of Technology

- a. Blackboard should be used for handout materials, posting information, allowing groups to make folders to post information, etc.
- b. Microsoft Office should be used when possible: Excel, Word and PowerPoint for both students and faculty.
- c. The use of laptops and projection equipment by the professor is encouraged to actually demonstrate software to students - not just tell them to use it. Some professors call upon different groups to give a short demonstration of their results using the projection equipment (PowerPoint or Excel or SAS).
- d. Faculty should be able to send and receive email and respond within 24 hours.

4. Grading Scale

The grading scale for this course is shown below:

% Score	Letter Grade	Grade Point
94 - 100%	A	4.0
90 - 93.99%	A-	3.7
87 - 89.99%	B+	3.3
84 - 86.99%	B	3.0
80 - 83.99%	B-	2.7
77 - 79.99%	C+	2.3
74 - 76.99%	C	2.0
70 - 73.99%	C-	1.7
67 - 69.99%	D+	1.3
64 - 66.99%	D	1.0
60 - 63.99%	D-	.7
0 - 59.99%	F	0.0

- There is no A+ grade
- For MBA programs, a minimum grade of C- is required for credit and a 3.0 GPA necessary for graduation.
- For BSM programs, a minimum grade of D- is required for credit and a 2.0 GPA necessary for graduation.

5. GSBM Teaching Philosophy Objectives

- To develop positive and supportive attitudes towards oneself and others.
- To cultivate skills in problem solving and decision making.
- To formulate an understanding of the interactive nature of modern business practice.
- To develop a values-centered approach to leadership.

Expectations of Students:

1. Students should read the Syllabus:

- a. Before you register for the course, if possible. You can always look at an older syllabus on the GSBM website to get an idea of how the course is conducted.
- b. After you register and before the first class, go to the eRoom for the syllabus and be prepared for the first class session.
- c. Continually read and refer to the syllabus during the semester.

2. Attendance

- a. Students should show up on time and stay for the entire class. If you must leave class early for some reason, please notify the professor about this before class or at the break. The same applies if you know you will be late for class - notify the professor and/or group members, as appropriate.
- b. Students should promptly return from breaks.
- c. If a student must miss a class, he/she needs to give as much advance notice as possible to the professor and have a proactive plan about making up the class material. Also he/she needs to

notify group members and keep them informed. If the professor teaches another section, inquire about sitting in on another night.

- d. At the beginning of the semester, students should notify their work supervisor about scheduled exams. If work travel plans still conflict with an exam, it is the student's responsibility to be proactive in making arrangements to schedule a make-ahead or make-up exam. If the professor teaches multiple sections of the course, it might be possible to take the exam on another night, or take it on another day at the center.

3. Student Class behavior

- a. Turn off cell phones or to vibrate only; students should quietly leave the room if they have to take a phone call. Even in the hallway, cell phone conversations should be in a low tone and not obtrusive.
- b. Students should extend the kind of courtesy they wish to receive when they are presenting/discussing. Side conversations should be brief and not disruptive.
- c. Food rules differ by professor, so check what is allowed. At a minimum, food should be consumed quietly and you should not leave a mess.
- d. The use of laptops is usually encouraged during class, but should be for class work only and not for surfing the Internet, emailing class members, listening to music or watching videos during class.

4. Student Channels of Communication

- a. Questions about the center (room, copying facilities, etc.) should be directed to the front desk at your center, and if still a problem, to the Center Director.
- b. Questions about your program, future offerings, and so forth should be directed to your Program Director at your center.
- c. Concerns about the class and feedback should first be directed to the professor. Students have a right to request of a professor clarification of grading. If classroom or grading concerns are still not resolved, please contact Dr. Rick Hesse, Academic Chair of Decision Sciences, rick.hesse@Pepperdine.edu with your concerns in writing. The process then moves up to the Associate Dean of Academic Affairs and finally the Dean of GSBM. Any attempt to bypass this chain of command will result in delays as the message will be sent back down to the appropriate level.

5. University Policies

Conduct

"This course may require electronic submission of essays, papers, or other written projects through the plagiarism detection service Turnitin (<http://www.turnitin.com>). Turnitin is an online plagiarism detection service that conducts textual similarity reviews of submitted papers. When papers are submitted to Turnitin, the service will retain a copy of the submitted work in the Turnitin database for the sole purpose of detecting plagiarism in future submitted works. Students retain copyright on their original course work. The use of Turnitin is subject to the Terms of Use agreement posted on the Turnitin.com website. You may request, in writing, to not have your papers submitted through Turnitin. If you choose to opt-out of the Turnitin submission process, you will need to provide additional research documentation and attach additional materials (to be clarified by the instructor) to help the instructor assess the originality of your work."

"The University expects from all of its students and employees the highest standard of moral and ethical behavior in harmony with its Christian philosophy and purposes. Engaging in or promoting conduct or lifestyles inconsistent with traditional Christian values is not acceptable.

The following regulations apply to any person, graduate or undergraduate, who is enrolled as a Pepperdine University student. These rules are not to be interpreted as all-inclusive as to situations in which discipline will be invoked. They are illustrative, and the University reserves the right to take disciplinary action in appropriate circumstances not set out in this catalog. It is understood that each student who enrolls at Pepperdine University will assume the responsibilities involved by adhering to the regulations of the University. Students are expected to respect order, morality, personal honor, and the rights and property of others at all times. Examples of improper conduct for which students are subject to discipline are as follows:

- *Dishonesty in any form, including plagiarism, illegal copying of software, and knowingly furnishing false information to the University.*
- *Forgery, alteration, or misuse of University documents, records, or identification.*
- *Failure to comply with written or verbal directives of duly authorized University officials who are acting in the performance of assigned duties.*
- *Interference with the academic or administrative process of the University or any of the approved activities.*
- *Otherwise unprotected behavior that disrupts the classroom environment.*
- *Theft or damage to property.*
- *Violation of civil or criminal codes of local, state, or federal governments.*
- *Unauthorized use of or entry into University facilities.*
- *Violation of any stated policies or regulations governing student relationships to the University.*

Disciplinary action may involve, but is not limited to, one or a combination of the alternatives listed below:

- ***Dismissal*** - *separation of the student from the University on a permanent basis.*
- ***Suspension*** - *separation of the student from the University for a specified length of time.*
- ***Probation*** - *status of the student indicating that the relationship with the University is tenuous and that the student's records will be reviewed periodically to determine suitability to remain enrolled. Specific limitations to and restrictions of the student's privileges may accompany probation.^{1d}*

Assistance for Students with Disabilities

¹ pages 204-205, Pepperdine University 2005-2006 Academic Catalog

"Pepperdine University is committed to complying with all mandates set forth in Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. Students with disabilities requesting accommodation should contact the University's Disability Service Office (DSO) before their academic program begins. Upon verification of the student's disability, the DSO will work with each student on a case-by-case basis to determine appropriate accommodations while maintaining academic integrity of the courses. Students should expect a two-week time frame in which the documentation and accommodation request will be reviewed. If the documentation is incomplete and/or does not meet the DSO guidelines, students will be required to submit complete documentation before accommodations may be granted.

Students who are registered with the DSO will receive accommodation letters to provide faculty verifying their accommodations. Students must request accommodations each semester through the submission of a completed Service Request Form.

Inquiries should be directed to the director of disability services at (310) 506-6500. For further information regarding documentation guidelines, office forms, and resources for students visit the DSO Web site at www.pepperdine.edu/disabilityservices/¹²

² Pages 34-35, GSBM 2005-2006 Academic Catalog

Schedule of Classes

SESSION #1(October 21)

Assigned Chapter Readings

- 1.0 Introduction to Supply Chain Management
 - What is Supply Chain management?
 - Evolution of Supply Chain
 - Competitive Edge
 - Managing Uncertainty & Risk
 - The Complexity
 - Key Principles and Tools of optimization
 - Best Practices: Supply Chain Leaders

- 2.0 Inventory Management & Risk Pooling
 - Forecasting Principles and Tools
 - Inventory Management Models
 - Centralized Versus Decentralized Inventory Systems
 - Managing Inventory in the Supply Chain
 - Vendor Management Inventory (VMI) Systems
 - Point Of Sale (POS) Driver

Case Study

Sport Obermeyer

General

Project Discussion and Team Selection

Recommended Reading

"The AMR Research Supply Chain Top 25 and the New Trillion-Dollar Opportunity," Tony Friscia, Kevin O'Marah, and Joe Souza, *AMR Research*, November 2004.

"The Triple-A Supply Chain," Hau L. Lee, *Harvard Business Review*, October 01, 2004.

"How to Choose the Right Forecasting Technique," *Harvard Business Review* Steven Spear; H. Kent Bowen; (1999)

"Decoding the DNA of the Toyota Production System", *Harvard Business Review*; 77(5): 96-106

SESSION # 2 (October 28)

Assigned Chapter Readings

Chapter 5: The Value of Information

- Information Network
- Point of sale Information (POS)
- The Bullwhip Effect
- Lead Time Reduction
- Information & Supply Chain Trade-offs

Chapter 12: Customer Value
The Dimensions of Customer Value
Measurements of Supply Chain Effectiveness

Case Study

Barilla Societa per Aziont (SpA)

Homework

Submit Outline of the Team Project.

Recommended Reading

"The Bullwhip Effect in Supply Chains," Hau L. Lee, V. Padmanabhan and Seungjin Whang, *Sloan Management Review*, Spring 1997

"The Hierarchy of Supply Chain Metrics: Diagnosing Your Supply Chain Health," Debra Hofman, *AMR Research*, February 18, 2004.

TAKE HOME ASSIGNMENT #1

An analysis of the supply chain of your enterprise (or assumed one) in terms of the trading segments of the industry; flow of information, physical goods and money; supply chain costs; inventory and lead time; critical success factors; and, problems and potential solutions. Not to exceed 3 pages in an electronic format. Due November 11.

SESSION # 3 (November 4)

Assigned Chapter Readings

Chapter 3: Network Planning
Network Design
Inventory Positioning & Logistics Coordination

Chapter 4: Supply Contracts
Strategic Components
Make-to-Stock Versus Make-to-Order

Chapter 6: Supply Chain Integration
Push and Pull Systems
Impact of Lead Time
Demand-driven Strategies
E-Business

Case Study

H. C. Starck, Inc.

SESSION # 4 (November 11)

Chapter 7: Distribution Strategies

Direct To Store Delivery

Intermediate Inventory Storage Point Strategies

Chapter 8: Strategic Alliances

Framework for Strategic Alliances

Third Party Logistics

Retailer-Supplier Partnerships

Distributor Integration

Case Study

Amzon.com's European Distribution Strategy

Guest Speaker

Executive from Hollywood will address the aspects of the supply chain of the entertainment industry.

Recommended Reading

“Strategic Sourcing: To Make or Not To Make”, Venkatesan, R. (1992), *Harvard Business Review*, 70(6): 98-107

“Japanese Automakers, US Suppliers and Supply Chain Superiority”, Jeffrey K. Liker; Yen-Chun Yu (2001) *Sloan Management Review*, 42, (1): 81-93

“Fast, Global, and Entrepreneurial: Supply Chain Management, Hong Kong Style: An Interview with Victor Fung,” Joan Margretta, *Harvard Business Review*, September-October 1998

TAKE HOME EXAMINATION # 2:

SESSION # 5 (November 18)

Assigned Chapter Readings

Chapter 9: Procurement and Outsourcing Strategies

Make Versus Buy Decisions

Outsourcing Benefits and Risks

E-Procurement

Chapter 10: Global Logistics and Risk Management

Considerations: Economic, Technology, Infrastructure, Cultural and Political

Risk-reward Management

Guest Speaker

Executive from an International Freight Forwarder (UPS/DHL/FedEx) will address the aspects of global supply chain.

Case Study

Zara

SESSION # 6 (November 25)

Contemporary Supply Chain Management Issues

Achieving Real Time Visibility, Monitoring and Control in The Supply Chain

RFID Technology

Applications

Wal-Mart Initiative/Mandate

Cost, Benefits and Issues

Case Studies: P&G, Kimberly Clark, Wal-Mart, Best Buy

Color Of The Supply Chain Is Green

Sustainability of The Environment: A Supply Chain Perspective

Global Warming

Carbon Footprint

Energy Price, Regulations, Natural World Drivers

Green Oriented Stakeholders

Wal-Mart's 7 Rs

Elements of An Eco-Advantage Strategy

Environmental Best Practices: IKEA, P&G, UPS and GE

Guest Speaker

Presentation of energy generation from Trash.

Class Project Presentations

SESSION # 7: (December 2)

Class Project Presentations, Contd.

FINAL EXAMINATION

RECOMMENDED ADDITIONS TO YOUR PERSONAL LIBRARY

1. "Industrial Dynamics", Jay W. Forrester, MIT Press, 1963.
2. "The Fifth Discipline – The Art and Practice of The Learning Organization", Peter M. Senge, Currency Doubleday, 1990.
3. "The World Is Flat – A Brief History Of The Twenty-First Century", Thomas L. Friedman, Farrar, Straus and Giroux, 2005.
4. "The Resilient Enterprise – Overcoming Vulnerability For Competitive Advantage", Yossi Sheffi, The MIT Press, 2005.
5. "The Goal – A Process Of Ongoing Process Improvement", Eliyahu M. Goldratt and Jeff Cox, North river Press, 1992.
6. "Put Your Heart Into It – How Starbucks Built A Company One Cup At A Time", Howard Schultz and Dori Jones Yang, Hyperion, 1997.
7. "Green To Gold – How Smart Companies Use Environmental Strategy To Innovate, Create Value, And Build Competitive Edge", Daniel C. Esty and Andrew S. Winston, Yale University Press, 2006.

8. "The Triple Bottom Line – How Today's Best-Run Companies Are Achieving Economic, Social And Environmental Success – And How You Can Come Along", Andrew W. Savitz and Karl Webber, Jossey Bass, 2006.
9. "Cradle To Cradle – Remaking The Way We Make Things", William McDonough and Michael Braungart, North Point Press, 2002.
10. "Strategic Management of The Health Care Supply Chain", Eugene S. Schneller and Larry R. Smeltzer, Jossey Bass, 2006.