

DSC5211A SUPPLY CHAIN COORDINATION AND RISK MANAGEMENT

AY2017/2018 Semester 2

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COURSE DESCRIPTION

Supply chains have become far-flung and global as companies expand their operations to new markets and new supply sources. Concurrently, a number of macro-trends are emerging and evolving which cause changes to traditional supply chains structures and assumptions. These include: rising costs in the usual outsourcing manufacturing sites, entering into emerging markets, changing country regulations and regional trade agreements, impact of technologies on new business models and process changes, cross-border M&A, and emerging marketing companies expanding regionally, etc.

Companies will have to continuously evaluate their strategies and adapt their supply chains to deal with these changes. They will need to improve their flexibility, coordination, and responsiveness to deal with the risks and opportunities.

LEARNING OUTCOMES

The course will cover functional areas of the supply chain and integration of these concepts into a holistic framework. It will examine how global supply chain configurations are changing and adapting, and how companies should prepare for the impact of macroeconomic trends and new technologies to their business models, distribution, and supply chains. Through case studies, simulation game, and project work, students will gain a better understanding of corporate strategies, and how to align their supply chains and manage risks.

TOPICS

- 1) Key supply chain concepts and strategies
- 2) Global supply chain configuration and re-alignment
- 3) Planning for supply chain risk and disruption
- 4) Impact of e-commerce and technology on business models and supply chains
- 5) Simulation game
- 6) Managing global supply chains:
 - a. The impact of macroeconomic trends and country regulations
 - b. Supply chains in emerging markets
- 7) Group project

READINGS

Textbook: Supply Chain Management: A Concise Guide, 2nd Edition, by Puay-Guan Goh, Pearson 2015

Article readings: Refer to Course Schedule

PREREQUISITE

Nil

PRECLUSION

BMS5202: Global Supply Chain Management

ASSESSMENTS

Components	Weight
Individual Assignment	15%
Midterm Test	25%
Class Participation	10%
Group Simulation Game	20%
Group Project	30%
Total	100%

COURSE SCHEDULE

Instructional Week	Content	Cases / Examples	Reading (s)	Deadlines
1 19 th Jan	<p>Course Introduction: structure and expectations</p> <p>Challenges and risks of a global supply chain, in an era of globalization, macroeconomic changes, emerging markets, and disruptive technologies</p>		<p>Textbook Chapter 1</p> <p>“From factory to fridge: Inside Coca-Cola's supply chain”</p> <p>“How Chocolate Exposes Brexit Trade Risks”</p> <p>“Harvey Has Made the World's Most Important Chemical a Rare Commodity”</p> <p>“The Infinite Shelf: How E-Commerce is Shaking Up Consumer Staples”</p>	

			“Starbucks’ Howard Schultz: Finally, A CEO Who Gets the Importance of the Supply Chain”	
2 26 th Jan	<p>Managing procurement and procurement risks</p> <p>Sourcing segmentation</p> <p>Procurement contracts</p>	<p>Case: Walmart – procurement for competitive advantage</p> <p>Case: HP – segmenting demand using portfolio contracts</p> <p>Case: Risk sharing with distributors at Stainless Structural</p>	<p>Textbook Chapter 2</p> <p>“Now Showing at Blockbuster: How Revenue-sharing Contracts Improve Supply Chain Performance”</p> <p>“Boeing, Airbus Look to Land Profits by Making Their Own Aircraft Part”</p> <p>“Wal-Mart Will Punish Its Suppliers for Delivering Early”</p> <p>“Pigment Shortage Hits Auto Makers”</p>	
3 2 nd Feb	<p>Manufacturing strategies and product design</p> <p>Push versus pull concepts</p> <p>Changing product design paradigms</p> <p>Producing for new / emerging markets</p>	<p>Case: Manufacturing transformations --- from products to services</p> <p>Case: Matex International – segmenting manufacturing and product innovation</p> <p>Case: Embraer – targeting regional travel</p>	<p>Textbook Chapter 3</p> <p>“How can a newcomer disrupt the course of an entire industry?”</p> <p>“IKEA Can’t Stop Obsessing About Its Packaging”</p>	Submission of teams for projects and simulation game
4 9 th Feb	<p>Managing distribution and inventory</p> <p>Creating distribution networks – warehousing and transportation</p>	<p>Case: Chr Hansen – distributing bioscience products globally</p>	<p>Textbook Chapter 4 and Chapter 5</p> <p>“How Unilever Reaches Rural Consumers in Emerging Markets”</p>	Class voting on simulation game scenario

	<p>Inventory risk management</p> <p>Is inventory always bad?</p> <p>Explanation of simulation game</p>	<p>Case: LG Electronics – succeeding in India</p> <p>Case: Zara versus Uniqlo – two different approaches to fashion inventory</p>	<p>“The Downside of Just-in-Time Inventory”</p>	
<p>5 16th Feb (Public holiday – makeup class to be arranged)</p>	<p>Global supply chain re-alignment</p> <p>Global supply chain canvas</p> <p>The new manufacturing hubs</p> <p>Entering new markets</p>	<p>Case: Foxconn and its manufacturing decisions</p>	<p>Textbook Chapter 6 and Chapter 11</p> <p>“The Mint countries: Next economic giants?”</p> <p>“Huawei Begins Making Phones in India to Tap Local Market Boom”</p> <p>“China’s Strategy in U.S. Car Market: Make Parts First”</p> <p>“Foxconn plans 10-12 new Indian facilities by 2020: chairman”</p> <p>“Apple supplier Foxconn says it will build big Wisconsin factory”</p>	
<p>6 23rd Feb</p>	<p>Planning for supply chain risk and disruption</p> <p>Risk Management framework</p> <p>Strategic and operational contingency planning</p>	<p>Case: Nokia and Ericsson in 2000</p>	<p>Textbook Chapter 7</p> <p>“From Superstorms to Factory Fires: Managing Unpredictable Supply-Chain Disruptions”</p> <p>“Why Nissan’s Disaster Recovery Bested Rivals”</p>	<p>Simulation Game Round 1</p>

Recess week 2 nd Mar	No class (note this week may be used as make-up week)			
7 9 th Mar	<p>Managing the global value chain</p> <p>Global supply chain coordination</p> <p>Outsourcing vs inhouse decisions</p>	<p>Case: Esquel versus Li & Fung – vertical integration versus virtual integration in global supply chain coordination</p> <p>Case: Esco Global – how a SME went global</p>	<p>Textbook Chapter 8 and 12</p> <p>“The 10 hidden costs of outsourcing”</p> <p>” Why Amazon Can't Make A Kindle In the USA”</p> <p>“Jaguar Land Rover to contract out production of future cars”</p> <p>“Robot revolution helps Adidas bring shoemaking back to Germany”</p>	<p>Assignment 2 due</p> <p>Simulation Round 2</p>
8 16 th Mar	<p>Future-scaping supply chains: Impact of technologies on business models and supply chains</p>	<p>Case: Bossard – VMI using Smart Bin</p>	<p>Textbook Chapter 9 and 10</p> <p>“3-D Printing Will Change the World”</p> <p>“FDA Approves First 3-D Printed Drug”</p> <p>“Unlocking the potential of the Internet of Things”</p> <p>“The rise of the sharing economy”</p> <p>“Louis Vuitton Goes Upmarket in Smartwatch Fight With Apple”</p> <p>“Adidas to mass-produce 3D-printed shoe with Silicon Valley start-up”</p>	<p>Simulation round 3 and 4</p>

9 23 rd Mar	Midterm			Simulation Round 5
10 30 th Mar (Public holiday – make up class to be arranged)	<p>Future-scaping supply chains: The Impact of new sales and distribution channels</p> <p>The blurring of lines between retail, logistics, e-commerce</p> <p>New distribution capabilities and innovations emerge</p> <p>Industry Guest Speaker (TBC)</p>	Case: Amazon and its transformation from pure e-commerce	<p>Textbook Chapter 10</p> <p>“Walmart Wants to Take on Amazon With Flying Warehouses”</p> <p>“Amazon unveils its first branded cargo plane to speed up deliveries”</p> <p>Uber's Self-Driving Truck Makes Its First Delivery: 50,000 Beers”</p> <p>FedEx Bets on Automation as It Prepares to Fend Off Uber and Amazon”</p>	<p>Submission of simulation game report</p> <p>Project outline submission</p>
11 6 th Apr	<p>Future-scaping supply chains: The Impact of macroeconomic forces</p> <p>Impact of macroeconomic developments</p> <p>Impact of country and trade regulations</p> <p>New distribution modes</p> <p>Review of Simulation Game</p> <p>Prize presentation</p>	<p>Case: Casella Wines and the impact of currency exchange rates</p> <p>Case: Panduit -- shortening the Indian supply chain</p>	<p>“How Hard is the Yuan Devaluation Hitting the New Apple iPhone? “</p> <p>“China and Europe: Reconnecting Across a New Silk Road”</p> <p>“The Panama Canal’s Big Bet Is Paying Off”</p>	
12 13 th Apr	Group Project Presentations			All presentations due before class starts

12 20 th Apr	Group project presentations Project debrief Course wrap up: Supply chains of the future			All group reports due before class starts
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Article Readings:

“From factory to fridge: Inside Coca-Cola's supply chain”, White, Glen, Global Manufacturing, Feb 06, 2015, accessed at <http://www.manufacturingglobal.com/lean-manufacturing/factory-fridge-inside-coca-colas-supply-chain>

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“The Mint countries: Next economic giants?”, BBC, 6 Jan 2014, accessed at <http://www.bbc.com/news/magazine-25548060>

“Huawei Begins Making Phones in India to Tap Local Market Boom”, Rai, Saritha, and Bibhudatta Pradhan, Bloomberg, September 23, 2016, accessed at <http://www.bloomberg.com/news/articles/2016-09-23/huawei-begins-making-phones-in-india-to-tap-local-market-boom>

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