

The University of Auckland Business School

Course Outline 2017

OPSMGT 376 STRATEGIC PROCUREMENT

SEMESTER 2 (1175)

Course Prescription

Strategic issues in procurement and supply management, covering analysis, planning, and management of supply activities. To enhance understanding of typical situations procurement managers are dealing with and the impact of their decisions on the overall performance of a supply chain. The course uses practical cases and in class discussions along with models for analysis.

Programme and Course Advice:

Prerequisite: OPSMGT 255 or ENGGEN 303

Goals of the Course

To review recent developments in strategic procurement in both domestic and international business environments and analyse the factors that influence the selection of suppliers; and to develop an understanding of how to identify the appropriate purchasing approaches, negotiation strategies, and execution processes to be employed in various business situations. The focus of the course is on buying products and services in a variety of business and public contexts. This course is designed to provide students with a strong theoretical base and sound analytical skills for pursuing careers in strategic procurement.

Learning Outcomes

By the end of this course it is expected that a student will be able to:

1. Have an advanced understanding of the role of procurement in today's business environment;
2. Develop the ability to select the appropriate supply process to use in a given procurement situation, including the requirements—for each purchase;
3. Apply the various models for price determination and cost management and select the appropriate negotiation strategy;
4. Understand the legal and ethical considerations in procurement;
5. Determine when to make versus buy and in-source versus outsource.
6. Understand specific issues related to capital goods, services, and public sector buying.

Content Outline

- ❑ Introduction to procurement; supply organization
- ❑ Supply Strategy
- ❑ Supply Organisation
- ❑ Supply Process and Information Systems and technology
- ❑ Make or Buy, Insourcing and Outsourcing

- ❑ Need Identification and Specification
- ❑ Quality, quantity, and delivery
- ❑ Price, cost management, and negotiation
- ❑ Supplier selection
- ❑ Supplier Evaluation and Supplier Relationships
- ❑ Supply law and ethics
- ❑ Supply research
- ❑ Global supply; public supply

Learning and Teaching

To achieve the outline above a variety of teaching approaches will be utilized including lectures, class discussions, written assignments and presentations. The class typically meets for three hours a week. Students are expected to use at least six additional hours each week in reading and preparing for the class. Active participation is essential, and students will be expected to master material assigned in readings, presented in class lectures, discussions, and presentations.

Teaching Staff

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Teaching Assistance

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Learning Resources

There is a prescribed text for this course. Students are required to complete the prescribed readings prior to each class session and be fully prepared to contribute to an in-depth discussion.

The following text is recommended for this course:

Purchasing and Supply Management (The McGraw-Hill Series in Operations and Decision Sciences) 15th Edition by P. Fraser Johnson and Anna Flynn.

Assessment

Individual assignments:

(Case studies of selected topics / as instructed)

Assignment I	25%
Assignment II	15%
Mid Semester Test (in class, 110 minutes)	10%
Participation	10%
(Attendance, Quizzes, Discussion skills)	
Final examination (3 hours)	40%

Details relating to the assignments will also be provided at the first session. This includes the due dates, which are coordinated with the other courses in this programme.

Learning Outcome	Assignment 1	Assignment 2	Participation	Final Examination
1	X		X	X
2	X		X	X
3	X		X	X
4		X	X	X
5		X	X	X
6		X	X	X

Inclusive Learning

Students are urged to discuss privately any impairment-related requirements face-to-face and/or in written form with the course coordinator/lecturer and/or tutor.

Student Feedback

The course content and difficulty level reflect both the industry requirements and the feedback provided by students who took the course in the past.

Students who feel the course content is too complex to cope with should contact the course instructor and the course administrator immediately.