

**PLEASE READ THIS MEMORANDUM OF UNDERSTANDING (MU) THOROUGHLY  
BY JUNE 28<sup>TH</sup>, 2004 AND ALSO BE PREPARED TO DISCUSS  
THE CASE AND TEXT MATERIAL FOR THE FIRST CLASS SESSION**

**MBA 695C-71  
SUPPLY CHAIN MANAGEMENT  
SUMMER 2006 (Second Session)**

**PLACE**

All class sessions (except the second class session) will be held in Room 111 Joseph M. Bryan School of Business and Economics. The venue for the second class session is Room 225 Bryan Building.

**TIME**

6:00 p.m. to 9:30 p.m. on Wednesdays.

**FACULTY MEMBER**

Vidyaranya B. Gargeya

E-Mail: [vbgarvey@uncg.edu](mailto:vbgarvey@uncg.edu)

Department of Information Systems and Operations Management  
437, Joseph M. Bryan School of Business and Economics  
Phone Numbers: (336) 334-4990 (Work) (336) 334-4083 (Fax) (336) 545-9263 (Home)

**APPOINTMENT TIME**

3:00 p.m. to 5:00 p.m. on Wednesdays only. You are encouraged to stop in during office hours to talk about any problems or suggestions you may have concerning the course, careers, benefits of advanced courses in operations management, or things in general. If you want to talk to the instructor and find the appointment hours to be inconvenient, feel free to schedule any other appointment time.

**BRIEF DESCRIPTION OF THE COURSE**

Students will gain an understanding of supply chain management in light of international competition, gaining competitive advantages, global sourcing, quality practices, and the adoption of new technologies. Also, the strategic issues/problems faced by organizations in building a supply chain network in a global economy will be discussed using cases.

**READING MATERIALS**

Simchi-Levi, D., Kaminsky, P., and Simchi-Levi, E. (2003). *Designing and Managing the Supply Chain: Concepts, Strategies, and Case Studies*. Second Edition. New York, NY: McGraw-Hill/Irwin, a business unit of The McGraw-Hill Companies, Inc.

In addition a few select cases will be used in the course. The text book and cases can be purchased from the UNCG Bookstore (Elliott University Center). Students should bring the textbook and other appropriate reading materials (articles and cases) for each class session.

## PRE-REQUISITE COURSES

MBA 607 (Operations Function). For a student to do well in the MBA 695C-71 course, it is important that the student should be able to:

- 1) Differentiate between productivity, effectiveness, efficiency, and other performance measures in operations management.
- 2) Compare and contrast the different types of conversion systems (i.e., project, job shop, mass production, and continuous process).
- 3) Explain the meaning of economies of scale and economies of scope in terms of gaining a competitive advantage.
- 4) Distinguish between long range, intermediate range, and short range capacity planning in operations management.
- 5) Identify and understand the functions of the different types of inventory required for running the operations.
- 6) Identify and understand the major planning functions from the major control functions in operations management.
- 7) Understand the features of a good quality management system in an operating environment.
- 8) Be comfortable with statistics, particularly, normal and exponential distributions, mean, standard deviation, probability, and the standard normal deviate (z) table.

## GRADING

The course grade is based on one written case analysis, a term paper (done individually or in a group of two students per group), an in-class final exam, and class participation and contribution. Grades are based on the following "absolute" scale (i.e., there will not be any "curving").

	<u>Points</u>	<u>Date</u>
In-class assignment	50	July 12 <sup>th</sup> , 2006
Written case analysis	75	July 19 <sup>th</sup> , 2006
In-class written exam	75	July 26 <sup>th</sup> , 2006
Term paper	150	August 2 <sup>nd</sup> , 2006
Class participation and contribution	50	
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TOTAL	400	
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A  $\geq$  360; A-  $\geq$  347; B+  $\geq$  334; B  $\geq$  320; B-  $\geq$  307; C+  $\geq$  294; C  $\geq$  280; C-  $\geq$  267; F < 267.

## IN-CLASS WRITTEN EXAM

The in-class written exam will be held on July 26<sup>th</sup>, 2006 (for 2 hours). The in-class exam is closed-book, and closed-notes. The exam will include 10 short answer questions (i.e., multiple choice, true/false, short answer questions, etc.) and two problems/mini-cases/essay questions (which could involve computations). The exam content will be drawn from the text book, cases/mini-cases, video films, simulation game, and class discussions using the objectives listed in the schedule of sessions as a general guideline.

## WITHDRAWAL

The last date to withdraw and receive a "W" is July 18th, 2006 (Tuesday).

## RE-EXAMINATION POLICY

As a rule, re-examinations will not be held. Absence from the in-class written examination due to illness, summons to jury duty, or any other compelling reason should be backed by the appropriate documents (e.g., medical certificate, etc.) in order to qualify for a re-examination. If possible, meet/talk with the professor before missing the examination to discuss the circumstances.

## WRITTEN CASE ANALYSIS AND CASE DISCUSSIONS IN CLASS

The written case analysis is due at 6:00 p.m. on July 19<sup>th</sup>, 2006. Unless otherwise instructed, the individual should take on the role of a manager who has been assigned to review the situation(s) of concern or interest to the firm. The specific issues to be covered for each case have been provided for the appropriate session in this memorandum of understanding. The written analysis is his/her report/recommendations on that/those situation(s). Much of the grade beyond a "passing score" depends on the student's ability to go beyond the "average" solution and provide innovative approaches, solutions, and appropriate implementation. Please detail out any assumptions made in your written analysis.

Students should work on the written case analysis on an individual basis (not in groups). Individuals should neither seek nor receive help from friends and family in completing this written analysis. The written analysis should be typed, and double-spaced on 8.5" by 11" paper. No minimum or maximum length is specified, although the written analysis should not typically exceed 15 pages in length. Individuals are requested to refrain from repeating the details provided in the case (just to fill up space) in their written analysis. That is, individuals are requested to cover the topics thoroughly, but efficiently. Do not add verbiage for the sake of length. Feel free to include diagrams, films, photos, sketches, or other types of illustrations in your written analysis. Oversized charts or drawings should be folded to the 8.5" by 11" format. In preparing the written analysis, write from an objective view, in third person. Do not use the words "I", "We", or "You". Use subheadings to correspond with specific issues posed for the individual case. It should be noted that appropriate credit will be given for those individuals who are in a position to integrate their analysis with readings presented outside the case. The written analysis will be graded on organization, thoroughness, insight of analysis, and written communication skill.

The individual written case analysis is to be submitted at the beginning of the class period on the July 19<sup>th</sup>, 2006. Late submissions will not be accepted. Each student should attest (with a signature) that "I HAVE ABIDED BY THE ACADEMIC HONOR POLICY ON THIS ASSIGNMENT" on a separate cover page of the individual written analysis. The cover page should also include the number and title of the course, title of the assignment, and the name of the student.

## TERM PAPER

Each student (or a group of two students) is to write a paper on one of the following topics as it relates to any industry/organization:

- 1) Electronic Data Interchange for Supply Chain Management.
- 2) Personnel: The Key Resource in Managing the Supply Chain.
- 3) Linking Performance Measures for Improving the Supply Chain.
- 4) Auditing and Control Procedures in Supply Chain Management.
- 5) Partnering with Suppliers: Strengthening the Links in the Supply Chain.
- 6) Managing Customer Expectations for Supply Chain Management.
- 7) Inventory: An Asset or Liability in Managing the Supply Chain.
- 8) The Role of Enterprise-wide Resource Planning (ERP) Systems in enhancing Supply Chain Management.
- 9) The Challenges in Building a Global Supply Chain.
- 10) Global Sourcing for Global Supply Chains.
- 11) Quality Connection in Supply Chain Management.
- 12) Rationalizing the Supply Chain with Network Configuration.
- 13) Product Design and Supply Chain Management.
- 14) Business to Business initiatives in Supply Chain Management.
- 15) Solution Techniques for Effective Supply Chain Management.

The above list is not a comprehensive one. Students may prefer to work on a topic different from the above list. The paper should be built on a good review of the literature on the topic. The literature review should include at least 10-15 articles and books on the subject. There are several journals and books on supply chain management. Some of the journals you could access them on-line. Based on the review of the literature, a framework should be developed to present the findings of previous works. The next section could focus on specific characteristics of the industry that makes it feasible/unfeasible to apply the concepts of the supply chain management. The next section of the paper should deal with how the issue specifically deals with the organization/industry of your choice. You should review the literature and develop the framework on the topic before you begin to apply it to the organization/industry of your choice. Feel free to seek the advice of the professor on the framework developed as well as the list of questions prior to applying the framework to the organization/industry of your choice. Students could survey (using a questionnaire) line managers and staff personnel in the organization to gather data on the topic being studied. You should review the literature and develop the framework on the topic before you begin to list the questions for the survey. Feel free to seek the advice of the professor on the framework developed as well as the list of questions prior to the development of the survey instrument. The paper should use the case research method. The book on Case Study Research by R. K. Yin could be used as reference. A one-paragraph abstract (which includes the title of the paper, the name of the organization, brief outline of the paper, and name of the primary contact at that organization, and a short list of references) should be submitted at the beginning of the class period on July 2<sup>nd</sup>, 2006.

In general, the paper should be written for an audience (of practitioners and academics) that is interested to study more about the topic as it relates to the organization/industry of your choice. Do not assume that the only person reading the paper is the faculty member. That is, the paper should be written for a person not too familiar with concepts of supply chain management. The outline of the paper could run as follows: Abstract, Introduction, Review of the Literature (culminating in a framework), Hypotheses or issues to be addressed in the

research, Research Methodology (including the details of the organization and questionnaire design), Data Analysis and Findings, Conclusions and Recommendations (to the organization and for future research), and References. It is expected that the entire paper will be written based on data and information obtained from primary sources (questionnaire/interviews) and secondary sources (such as books, articles, internet web sites, annual reports, etc.). The paper could be written by comparing two or more companies within the same industry.

Each student (or student group) is encouraged to develop the outline as we progress through the course. This approach will distribute the work associated with the term project more evenly over the length of the short six-week module. Feel free to discuss your term project with the professor as it is being developed. Students should work on this written analysis on an individual basis (not in groups). Individuals (or student groups) should neither seek nor receive help from friends and family in completing this written analysis. The written paper should be typed (maximum 12 point size lettering), double-spaced, and appropriately paginated and referenced. No minimum or maximum length is specified, although the papers are typically 20 to 25 pages long. Cover the topics thoroughly, but efficiently. Do not add verbiage for the sake of length. Citations should appropriately be referenced at the end of the paper, and pages, tables, figures should be appropriately numbered. Include diagrams, photos, sketches, or other types of illustrations that will clarify your presentation in the paper. In preparing the written analysis, write from an objective view, in third person. Do not use the words "I", "We", or "You". Use subheadings to correspond with specific issues. It should be noted that appropriate credit will be given for those individuals who are in a position to integrate their analysis with readings presented in the course.

Each student (or student group) should be prepared to discuss his/her (or its) term paper in class on August 5<sup>th</sup>, 2006. The faculty member will facilitate the discussion. The discussion will focus only on the highlights of the paper. Feel free to invite any member of the organization to your class presentation. If you plan to invite any member from the organization relating to your paper, please notify the professor by July 26<sup>th</sup>, 2006.

The project report and discussion will be graded on organization, thoroughness, insightfulness of analysis/recommendations, and written communication. It is highly recommended that a project management approach be taken for ensuring the timely completion of the project. The best papers will be entered into the 2006 APICS Student Paper Competition. Guidelines for the competition will be provided in the first class session.

The term paper assignment is to be submitted at the beginning of the class period on August 2<sup>nd</sup>, 2006. Late submissions will not be accepted. Each student/member of the group should attest (with a signature) to the statement that "I/WE HAVE ABIDED BY THE ACADEMIC HONOR POLICY ON THIS ASSIGNMENT" on the cover page of the term paper assignment. The cover page should also include number and title of the course, title of the assignment, and name(s) of the student(s).

## **CLASS PARTICIPATION AND CONTRIBUTION**

Each student should be prepared for an insightful discussion of all aspects of the material assigned for each class session, be it text and/or cases. Students should be prepared to answer questions, discuss mini-cases and cases, and comment when called upon to do so in the class. Students will be evaluated at each session on the quality (not quantity) of their participation/contribution. Class contribution/participation points will be accumulated based on how perceptively a student analyzes the situation being studied, the usefulness of the

observations and suggestions made by the student, and the student's ability to put across ideas with clarity and conviction. Class attendance alone will not directly count towards the points to be accumulated through class participation/contribution. However, poor attendance will dramatically reflect in a student's participation/contribution grade. That is, a student cannot participate/contribute if absent from the class. As a further consideration, material obtained from class discussions could be used for answering question(s) on the in-class written exam.

## **PEDAGOGIC APPROACH**

Lecture presentations, video films, manual simulations, and case analyses will be used. The "lecture" sessions will rely on the socratic method to the extent possible. Each student should be prepared to discuss the assigned readings/cases for each class session. The assigned questions given in the syllabus are only for the purposes of developing your thoughts on the subject. They are not representative of the type of question(s) that can be expected on the exam. The list of questions is not an exhaustive one. The memorandum of understanding (MU) provides a general plan for the course; deviations may be necessary.

## **COGNITIVE COURSE OBJECTIVES**

Upon completing the course, the student should be able to:

- (1) Develop a systematic framework for analyzing the behavior of large and complex supply chain networks.
- (2) Discuss the concepts of "customer focus" and customer relationships in supply chain management.
- (3) Understand the relationship and motivations of suppliers and distributors to ensure supplies of raw materials and markets for finished goods.
- (4) Discover the state-of-the-art technologies and approaches that reduce production, inventory, and transportation costs as well as supply lead-time.
- (5) Integrate production and inventory control methods in multi-plant distribution strategies.
- (6) Understand the factors that are necessary for the optimal design of the logistics network.
- (7) Describe the risk-pooling concept.
- (8) Elaborate on the role played by Enterprise-wide Resource Planning (ERP) systems in the supply chain.
- (9) Understand the role of strategic alliances and global sourcing.
- (10) Discuss the human resource management implications of supply chain management.
- (11) Detail out the mechanisms for measuring performance of the supply chain.
- (12) Elaborate on the how quality management systems fit into concept of supply chain management.
- (13) Understand the role of information systems and technology to improve the performance of the supply chain.
- (14) Evaluate the functioning of a supply chain.
- (15) Acquire a thorough understanding of the inter-relationships between the functional areas (such as marketing, finance, etc.) in order to effectively participate in a multi-functional task force in building a global supply chain.

## **TECHNOLOGY APPLICATIONS**

There would be some coverage of technological advances relating to supply chain management in the course.

## **ETHICAL PERSPECTIVES**

Ethical issues are fairly closely tied to supply chain management. There would be some coverage of these ethical issues as they relate to the course.

## **GLOBAL PERSPECTIVES**

There would be a significant coverage of global perspectives in this course.

## **POLITICAL, SOCIAL, LEGAL, AND REGULATORY ISSUES**

Political, social, legal, and regulatory issues, to the extent applicable, will be covered in this course. It is anticipated that there would be some coverage of these issues.

## **IMPACT OF DEMOGRAPHIC DIVERSITY**

There would be some coverage of the impact of demographic diversity on supply chain management.

## **BIOGRAPHIC SKETCH OF FACULTY MEMBER**

Vidyaranya B. Gargeya has been recently promoted to the rank of Professor in the Department of Information Systems and Operations Management in the Joseph M. Bryan School of Business and Economics at The University of North Carolina at Greensboro. He currently teaches primarily in graduate and executive programs. He holds a bachelor's degree in Chemical Engineering from Andhra University, Visakhapatnam (India), a Post Graduate Diploma in Management from the Indian Institute of Management, Bangalore, and a Ph.D. in Business Administration from Georgia State University. He has considerable work experience as an engineer, and manager in the petroleum industry. Dr. Gargeya has taught at the University of Strathclyde (Glasgow, Scotland), Fachhochschule-Ludwigshafen (Germany), University of Hartford, Georgia State University, and the Jannalal Bajaj Institute of Management Studies, University of Bombay (India). His teaching and research interests include Operations Management, Global Operations Strategy, Total Quality Management, Supply Chain Management, Information Technology for Operations Management, and Service Operations Management. He has published in journals such as *Journal of Operations Management*, *International Journal of Production Research*, *Computers & Industrial Engineering*, *Industrial Management & Data Systems*, *Omega*, *International Journal of Quality and Reliability Management*, *Case Research Journal*, *Technovation*, *Transportation Research Part E*, *Business Process Management Journal*, etc. Dr. Gargeya currently serves on the Board of Examiners of the Malcolm Baldrige National Quality Award and the North Carolina Awards for Excellence and he has also consulted with Fortune 500 companies.

## SCHEDULE OF SESSIONS

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SESSION #	DATE	TOPICS AND ASSIGNMENTS
1	6/26	<p><b>READ THE MEMORANDUM OF UNDERSTANDING</b></p> <p>INTRODUCTION TO SUPPLY CHAIN MANAGEMENT Chapter 1: Introduction to Supply Chain Management.</p> <p><b>BE PREPARED!</b> <b>BE PREPARED!</b></p> <ol style="list-style-type: none"> <li>1) Describe in your own words the concept of supply chain management.</li> <li>2) Identify the difficulties in, rationale for, key issues in supply chain management.</li> </ol> <p>CUSTOMER VALUE AND SUPPLY CHAIN MANAGEMENT Chapter 10: Customer Value and Supply Chain Management.</p> <p><b>BE PREPARED!</b> <b>BE PREPARED!</b> <b>BE PREPARED!</b></p> <ol style="list-style-type: none"> <li>1) Elaborate on the dimensions and measures of customer value.</li> <li>2) Discuss the role of the Customer Relationship model in supply chain management.</li> <li>3) Elaborate on how SCOR Level 1 Metrics could be used in enhancing customer value.</li> </ol> <p>LOGISTICS NETWORK CONFIGURATION Chapter 2: Logistics Network Configuration.</p> <p><b>BE PREPARED!</b> <b>BE PREPARED!</b> <b>BE PREPARED!</b></p> <ol style="list-style-type: none"> <li>1) Based on “The Bis Corporation” mini-case (given on pages 23-24), be prepared to answer the questions given on page 24.</li> <li>2) Describe the data collection process for enhancing the performance of the supply chain.</li> <li>3) Identify the the solution techniques for managing the supply chain.</li> </ol> <p>CASE: PIONEER HI-BRED INTERNATIONAL; INC.</p> <p><b>BE PREPARED!</b></p> <ol style="list-style-type: none"> <li>1) Based on your reading and analysis of the case, be prepared to discuss the following issues in detail: <ol style="list-style-type: none"> <li>a) Who should open the discussion in response to John’s invitation? Why? What should he or she say? Substantiate with a detailed explanation.</li> <li>b) What are some of the forces that might change supply chain management at Pioneer in the years to come? How would such supply chain management changes enhance (reduce) the competitive advantages that Pioneer currently had? Substantiate in detail.</li> <li>c) How would the uncertainty of the demand forecast and production yield affect the supply chain management decisions? What should John Smith do in terms of the production (including international production) issues? Discuss in detail.</li> </ol> </li> </ol>

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SESSION #	DATE	TOPICS AND ASSIGNMENTS
<b>2</b> (Room 225 Bryan Building)	<b>7/5</b>	<b>SUBMISSION OF ABSTRACT OF TERM PAPER</b>  <b>BEER GAME!</b>  <ol style="list-style-type: none"><li>1) Describe the system that is being simulated in the Beer Game.</li><li>2) Discuss how “structure produces behavior” as perceived in the Beer Game.</li><li>3) Elaborate on how intra-unit variance affects the performance of the supply chain.</li></ol> <b>INVENTORY MANAGEMENT AND RISK POOLING</b> Chapter 3: Inventory Management and Risk Pooling.  <ol style="list-style-type: none"><li>1) Based on the “Jam Electronics: Service Level Crisis” mini-case (given on pages 43-44), answer the questions on page 44.</li><li>2) Describe the concept of risk pooling.</li><li>3) Discuss the role of perpetual, periodic, and hybrid inventory management systems in supply chain management.</li></ol>

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 SESSION #    DATE

 TOPICS AND ASSIGNMENTS
 

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3    7/14

## SUPPLY CHAIN INTEGRATION

Chapter 5: Supply Chain Integration.

Video Film: Styro, Inc. (25 minutes).

- 1) Differentiate between the three distribution strategies.
- 2) Discuss the role of transshipment in the supply chain.
- 3) Compare and contrast centralized versus localized facilities.
- 4) Differentiate between “push” versus “pull” systems.
- 5) Based on the video film titled “Styro, Inc.”,
  - a) Why did the large lot size run produce stockouts even though work-in-process (WIP) inventory was high? How did small lot sizes help customer service?
  - b) What is meant by the statement "Reduced inventory is the not the major benefit of JIT production"? Elaborate on your understanding.
  - c) How does the system at “Styro, Inc.” relate to supply chain management? Did “Styro, Inc.” experience the “Bull Whip” Effect? Substantiate your response with a detailed explanation.
  - d) How does the experience of “Styro, Inc.” relate to

## INFORMATION FOR SUPPLY CHAIN MANAGEMENT

Chapter 4: The Value of Information.

Chapter 6: Strategic Alliances.

Chapter 7: Procurement and Outsourcing Strategies.

- 1) Describe the “Bullwhip Effect”. Can the Bullwhip Effect be avoided? If so, how so? If not, why not?
  - 2) Discuss the elements in the framework for strategic alliances.
  - 3) Compare and contrast the advantages and disadvantages for Third Party Logistics (3PL).
  - 4) Differentiate the three types of retailer-supplier partnerships (RSPs).
  - 5) Compare and contrast the benefits and risks of outsourcing.
  - 6) Differentiate between private and public/consortia e-market places.
  - 7) Present your views on how electronic commerce enhances the supply chain in light of the four levels of e-commerce and the Gargeya and Salam article.
  - 8) “E-procurement is the way to go for any company in the 21<sup>st</sup> century!” declares Dr. Good Consultant. Do you agree with her? If so, why so? If not, why not?
  - 9) Based on the article, understand the role of Enterprise-wide Resource Planning (ERP) systems in enhancing the effectiveness and efficiency of a global supply chain.
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SESSION #	DATE	TOPICS AND ASSIGNMENTS
4	7/21	<p data-bbox="537 369 1391 432">INFORMATION FOR SUPPLY CHAIN MANAGEMENT, GLOBAL SUPPLY CHAIN RATIONALIZATION, AND DESIGN</p> <p data-bbox="537 436 1330 468">Chapter 11: Information Technology for Supply Chain Management.</p> <p data-bbox="537 472 1243 504">Chapter 8: International Issues in Supply Chain Management.</p> <p data-bbox="537 508 1391 604">Article: Gargeya, V. B., Birdwell, J., and Martin, R. (2001). Challenges in managing the global supply chain in the apparel industry. <i>Forum Empresarial</i>, 6(2): 22-45.</p> <p data-bbox="537 609 1211 640">Chapter 9: Coordinated Product and Supply Chain Design.</p> <ol data-bbox="537 674 1391 1003" style="list-style-type: none"> <li>1) Describe the goals of supply chain information technology. Discuss how information technology in enhances supply chain performance.</li> <li>2) Differentiate the five stages of the Supply Chain Compass Model.</li> <li>3) Discuss the mechanisms by which the four forces that drive the trend towards globalization impact supply chain management.</li> <li>4) Elaborate on the risks and advantages of international supply chains.</li> <li>5) Based on the article by Gargeya, Birdwell, and Martin, describe the challenges faced by the U.S. apparel industry in building a global supply chain. Compare the article with the text reading (pp. 195-197).</li> <li>6) Discuss the spectrum of supplier integration.</li> </ol> <p data-bbox="532 1041 1391 1073"><b>CASE: SUPPLY CHAIN MANAGEMENT AT WORLD CO., LTD.</b></p> <ol data-bbox="537 1106 1391 1575" style="list-style-type: none"> <li>1) Using the case, answer the following questions in as much detail as possible: <ol data-bbox="574 1178 1391 1575" style="list-style-type: none"> <li>a) Examine the features of fashion apparel retailing in Japan. How can a company use its supply chain to compete in this environment? Identify the salient aspects of World Co. Ltd.'s supply chain focusing on the processes for manufacturing, demand forecasting, and inventory planning.</li> <li>b) How do the features of the supply chain explain the company's remarkably short lead times (relative to U.S. apparel supply chains)? Examine the features of the supply chain, and discuss why the company is able to respond so effectively.</li> <li>c) Can the World Co., Ltd.'s supply chain processes be replicated at other apparel companies? What about non-apparel supply chains? Identify and discuss potential barriers.</li> </ol> </li> </ol>

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SESSION #	DATE	TOPICS AND ASSIGNMENTS
<b>5</b>	<b>7/26</b>	<b>IN-CLASS WRITTEN EXAM (120 minutes)</b>  DECISION SUPPORT SYSTEMS FOR SUPPLY CHAIN MANAGEMENT Chapter 12: Decision-Support Systems for Supply Chain Management  1) Identify the different tools that can be used for solving problems related to supply chain management.  DISCUSSION ON ANALYZING DATA FOR TERM PAPER
<b>6</b>	<b>8/2</b>	<b>TERM PAPER PRESENTATIONS (Submission of Term Paper)</b>

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## **STUDYING AND LEARNING FROM CASES\***

The cases featured in this course are representative of real-world problems that managers in different organizations have to face and resolve. Although designed principally for use in classroom discussions, many of these cases can offer valuable insights to the individual reader.

The comments that follow are directed primarily at participants in courses and seminars who have been assigned one or more of these cases to prepare for subsequent class discussion. Unlike methods of instruction that use lectures and textbooks, the case method of instruction does not present students with a body of tried and true knowledge about how to be a successful manager. Instead, it provides an opportunity for students to learn by doing.

As a student, you may find that dealing with cases is very much like working with the actual problems that people encounter in their jobs as managers. In most instances, you'll be identifying and clarifying problems facing the management of a company or non-business organization, analyzing qualitative information and quantitative data, evaluating alternative courses of action, and then making decisions about what strategy to pursue for the future. You may enjoy the process more—and will probably learn more—if you accept the role of an involved participant rather than that of a disinterested observer who has no stake, or interest, in resolving the problems in question.

The goal of case analysis is not to develop a set of “correct” facts but to learn to reason well with available data. Cases mirror the uncertainty of the real-world managerial environment in that the information they present is often imprecise and ambiguous. You may perhaps be frustrated that there is no one right answer or correct solution to any given case. Instead, there may be a number of feasible strategies management might adopt, each with somewhat different implications for the future of the organization, and each involving different trade-offs.

In this course, you'll be exposed to a wide range of different management situations within a relatively short time. As a result, the cases presented in this course will collectively provide a much broader exposure to supply chain management issues than most managers experience in many years on the job.

### **CASES AND THE REAL WORLD**

Recognizing that managerial problems are not unique to a particular institution (or even to a specific industry) forms a basis for developing a professional approach to management.

It's important to recognize that even though case writers try to build realism into their cases, these cases differ from real-world management situations in several important respects. First, the information is prepackaged in written form. By contrast, managers accumulate their information through memoranda, meetings, chance conversations, research studies, observations, news reports, and other externally published materials—and, of course, by rumor.

Second, cases tend to be selective in their reporting because most of them are designed with specific teaching objectives in mind. Each must fit a relatively short class period and focus attention on a defined category of management problem within a given subject area. To provide such a focus—and to keep the length and complexity of the case within reasonable bounds—the writers may need to omit information on problems, data, or personnel that are peripheral to the central issue in the case.

**\\*Adapted from Christopher H. Lovelock and Charles B. Weinberg. (1988 and 1991).**

In the real world, management problems are usually dynamic in nature. They call for some immediate action, with future analysis and major decisions being delayed until some later time. Managers are rarely able to wrap up their problems, put them away, and go on to the next “case.” In contrast, discussing a case in class or writing an analysis of a case is more like examining a snapshot taken at a particular point in time—although sometimes a sequel case provides a sense of continuity and poses the need for future decisions within the same organization.

A third, and final, contrast between case analyses and real-world management is that participants in case discussions and authors of written case reports aren’t responsible for implementing their decisions, nor do they have to live with the consequences. However, this doesn’t mean you can be frivolous when making recommendations. Professors and students are likely to be critical of contributions that aren’t based on careful analysis and interpretation of the facts.

## PREPARING A CASE

Just as there is no one right solution to a case, there is also no single correct way of preparing a case. However, the broad guidelines outlined in “Preparing a Case” may help familiarize you with the job of case preparation. With practice, you should be able to establish a working style with which you feel comfortable. The guidelines on initial analysis and on developing recommendations should also serve you well for preparing written case reports or case-based exams.

First, it’s important to gain a feel for the overall situation by skimming quickly through the case. Ask yourself:

- What sort of organization does the case concern?
- What problems does management appear to be facing?

### Preparing a Case: A Brief Outline

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- I. Initial fast reading
    - \* No notes
    - \* Get a feel for what’s going on
    - \* Think about major problems and forces present
  
  - II. A second careful reading
    - \* Make notes identifying:
      - Organizational objectives
      - Nature of problem(s)
      - Key facts
      - Key decisions
    - \* Evaluate and analyze case data
  
  - III. Development of specific issues
    - Identify alternative courses of action to meet objectives
    - Consider implications of each action
    - Provide recommendations, supported by analysis
-

An initial fast reading, without making notes or underlining, should provide a sense for what is going on and what information is being presented for analysis. Then you'll be ready to make a very careful second reading of the case. This time, seek to identify key facts so that you can develop a situation analysis and clarify the nature of the problems facing management. As you go along, try to make notes in response to such questions as:

- What decisions need to be made, and who will be responsible for making them?
- What are the objectives of the organization itself and of each of the key players in the case? Are these objectives compatible? If not, can the problem be reconciled, or will it be necessary to redefine the objectives?
- What resources and constraints are present that may help or hinder attempts by the organization to meet its objectives?

You should make a particular effort to establish the significance of any quantitative data presented in the text of the case or, more often, in the exhibits. See if new insights may be gained by combining and manipulating data presented in different parts of the case. But don't accept the data blindly. In the cases, as in real life, not all information is equally reliable or equally relevant. On the other hand, case writers won't deliberately misrepresent data or facts to trick you.

### **Developing courses of action on specific issues**

At this point in the analysis, you should be in a position to summarize your evaluation of the situation and to develop some recommendations for management. First, identify the alternative courses of action that the organization might have. Next, consider the implications of each alternative, including possible undesirable outcomes, such as provoking responses from stronger competitors. Ask yourself how short-term tactics fit with longer-term strategies. Relate each alternative to the objectives of the organization (as defined or implied in the case, or as redefined by you). Then, develop a set of recommendations for future action, making sure that these recommendations are supported by your analysis of the case data. Specific issues to be considered for each case are provided under the appropriate class session in the "schedule of sessions" section in the memorandum of understanding.

Your recommendations won't be complete unless you give some thought to how the proposed strategy should be implemented:

- \* What resources—human, financial, or other—will be required?
- \* Who should be responsible for implementation?
- \* What time frame should be established for the various actions proposed?
- \* How should subsequent performance be measured?

### **CLASS DISCUSSION**

Courses taught by the case method emphasize inductive learning, with conceptual frameworks and strategic guidelines developed from the analysis of a variety of real-world situations. This approach contrasts sharply with the deductive approach to learning used in lectures where the concepts are presented first and must then be applied to actual situations.

### **Role of the Professor**

In class, you may find that the role played by a professor using the case method usually differs significantly from that of a lecturer. The professor's role in case discussions is often similar to that of a moderator—calling on students, guiding the discussion, asking questions, and periodically synthesizing previous comments. Teaching styles vary, of course, from one case professor to another.

Many professors like to begin the class by asking a student to “lay out” the case, which may involve your being asked to identify key problems and opportunities, to present some preliminary data analysis, and perhaps to outline a possible plan of action.

Some professors, as in the current course, assign study questions in advance to help students with their case preparation; but others feel it is more realistic (albeit more demanding) to let students define for themselves how they should approach each new case.

### **Responsibilities of Participants**

Instead of being a passive note-taker, as in lecture classes, you'll be expected to become an active participant in class discussions. Indeed, it's essential that you participate, for if nobody participates, there can be no discussion! If you never join in the debate, you'll be denying other participants the insights that you may have to offer. Moreover, there's significant learning involved in presenting your own analysis and recommendations and debating them with your classmates—who may hold differing views or else seek to build on your presentation. But don't be so eager to participate that you ignore what others have to say. Learning to be a good listener is also an important element in developing managerial skills.

Occasionally, it may happen that you are personally familiar with the organization depicted in a case. Perhaps you are privy to additional information not contained in the case, or perhaps you know what has happened since the time of the case decision point. If so, keep this information to yourself unless, and until, the professor requests it. (This advice also holds true for written reports and case exams.) There are no prizes for 20/20 hindsight; injecting extra information that nobody else has is more likely to spoil a class discussion than to enhance it.

Learning comes through discussion and controversy. In the case method of instruction, participants must assume responsibility not only for their own learning but also for that of others in the class. Thus, it's important for students to be well prepared, willing to commit themselves to a well-reasoned set of analyses and recommendations, and receptive to constructive criticism. Students unwilling to accept this challenge are likely to find the case method aimless and confusing. On the other hand, if you do accept it, you'll experience in the classroom that sense of excitement, challenge, and even, exasperation that comes with being a manager in the real-world situation.