

# The Hong Kong Polytechnic University

## Subject Description Form

<b>Subject Code</b>	LGT5032
<b>Subject Title</b>	Strategic Procurement Management
<b>Credit Value</b>	3
<b>Level</b>	5
<b>Normal Duration</b>	1-semester
<b>Pre-requisite / Co-requisite/ Exclusion</b>	Nil
<b>Role and Purposes</b>	<p>To ensure that students fully comprehend how procurement and supply as key strategic business competences can impact directly on the competitive position and operational efficiency of organisations.</p> <p>To enable students to understand the wider economic drivers on business and the importance of the structures of the supply and value chains in which the organisation operates and the power regimes that determine the strategic options available to them.</p> <p>To establish awareness of a range of perspectives of strategic procurement management, and the importance of managers having knowledge of the range of tools available for strategic analysis and decision-making and supply chain circumstances, and the ability to understand the most appropriate tools to use in certain contingent circumstances.</p> <p>This subject contributes to the following Intended Learning Outcomes for the MSc programme(s):</p> <p>MSc in Global Supply Chain Management #3 Manage global sourcing and procurement</p>
<b>Subject Learning Outcomes</b>	<p>Upon completion of the subject, students will be able to:</p> <ul style="list-style-type: none"> <li>A. Develop procurement and supply as a key strategic business competence in an organisation.</li> <li>B. Understand and manipulate the economic drivers in the supply and value chain for the benefits of an organisation.</li> <li>C. Apply appropriate strategic procurement tools in contingent circumstances, including business ethics.</li> <li>D. Be able to understand the differences between commercial and government purchasing</li> </ul>

<p><b>Subject Synopsis/ Indicative Syllabus</b></p>	<ul style="list-style-type: none"> <li>● Explore ways of thinking about procurement and supply chain management from a strategic perspective and the linkages among business strategy, procurement, and supply competence.</li> <li>● Consider theories that firms may adopt including transaction costs, asset specificity, organisational competence, business and supply management, and identify the economic drivers of business success.</li> <li>● Examine the concepts of power and leverage and how they contribute to effective strategic procurement management through understanding the unique structures of supply chains and the power structures embedded in them.</li> <li>● Study the contractual and relational governances for managing buyer-supplier relationships as well as the cultural issues involved.</li> <li>● Critically look at the strengths and weaknesses in established strategic procurement and supply chain management.</li> <li>● Identify the new procurement opportunities available to firms and public bodies, through flexible strategies, to reduce costs and add value and quality improvements to existing business processes.</li> <li>● Consider a wide range of strategic and operational procurement and supply chain tools and techniques and understand their appropriate applications in contingent circumstances of particular supply and value chains and power regimes, including business ethics.</li> <li>● The characteristics of institutional, legal and government purchasing</li> </ul>
<p><b>Teaching/Learning Methodology</b></p>	<p><b>Teaching and Learning Methods:</b> The above course objectives will be achieved through a participative approach. Students are expected to assume a very active role in the learning process and the role of the lecturer will be one of the facilitators. Specifically, students are:</p> <ol style="list-style-type: none"> <li>1) encouraged to think of real life examples and discuss their management implications with peers in the class and with the lecturer;</li> <li>2) expected to learn from lectures, group discussions, case studies, and interactions with the lecturer and among themselves;</li> <li>3) required to review current supply management related articles to enhance their understanding of the strategic procurement management;</li> <li>4) given case studies to understand the important concepts and topic areas covered in the course.</li> </ol> <p>At the end of the course, students are expected to have a clearer understanding of how strategic procurement actually works. The teaching method will be a combination of lecture and class discussion. Lectures will be delivered to introduce students into the foundation of “Strategic Procurement Management” and an analytical framework for the subject. Class discussion will be used as a vehicle to exchange experiences and ideas in the subject matters. Assigned readings and analytical case studies will be used to consolidate and develop the students’ knowledge, skills, and desire in the subject.</p>

**Assessment Methods in Alignment with Intended Learning Outcomes**

Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)					
		a	b	c	d		
1. Course Work	50 %	✓	✓	✓	✓		
2. Examination	50 %	✓	✓	✓	✓		
<b>Total</b>	<b>100 %</b>						

Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:

**Assessment:** The assessment will be based on two components:

- a) A three-hour examination will contribute to a weight of 50% in the course. The objective of the examination is for students to review all concepts covered in the course one last time.
- b) Team project presentation (25%), individual assignment (20%) and class performance (5%) will in total contribute to a weight of the remaining 50% in the course.

**Guidelines to Team Project Presentation:** The objective of the team project presentation is to help students organize and apply the ideas and concepts learnt from the course in real life settings.

***The class is to be divided into teams of 3-7 students in each team. All members in the team are expected to be present in their presentation week for assessment purpose. The week of presentation will be informed to students on or before the 3<sup>rd</sup> lecture of the new semester. Team **projects are due for submission one week on or before the presentation week.*****

If any individual has not contributed for the team works, s(he) should not append his/her name to the project presentation and report, but submit a separate report on their own. It will also be the team’s responsibility to ensure that this happens. Each team member must contribute to the analysis leading to the assessed works in the course.

*To pass this subject, students are required to obtain Grade D or above in BOTH the Continuous Assessment and Exam components.*

**Student Study Effort Expected**

Class contact:	
▪ Lectures / Tutorials	39 Hrs.

	Other student study effort:	
	▪ Revision, doing exercises and cases	87 Hrs.
	▪	Hrs.
	Total student study effort	126 Hrs.
<b>Reading List and References</b>	<p>Weele, Arjan A.J. (the latest edition), <i>Purchasing and Supply Chain Management</i>, Cengage Learning.</p> <p>Burt, D.N., Dobler, D.W., and Starling, S.L. (the latest edition) <i>World Class Supply Management: The Key to Supply Chain Management</i>, McGraw Hill.</p> <p>Cousins, P., Lamming, R., Lawson, B., and Squire, B. (the latest edition), <i>Strategic Supply Management: Principles, Theories and Practices</i>, Prentice Hall/ Financial Times, Harlow, England.</p> <p>Cox, A., Sanderson, J. and Watson, G. (the latest edition), <i>Power Regimes: Mapping the DNA of Business and Supply Chain Relationships</i>, Earlsgate Press.</p> <p>Erridge, A., Fee, R. and Mclroy, J. (Eds.) (the latest edition), <i>Best Practice Procurement: Public And Private Sector Perspectives</i>, Gower.</p> <p>Lamming, R. and Cox, A. (the latest edition), <i>Strategic Procurement Management</i>, Earlsgate Press.</p> <p>Luo, Y. (the latest edition) <i>Guanxi and Business</i>, World Scientific, Singapore.</p> <p>Porter, M. (the latest edition), <i>Competitive Advantage</i>, Free Press.</p> <p>Saunders, M. (the latest edition), <i>Strategic Purchasing and Supply Chain Management</i>, Prentice Hall.</p> <p>Wincel, Jeffrey (2004) <i>Lean Supply Chain Management: a handbook for strategic procurement</i>, New York NY: Productivity Press.</p>	