

# The Hong Kong Polytechnic University

## Subject Description Form

<b>Subject Code</b>	LGT4114
<b>Subject Title</b>	Supplier Development and Contract Management
<b>Credit Value</b>	3
<b>Level</b>	4
<b>Normal Duration</b>	1-semester
<b>Pre-requisite / Co-requisite/ Exclusion</b>	Nil
<b>Role and Purposes</b>	<ol style="list-style-type: none"> <li>1. To ensure that students fully understand how suppliers can be involved in helping themselves and their customers to compete effectively in their supply chains (<b>Outcome 8</b>).</li> <li>2. To establish an awareness of the tools and techniques available for organisations to develop the capability of a supply base to meet current and future needs (<b>Outcome 8</b>).</li> <li>3. To equip students with the knowledge and understanding of the forms and management of contractual relationships, specific emphasis being placed on ways to realize purchasing objectives through legal contracting, negotiation and management (<b>Outcome 11</b>).</li> </ol>
<b>Subject Learning Outcomes</b>	<p>Upon completion of the subject, students will be able to:</p> <ol style="list-style-type: none"> <li>a. Make use of the tools available to develop a supply base for meeting operation and strategic needs.</li> <li>b. Select the most appropriate suppliers and determine the necessary types of relationships to be developed.</li> <li>c. Assess the performance of suppliers and methods to improve suppliers' performance.</li> <li>d. Develop and review hands-on knowledge and understanding about contract management.</li> <li>e. Apply practical approaches, applications and skills to manage contracts from their inception to the conclusion of the contract.</li> </ol>
<b>Subject Synopsis/ Indicative Syllabus</b>	<ul style="list-style-type: none"> <li>• Understanding of sourcing requirements from external suppliers</li> <li>• Tools and techniques of supplier development</li> <li>• Supplier selection and evaluation</li> <li>• Understanding of compliance issues when sourcing from suppliers</li> <li>• Legal aspects of contracting: <ol style="list-style-type: none"> <li>1. Formation of Contract: Offer, Acceptance, Consideration, Intent to form legal relations, method of conveying offer and acceptance, form of contracts.</li> </ol> </li> </ul>

	<p>2. Contents of a contract: Express terms, Implied terms (terms implied by fact, by law and by custom), parol evidence, mistake.</p> <p>3. End of contract:</p> <ol style="list-style-type: none"> <li>i. Expiration of contract.</li> <li>ii. Termination: Breach, refusal to perform, anticipatory breach, repudiation, defective performance</li> <li>iii. Vitiating: Fraudulent, negligent or innocent misrepresentation; common, unilateral or mutual mistake;</li> <li>iv. Frustration.</li> </ol> <p>4. Damages and Remedies: Damages, specific performance, injunction.</p> <ul style="list-style-type: none"> <li>• Overview of the management of contract</li> <li>• Pre-contract negotiation</li> <li>• Contract management framework and practices</li> <li>• Dispute resolution and management</li> <li>• Current issues of contract management</li> </ul>																																						
<p><b>Teaching/Learning Methodology</b></p>	<p>Concepts, theories and key issues based on the literature will be introduced to students through lectures. Case studies will be used to illustrate some application aspects and to stimulate discussions leading to context-specific knowledge in tutorials. Students are required to apply the knowledge to analyse some contemporary issues in the field.</p>																																						
<p><b>Assessment Methods in Alignment with Intended Learning Outcomes</b></p>	<table border="1" data-bbox="536 1160 1482 1565"> <thead> <tr> <th rowspan="2">Specific assessment methods/tasks</th> <th rowspan="2">% weighting</th> <th colspan="6">Intended subject learning outcomes to be assessed (Please tick as appropriate)</th> </tr> <tr> <th>a</th> <th>b</th> <th>c</th> <th>d</th> <th>e</th> <th></th> </tr> </thead> <tbody> <tr> <td>Continuous Assessment</td> <td>50%</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td></td> </tr> <tr> <td>Exam</td> <td>50%</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td>✓</td> <td></td> </tr> <tr> <td>Total</td> <td>100 %</td> <td colspan="6"></td> </tr> </tbody> </table> <p>Explanation of the appropriateness of the assessment methods in assessing the intended learning outcomes:</p> <p>The achievement of the learning outcomes will be dependent on students' knowledge in conceptual theories and ability to apply supplier development and contract management techniques.</p> <p>Since examination is effective in assessing the knowledge level in conceptual theories and continuous assessment (including assignments and projects) is effective in assessing the ability in applying techniques, both methods will be needed to assess the outcomes of this subject.</p> <p><i>To pass this subject, students are required to obtain Grade D or above in BOTH the Continuous Assessment and Exam components.</i></p>	Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)						a	b	c	d	e		Continuous Assessment	50%	✓	✓	✓	✓	✓		Exam	50%	✓	✓	✓	✓	✓		Total	100 %						
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Exam	50%	✓	✓	✓	✓	✓																																	
Total	100 %																																						

<b>Student Study Effort Expected</b>	Class contact:	
	▪ Lectures	26 Hrs.
	▪ Tutorials	13 Hrs.
	Other student study effort:	
	▪ Private studies and group work	87 Hrs.
	Total student study effort	126 Hrs
<b>Reading List and References</b>	<p>Benton, W.C. (2007), <u>Purchasing and Supply Management</u>, McGraw-Hill</p> <p>Burt, D., Petcavage, S. and Pinkerton, R. (2010), <u>Supply management</u>, Edition, McGraw-Hill/Irwin.</p> <p>Costantino, C.A. and Merchant, C.S. (1996), <u>Designing conflict management systems: A guide to creating productive and healthy organizations</u>, San Francisco: Jossey-Bass.</p> <p>Harris, C., Harris, R. and Streeter, C. (2011), <u>Lean Supplier Development</u>, CRC Press.</p> <p>Hines,P. (1994), <u>Creating World Class Suppliers: Unlocking Mutual Competitive Advantage</u>, London, Pitman Publishing.</p> <p>Imai,K. (1986), <u>Kaizen</u>, New York, McGraw-Hill.</p> <p>Johnson, P.F., Leenders, M.R. and Flynn, A.E. (2011), <u>Purchasing and Supply Management</u>, McGraw Hill Irwin.</p> <p>Oliver, D. (2011), <u>How to negotiate effectively</u>, edition, Kogan Page.</p> <p>Saxena, A. (2008), <u>Enterprise contract management. A practical guide to successfully implementing an ECM solution</u>, J. Ross Publishing Inc., Florida.</p> <p>The Chartered Institute of Purchasing and Supply (2002), <u>Project and Contract Management</u>, CIPS</p> <p>Journal of Operations management</p> <p>Journal of Supply Chain Management</p> <p>Journal of Contract Management</p>	