



Procurement and Process Management

This draft is preliminary since the course is currently being re-worked for WS23/24

This new course focuses on the intersection of procurement/purchasing and production. We aim at an interactive learning environment using lots of examples and case-based learning. We focus on important business decisions around procurement and process management that impact company strategy.

The course includes a team-based case study on NFL jerseys, a negotiation simulation with your fellow students, hand-picked guest lectures, and discussion sessions (“Übung”) where you can take the stage.

Motivation

Procurement plays a more and more important role in many organizations. Throughout the last decades it evolved from a clerical, order-taking role to a strategic one. As a consequence, procurement managers need to understand how their procurement decisions affect the companies’ long-term success. At the same time, complex supply chains created in the outsourcing waves of the 1990s have been abruptly ended by insourcing* and reshoring* decisions of manufacturers. This re-emphasizes the strategic importance of managing internal processes. This course combines purchasing/sourcing and process management with a focus on manufacturing.

*Insourcing is to produce what used to be produced by a supplier within one's own factory walls again. Reshoring is to re-locate production (from a supplier or oneself) closer to the headquarter or customers.

Goal

The course aims to teach students how to analyze a company’s supply base and make the most important procurement decisions. They will learn how behavior affects procurement and manufacturing processes.

Lecturing format

We will combine lectures where I speak, give examples, and ask questions, with "discussion classes", where you bring questions to class that challenge the group. These will help you apply your knowledge and automatically study for the exam, as we go. In addition, we will have two days to run and discuss a simulation, several guest lectures (pending), and I plan to add recap sessions before the exam. This will be a class that is rich in variety, learning and hopefully also fun.

Assignments

There is one large assignment, the NFL case, to be completed in teams. Students can earn additional bonus points by uploading high-quality questions about previous lectures and the correct solution.

Grading

Exam (75%) and Project (25%)

Handouts and materials

Handouts will be available for download on Ilias.

Language

English

Prerequisites

No particular requirements besides an interest in procurement, manufacturing processes and strategic thinking.



Course Agenda (preliminary)

October	9	10	11	12	13	
		Lecture 1: Welcome & Introduction	▼	Lecture 2: Procurement Strategy	▼	Discussion Class: Q&A
	16	17	18	19	20	
		Lecture 3: Managing Risk and Uncertainty	▼	Lecture 4: Case Study Intro	▼	Discussion Class: Q&A
	23	24	25	26	27	
	▼	Simulation: Cross-functional Alignment		Simulation: De-briefing & discussion	▼	Lecture 5: Enhance Supplier Competition
	30	31			3	
	Guest Lecture: Procurement				Lecture: Changing Demand	
November	6	7	8	9	10	
		Lecture: Processes and Strategy	▼	Discussion Class: Q&A		Lecture: "Industry 4.0"
	13	14	15	16	17	
		Guest Lecture: Digitalization & Digitization	▼	Lecture: Process Design & just-in-time	▼	Discussion Class:
	20	21	22	23	24	
		Recap day: Procurement		Recap day: Process Management		Exam Day
	27	28	29	30		



Submit a sample exam question about this class via ILIAS to get extra credit until the end of the day.



Submit your 3-person group (no exceptions, sorry) for the case study via ILIAS before class starts on Oct 18th



Pre-register your participation in the simulation by Oct 23rd noon. I need to prepare a few things and without this registration, you will not be able to participate in the simulation and the de-briefing will be less interesting to you.

The lecturer

Jun.-Prof. Dr. Henrik Franke
WiSo Faculty | SCM Area

Contact

Level-1 support: Ask your question in the discussion forum in ILIAS. Students can also help each other here. I will follow and participate in the discussion.

Level-2 support (non-urgent): Approach me after class.

Level-2 support (urgent): E-Mail me: franke@wiso.uni-koeln.de