

## **MGT 343: Purchasing and Supply Management** **Spring 2007, Glass 429, Section 1**

**INSTRUCTOR:** Dr. Karen L. Brown, Glass #418, 836-7681  
**OFFICE HOURS:** MWF 8:40-9:00 am; MW 1-3 pm... and by appointment  
**e-mail:** [karenbrown@missouristate.edu](mailto:karenbrown@missouristate.edu)  
**MGT Dept. web page:** <http://www.mgt.missouristate.edu/Faculty.htm>  
**Direct to Blackboard:** <http://blackboard.missouristate.edu>

**PREREQUISITES:** Prerequisites for this course include MGT 364 (Operations Management) and its prerequisites. I assume that you are familiar with statistics, inventory management (including JIT and MRP), production processes, etc, as well as accounting principles, marketing, and economics.

**COURSE OBJECTIVES:** This is a course in **industrial purchasing**. The basic purpose of the class is to convey understanding of the strategy and policies inherent in supply management, as well as descriptive views of the purchasing cycle, functions and procedures. We will explore decision making and the value added from effective and efficient decisions by purchasing personnel.

**REQUIRED TEXT:** Leenders, Johnson, Flynn, and Fearon. *Purchasing and Supply Management* 13<sup>th</sup> ed. Boston, MA: McGraw-Hill Irwin, 2006.

... **other required reading materials** may be assigned at the discretion of the instructor.

### **PREPARATION:**

- I request that you read the assignment before coming to class.
- Each exam will address recall, comprehension, and application. Learning the concepts is more important than memorizing the words.
- Exam feedback will be delivered ASAP, discussed briefly, returned to the instructor; then we move on.

<b>GRADING POLICY:</b>	<b>Grade</b>	<b>Percent</b>	<b>Points</b>
Four exams @ 100 points each	A	90-100	360-400
	B	80-89	320-359
	C	70-79	280-319
<b>Total = 400 points, no curve</b>	D	60-69	240-279

### **USEFUL DATES FOR FALL 2007**

January 15: Martin Luther King holiday

February 19: Presidents' Day holiday

March 9: Mid-semester

March 17-25, inclusive: Spring Break

March 26: Automatic N drop deadline

April 6: Spring Holiday

May 4: Last day to drop ... period

May 10: Last day of classes ... note: this is a Thursday

May 12-17: Final exam period (*MGT 343: Wednesday, May 16, 11 am to 1 pm; no exceptions*).

Other relevant dates can be found on the Academic Calendar  
([http://www.missouristate.edu/recreg/acad\\_cal.html](http://www.missouristate.edu/recreg/acad_cal.html))

**MGT 343 Tentative course outline:**

<b>Date</b>	<b>Chapters</b>	<b>Topics</b>
	Handout (1 and 2) 6 (148-157; 166-172) 3 5 13 (347-349)	Introduction Quantity and Inventory Supply Processes Quality and Specification Value Analysis
<b>February 14</b>		<b>Exam 1</b>
	10 14 (371-380) 18 4 12 (and ISM on ethical standards)	Source Selection Global Supply Make or Buy e-Commerce Legal and Ethical Issues
<b>March 14</b>		<b>Exam 2</b>
	8 9 7 (179-187) 13	Pricing and Bids Cost and Negotiation Delivery Research and Metrics
<b>April 18</b>		<b>Exam 3</b>
	16 17 15 11 20	Capital Goods Services Public Purchasing Investment Recovery Strategy
<b>May 16</b>		<b>Exam 4</b>

**Why are we taking the chapters out of order?**

**For Exam 1:** This first section gives us a framework for the rest of the course, and discusses the first of four primary responsibilities, **Identifying need**. We will start with some background material, including definitions, objectives, and some alternatives for how purchasing fits into the organization. We will look at the general purchasing process and how our operations management concepts belong in this context – both quantity and quality. Sometimes, it’s a new purchase, sometimes a repeat; either way, we need clarity in communication among our internal users, our customers, our suppliers, and us.

**For Exam 2:** Our second responsibility is **Sourcing**, so we shift to chapters which discuss finding and choosing suppliers. What characteristics are important? Global or domestic? Make or buy? How do we communicate with suppliers? In this section, we turn our focus outward to other companies, and we recognize that we are a “boundary” function of the company, thus partly responsible for its reputation. This is a good time to address legal and ethical issues.

**For Exam 3:** The third responsibility is **Pricing**, which is a shortcut way of talking about prices and costs and contracts and how you actually get to that point. We compare competitive bidding and negotiation. Fourth is the **Monitoring** function, so we will study our external and internal effectiveness and efficiency.

**For Exam 4:** By now, we will have covered the basics, so this last section deals with special circumstances – even the notion that purchasing may be put in charge of selling things. Who knew? We finish up with a perspective on strategy in this function.

## **Statement of attendance policy**

The University's attendance policy can be found in the *Undergraduate Catalog* and at <http://www.missouristate.edu/recreg/attendan.html>. As stated in that policy, instructors must provide students with a written statement of the specific attendance policy for that class.

### **Instructor-specific attendance policy:**

- Students are expected to attend class each class day; this is recorded, as per university policy.
- The student is responsible for all material covered in class, both course content and announcements, whether present or not. Check Blackboard; find a buddy; see me during office hours.
- Please make an effort to be on time.
- There will be an adjustment to each exam score for attendance and punctuality. If the student has been present and on time and awake each class day since the last exam, the student will earn a 5-point bonus on that exam.
- Absence from one exam will be made up only through a comprehensive final, to be taken immediately following Exam 4 during the Final Exam period. Further exam absences will not be made up.
- The comprehensive exam, while required only if you miss an earlier exam, can be used to replace one of the Exams 1, 2, or 3.

## **General Exam Information**

- Please be on time.
- Please bring a No. 2 pencil.
- Please turn off and put away **all** personal electronic devices. If you need a calculator, it will be provided for you. If you need a translator, please clear it with me at least two class days before the exam.
- If you need formulas or tables, those will be on the exam document. I also post the formulas ahead of time on BlackBoard.
- You are expected to work on your own. Caps rally style or off, please.
- Your exam will consist of multiple choice questions, typically 35-40 for MWF classes. Do NOT expect "test bank" questions; I am looking for a deeper understanding than that type of question.
- The absolute maximum time is 50 minutes for a MWF class. I have classes back to back and must allow for turnover.
- It is my goal to have exams ready for your review on the first class date after the exam.
- I reserve the right to move students for any reason, at any time.
- What happens if you miss an exam? See Attendance Policy, above.

## **Class Notes**

I provide tailored notes on Blackboard in a variety of formats over the semester. If you do not like my notes, please feel free to use the PowerPoint files provided by the publisher at <http://www.mhhe.com/davis5e>.

**Policy on academic dishonesty:**

Missouri State University is a community of scholars committed to developing educated persons who accept the responsibility to practice personal and academic integrity. You are responsible for knowing and following the university's student honor code, *Student Academic Integrity Policies and Procedures*, available at <http://www.missouristate.edu/provost/22102.htm> and also available at the Reserves Desk in Meyer Library. Any student participating in any form of academic dishonesty will be subject to sanctions as described in this policy.

NOTE: Some academic programs have published policies regarding additional sanctions for academic dishonesty. For COBA, see <http://www.coba.missouristate.edu/COBAPlagiarismPolicy.htm>).

Instructor-specific note: Exams are the intellectual property of the instructor. Any attempt to retain, remove from the classroom, or communicate the content to others will be considered an intentional breach of academic integrity, resulting in an XF grade for the student(s).

**Policy on use of cell phone or other electronic devices:**

The use by students of cell phones, pagers, or similar communication devices during scheduled classes is prohibited. All such devices must be turned off or put in a silent mode and cannot be taken out during class. At the discretion of the instructor, exception to this policy is possible in special circumstances.

COBA spells out college-specific policy at <http://www.coba.missouristate.edu/CellPhonePolicy.htm>. Sanctions for violation of this policy are determined by the instructor and may include dismissal from the class – see Class Disruption (<http://www.missouristate.edu/recreg/classdis.html>). In testing situations, use of cell phones or similar communication devices may lead also to a charge of academic dishonesty and additional sanctions under the *Student Academic Integrity Policies and Procedures*.

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**Policy on nondiscrimination:**

Missouri State University is an equal opportunity/affirmative action institution, and maintains a grievance procedure available to any person who believes he or she has been discriminated against. At all times, it is your right to address inquiries or concerns about possible discrimination to the Office of Equal Opportunity Officer, Sicheluff Hall 296, (417) 836-4252. Other types of concerns (i.e., concerns of an academic nature) should be discussed directly with your instructor and can also be brought to the attention of your instructor's Department Head.

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**Policy on disability accommodation:**

To request academic accommodations for a disability, contact the Director of Disability Services, Plaster Student Union, Suite 405, (417) 836-4192 or (417) 836-6792 (TTY), <http://www.missouristate.edu/disability>. Students are required to provide documentation of disability to Disability Services prior to receiving accommodations. Disability Services refers some types of accommodation requests to the Learning Diagnostic Clinic, which also provides diagnostic testing for learning and psychological disabilities. For information about testing, contact the Director of the Learning Diagnostic Clinic, (417) 836-4787, <http://psychology.missouristate.edu/ldc>.

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**Policy on dropping a class:**

It is your responsibility to understand the University's procedure for dropping a class. If you stop attending this class but do not follow proper procedures for dropping the class, you will receive a failing grade and will also be financially obligated to pay for the class. For information about dropping a class or withdrawing from the university contact the Registration Center at 836-4335.