

OPERATIONS STRATEGY & SUPPLY CHAIN MANAGEMENT (OM367, 04185)  
SYLLABUS, FALL 2012

**MEETING TIME & LOCATION:**

Tuesdays and Thursdays, 11:00AM-12:30PM, CBA 4.330

**INSTRUCTOR:**

Guoming Lai, Assistant Professor

**TEACHING ASSISTANT:**

Wen Chen

**COURSE DESCRIPTION:**

Supply Chain Management involves the flows of materials and information among all of the firms that contribute value to a product, from the source of raw materials to end customers. We will integrate issues from marketing (channels of distribution), logistics, and operations management to develop a broad understanding of a supply chain. By taking a strategic perspective, we will focus on relatively long-term decisions involving the investment in productive resources, configuration of processes, product designs, and development of partnerships with suppliers and channels of distribution.

**COURSE OBJECTIVES:**

The course seeks to both improve your understanding of operations strategies and enhance your analytical skills. The course will present several analytical techniques which would aid you in making decisions in the real world. In the meanwhile, the course will introduce you various aspects, issues, and initiatives in nowadays business operations. At the end of this course, you should have:

- The understanding of the importance of operations strategies and the challenges;
- Developed an appreciation for the major strategic issues and trade-offs in supply chain management;
- Acquired analytical capability to uncover problems and improvement opportunities in supply chain management and recommend improvement along the dimensions of efficiency, quality and speed, and improved team-work capability to cooperate with others to solve business operations problems in supply chain management.

**COURSE MATERIALS:**

- Required Course Pack: Reading materials for the course are contained in a bulk pack that should be available for purchase at the McCombs Copy Center. Individual homework and group assignments are based on these cases. We will discuss the cases in class.
- Recommended Textbook: (VM) Van Mieghem, Jan, *Operations Strategy: Principles and Practice*, Dynamic Ideas, Charlestown, MA, 2008.

- Course website: All materials available in electronic format (lecture slides/notes, homework assignments, homework solutions, sample exams, exam solutions, etc.) will be posted at Blackboard course website (<http://courses.utexas.edu>). Several lecture slides/notes will be posted before the class.

**COURSE EVALUATION:**

Quizzes	20%
Final	30%
Individual Homework	20%
Executive Summaries	15%
Supply Chain Game	5%
Class Participation	10%

Based on the past experience of this course, most students receive grades above B-. Grades lower than B- will be assigned on a case by case basis.

Quizzes

There will be two in-class non-comprehensive quizzes during the class period. These are closed-book, but students are permitted to bring a single page of notes.

Final

A comprehensive final will be scheduled during the exam week. It is closed-book, but students are permitted to bring two pages of notes.

Individual Homework

Individual homework assignments serve one of two purposes. Either they are intended to provide an opportunity to use one of the analytical frameworks from class, or they are intended to help you to prepare for a class discussion of a case. Partial credit might be awarded for evidence of effort.

- You may discuss the assigned problems with your classmates. But you should write YOUR OWN solutions.
- You should provide formulas, steps, or reasons to support your solutions. Submissions with only the final solutions will not be given any credit. Submissions can be either typed or hand-written. However, please make sure that they are *readable*.

Executive Summaries

There are three cases for which I will assign a group homework. Each group needs to submit an executive summary (ES). In those assignments, you will be asked to analyze a specific issue and make a recommendation. In general, an ES should accomplish the following:

- Articulate the operational problem in terms of how it affects important measures of the firm's performance.
- Identify and analyze the major alternatives.
- Present a persuasive argument for a particular course of action.

For each ES, I will provide several questions that are intended to guide your analysis/thought process. However, although the ES that you submit should reflect your consideration of the assignment questions, it should not be just of list of answers to these questions. Instead, it should be a logical and persuasive recommendation for action. A brief description of an ES and a sample are provided at the end of this document. Please restrict yourselves to one page of text (additional pages may be attached for exhibits). You may use single-spacing, but please use a reasonable font size, i.e. at least 11 pt.

### Supply Chain Game

There is a specific group assignment which is for you to operate a computer simulation of a supply chain. To play, you will need to log on to the simulation and pay a fee of \$15 with a credit card (\$15 per group). Specific instructions for the exercise will be provided. Grades will be based on both your write-up and your performance in the game.

### Grading

Please turn in all assignments at the beginning of the class session listed on the schedule. Solutions to the homework assignments will be distributed in class or on the web-page. Please study each solution carefully even if you received full credit on the assignment. For the executive summaries, I will try to provide hard copies of exemplary papers. I do not accept the submission of written assignments after class on the day that they are due. However, I do allow students to drop one individual homework grade.

### Class Participation

To foster a productive learning environment, it is important that everyone come to class prepared and willing to contribute to discussion. Ideally, you will make concise, insightful, and eloquent comments in every class. However, I also recognize the importance of making smaller contributions, including asking good questions. I believe that the learning environment is best when the discussion is not dominated by a few, but moved along incrementally by all of us. Do not be afraid to make points that you may regard as minor, ask clarifying questions, or otherwise contribute in small ways.

### Laptops in Class

Unless explicitly stated otherwise at the beginning of class, the use of laptop computers during class is prohibited.

### Feedback

Your informal feedback is very important to me. Please let me know throughout the semester if there is anything I can do to make this class better for you.

## **SCHOLASTIC DISHONESTY:**

The McCombs School of Business has no tolerance for acts of scholastic dishonesty. The responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail in the Policy Statement on Scholastic Dishonesty for the McCombs School of Business:

*By teaching this course, I have agreed to observe all of the faculty responsibilities described in that document. By enrolling in this class, you have agreed to observe all of the student responsibilities described in that document. If the application of that Policy Statement to this class and its assignments is unclear in any way, it is your responsibility to ask me for clarification. Policy on Scholastic Dishonesty: Students who violate University rules on scholastic dishonesty are subject to disciplinary penalties, including the possibility of failure in the course and/or dismissal from the University. Since dishonesty harms the individual, all students, and the integrity of the University, policies on scholastic dishonesty will be strictly enforced. You should refer to the Student Judicial Services website at <http://deanofstudents.utexas.edu/sjs/> or the General Information Catalog to access the official University policies and procedures on scholastic dishonesty as well as further elaboration on what constitutes scholastic dishonesty.*

**Please do not use any materials (packet of overheads, homeworks, course notes, handouts, exams, homework solutions, case summaries) from previous semesters or from other sections of the course being offered in this semester unless the same has been made available by me to every one of your fellow students in this class. If the application of the Honor System to this class and its assignments is unclear in any way, it is your responsibility to ask me for clarification.**

### **COURSE WEBSITES & STUDENT PRIVACY:**

Password-protected class sites will be available for all accredited courses taught at The University. Syllabi, handouts, assignments and other resources are types of information that may be available within these sites. Site activities could include exchanging emails, engaging in class discussions and chats, and exchanging files. In addition, class e-mail rosters will be a component of the sites. Students who do not want their names included in these electronic class rosters must restrict their directory information in the Office of the Registrar, Main Building, Rm 1. For information on restricting directory information see:

<http://www.utexas.edu/student/registrar/catalogs/gi02-03/app/appc09.html>.

### **STUDENTS WITH DISABILITIES:**

The University of Texas at Austin provides upon request appropriate academic accommodations for qualified students with disabilities. For more information, contact the Office of the Dean of Students at 471-6259, 471-4641 TTY.

**COURSE SCHEDULE:**

The following is a tentative schedule of meetings, readings, and deliverables for the semester. This is subject to change. When there are major changes, you will be notified by email; a current schedule will always be available on the Blackboard course website.

*Note.* VM: the text book; CP: the course pack; IH#: Individual Homework; ES#: Executive Summary (group assignment, one submission per group); SC Game: write-up describing the performance of the game (group assignment, one submission per group).

Session	Day	Date	Topic	Recommended Reading List	Assignments Due
1	TH	8/30	Introduction		
2	T	9/4	Managing Strategic Operational Tradeoffs	VM: Chapter 2	
3	TH	9/6	Capacity Sizing	VM: Chapter 3	
4	T	9/11	Competitive Cost Analysis	CP: American Connector	IH#1
5	TH	9/13	Capacity Sizing	VM: Chapter 3	
6	T	9/18	Capacity Sizing	CP: Harley Davidson	ES#1
7	TH	9/20	Capacity Sizing	VM: Chapter 3	
8	T	9/25	Capacity Timing & Expansion	VM: Chapter 5	IH#2
9	TH	9/27	Quiz #1		
10	T	10/2	Sales and Operations Planning	CP: Cross River	IH#3
11	TH	10/4	Capacity Types & Flexibility	VM: Chapter 5	
12	T	10/9	Product Design to Hedge Demand Risk	CP: HP UPS	
13	TH	10/11	Product Design to Hedge Demand Risk		
14	T	10/16	Guest Lecture		
15	TH	10/8	Operational Hedging	CP: Seagate	IH#4, ES#2
16	T	10/23	Capacity Location and Logistical Design	CP: Merloni	
17	TH	10/25	Capacity Location and Logistical Design	CP: Dollar Tree Logistics	IH#5
18	T	10/30	Capacity Location and Logistical Design	CP: Vestel Distribution	IH#6
19	TH	11/1	Coordination and Incentives		
20	T	11/6	Quiz # 2		
21	TH	11/8	Coordination and Incentives	CP: Johnson Elevator	IH#7
22	T	11/13	Guest Lecture		
23	TH	11/15	Global Supply Chain Game		SC Game
24	T	11/20	Mass Customization and Outsourcing	CP: Timbuk2	
25	T	11/27	The Outsourcing Game	CP: Pre-read, Decision	

26	TH	11/29	The Outsourcing Game	Making in outsourced Supply Chain	
27	T	12/4	Global Supply Chain Game	China/Mexico Sourcing	
28	TH	12/6	Review Session		ES#3