

# Course Outline

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School:	Business
Department:	Business Management
Course Title:	Purchasing Supply Management with SAP
Course Code:	OMGT 220
Course Hours/Credits:	56
Prerequisites:	BUSN 129, OMGT 117, OMGT 129
Co-requisites:	N/A
Eligible for Prior Learning, Assessment and Recognition:	Yes
Originated by:	Richard Hadden
Creation Date:	Winter 2011
Revision Date:	Summer 2014
Current Semester:	Summer 2015
Approved by:	
	<hr/> Chairperson/Dean

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*Students are expected to review and understand all areas of the course outline.*

*Retain this course outline for future transfer credit applications. A fee may be charged for additional copies.*

*This course outline is available in alternative formats upon request.*

## Course Description

This course provides an introduction to purchasing (industrial buying) and related supply chain activities and is offered in the second year of post secondary level business programs at Centennial College. It focuses on procurement of materials and reducing total costs. The course deals with the role of a buyer in an organization, developing purchasing policies and procedures, describing product quality, developing procurement plans, negotiating prices, and developing good supplier relationships. Students will also learn how to reduce material costs by applying Value Analysis techniques. Institutional purchasing is briefly mentioned. The student is introduced to SAP ERP technology as it applies to the purchasing cycle.

## Program Outcomes

Successful completion of this and other courses in the program culminates in the achievement of the Vocational Learning Outcomes (program outcomes) set by the Ministry of Training, Colleges and Universities in the Program Standard. The VLOs express the learning a student must reliably demonstrate before graduation. To ensure a meaningful learning experience and to better understand how this course and program prepare graduates for success, students are encouraged to review the Program Standard by visiting <http://www.tcu.gov.on.ca/pepg/audiences/colleges/progstan/>. For apprenticeship-based programs, visit <http://www.collegeoftrades.ca/training-standards>.

## Course Learning Outcomes

The student will reliably demonstrate the ability to:

1. Describe the importance of purchasing and supply chain function in an organization and develop the objectives of purchasing department.
2. Prepare the detailed policies and procedures used in the purchasing function
3. Describe describe quality of materials and interpret material specifications.
4. Investigate and locate sources of supply (vendors), do pre-buying vendor evaluation, and prepare a vendor rating plan.
5. Apply pricing principles and obtain fair prices using negotiation and/or competitive bidding techniques
6. Analyze products (Value Analysis) to reduce costs and improve quality, and to implement a value analysis program in a company
7. Utilize the computer technology(SAP) to execute a complete purchasing cycle.
8. Discuss the implications of global supply

## Essential Employability Skills (EES)

The student will reliably demonstrate the ability to\*:

1. Communicate clearly, concisely and correctly in the written, spoken, and visual form that fulfills the purpose and meets the needs of the audience.
2. Respond to written, spoken, or visual messages in a manner that ensures effective communication.
3. Execute mathematical operations accurately.
4. Apply a systematic approach to solve problems.
5. Use a variety of thinking skills to anticipate and solve problems.
6. Locate, select, organize, and document information using appropriate technology and information systems.
7. Analyze, evaluate, and apply relevant information from a variety of sources.

8. Show respect for diverse opinions, values belief systems, and contributions of others.
9. Interact with others in groups or teams in ways that contribute to effective working relationships and the achievement of goals.
10. Manage the use of time and other resources to complete projects.
11. Take responsibility for one's own actions, decisions, and consequences.

*\*There are 11 Essential Employability Skills outcomes as per the Ministry Program Standard. Of these 11 outcomes, the following will be assessed in this course.*

## Global Citizenship and Equity (GC&E) Outcomes

The student will reliably demonstrate the ability to\*:

2. Identify beliefs, values and behaviours that form individual and community identities and the basis for respectful relationships.

*\*There are 6 institutional Global Citizenship & Equity outcomes. Of these 6 outcomes, the following will be assessed in this course.*

## Text and other Instructional/Learning Materials

### Text Book(s):

Purchasing and Supply Management , Leenders, Fearon, Flynn and Johnson – 14th edition, McGraw-Hill/Irwin, 2011, ISBN: 978-0-07-33789-6

### Online Resource(s):

Modern Purchasing, Published monthly by Maclean Hunter Ltd

### Material(s) required for completing this course:

SAP System Access /GUI

## Evaluation Scheme

- ◇ Term Work: Assignments/ Quiz
- ◇ Term Project: SAP Project
- ◇ Test 1: Midterm Exam
- ◇ Test 2: Final Examination

Evaluation Name	CLO(s)	EES Outcome(s)	GCE Outcome(s)	Weight/100
Term Work	1, 2, 3, 4, 5, 6, 8	2, 3, 4, 5, 7, 10, 11	2	25
Term Project	7	1, 2, 4, 5, 6, 7, 8, 9, 10, 11		25
Test 1	1, 2, 3, 4, 5	2, 3, 4, 5, 7, 10, 11		25
Test 2	4, 5, 6, 8	1, 3, 4, 5, 7, 10, 11		25
<b>Total</b>				<b>100%</b>

If students are unable to write a test they should immediately contact their professor or program Chair for advice. In exceptional and well documented circumstances (e.g. unforeseen family problems, serious illness, or death of a close family member), students may be able to write a make-up test.

All submitted work may be reviewed for authenticity and originality utilizing Turnitin®. Students who do not wish to have their work submitted to Turnitin® must, by the end of the second week of class, communicate this in writing to the instructor and make mutually agreeable alternate arrangements.

When writing tests, students must be able to produce official College photo identification or they may be refused the right to take the test or test results will be void.

## Student Accommodation

It is College Policy to provide accommodation based on grounds defined in the Ontario Human Rights Code. Accommodation may include modifications to standard practices. Students with disabilities who require academic accommodations must register with the Centre for Students with Disabilities. Students requiring accommodation based on other human rights grounds should talk with their professors as early as possible. Please see the Student Accommodation Policy.

## Use of Dictionaries

- English-Additional Language (e.g. English-Chinese) or Additional Language-English (e.g. Russian-English) dictionaries may be used in regular class work.

## Program or School Policies

N/A

## Course Policies

SAP System Access / GUI

## College Policies

Students should familiarize themselves with all College Policies that cover academic matters and student conduct.

All students and employees have the right to study and work in an environment that is free from discrimination and harassment and promotes respect and equity. Centennial policies ensure all incidents of harassment, discrimination, bullying and violence will be addressed and responded to accordingly.

Academic honesty is integral to the learning process and a necessary ingredient of academic integrity. Academic dishonesty includes cheating, plagiarism, and impersonation. All of these occur when the work of others is presented by a student as their own and/or without citing sources of information. Breaches of academic honesty may result in a failing grade on the assignment/course, suspension or expulsion from the college.

For more information on these and other policies, please visit [www.centennialcollege.ca/about-centennial/college-overview/college-policies](http://www.centennialcollege.ca/about-centennial/college-overview/college-policies).

Students enrolled in a joint or collaborative program are subject to the partner institution's academic policies.

## PLAR Process

This course is eligible for Prior Learning Assessment and Recognition (PLAR). PLAR is a process by which course credit may be granted for past learning acquired through work or other life experiences. The PLAR process involves completing an assessment (portfolio, test, assignment, etc.) that reliably demonstrates achievement of the course learning outcomes. Contact the academic school to obtain information on the PLAR process and the required assessment.

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## Topical Outline (subject to change):

Week	Topics	Readings/Materials	Weekly Learning Outcome(s)	Instructional Strategies	Evaluation Name	Evaluation Date
1	Purchasing and Supply Management	Chapter 1	Discuss the relationship between size of the organizational spend and financial significance Describe Supply contribution Characterize Decision making in the P&SM context Differentiate between commercial and consumer acquisition Discuss Challenges facing supply management over the next decade	Lectures Class discussions Group projects Case Studies	Quiz/ Assignments (Term work)	
2	Supply Strategies	Chapter 2	Identify Levels of strategic planning Discuss the Major challenges facing P & SM Discuss Strategic planning in supply management Explain Risk management in P & SM Elaborate on Strategic components of P & SM	Lectures Class discussions Group projects Case Studies	Quiz/ Assignments (Term work)	
3	Supply organization	Chapter 3	Discuss Objectives of Supply Management Explore Organizational structure for P&SM Explain Supply activities& responsibilities Distinguish between Centralization versus decentralization in Purchasing organizations Evaluate the role of Supply teams	Lectures Class discussions Group projects Case Studies	Quiz/ Assignments (Term work)	
4	Supply process and technology	Chapter 4	Discuss the supply management process. Discuss steps for improving the Supply Process. Characterize Information systems and the supply process. Discuss Technology-driven systems Evaluate Implications for supply Review a Policy and procedure manual	Lectures Class discussions Group projects Case Studies	Quiz/ Assignments (Term work)	
5	Need identification and specification	Chapter 6	Determine Need criteria and categories of need. Distinguish between the processes for purchasing Repetitive vs non-repetitive items. Determine Commercial equivalents Discuss benefits of Early supplier involvement Distinguish between the different Methods of description. Discuss the benefits of Standardization and simplification	Lectures Class discussions Group projects Case Studies	Quiz/ Assignments (Term work)	

Week	Topics	Readings/Materials	Weekly Learning Outcome(s)	Instructional Strategies	Evaluation Name	Evaluation Date
			simplification			
6	Quantity and inventory	Chapter 8	Discuss Quantity and timing issues Use Forecasting Techniques to determine demand. Determine order quantities and inventory levels. Determine quantity of services.	Lectures Class discussions Group projects Case Studies	Quiz/ Assignments (Term work)	
7a	Review	N/A	N/A	N/A	N/A	
7b	Test 1	N/A	N/A	N/A	N/A	
8	Midterm Break	N/A	N/A	N/A	N/A	
9	Price	Chapter 10	Explain Relation of cost to price Determine Price using different methods. Discuss Government influence on pricing. Distinguish between Types of purchases Discuss the role of Quotations and competitive bidding. Explain the role of Discounts Discuss the role of Contract options for pricing Distinguish Discuss the role of Forward buying in commodities	Lectures Class discussions Group projects Case Studies	Quiz/ Assignments (Term work)	
10	Supplier selection	Chapter 12	Describe the supplier selection decision Identify potential sources Evaluate benefits of using single vs. multiple sourcing strategy. Describe Reverse marketing Evaluate and rank potential sources	Lectures Class discussions Group projects Case Studies	Quiz/ Assignments (Term work)	
11	Global supply management	Chapter 14	Discuss the significance of Global supply management. Detail the process of selecting and managing offshore suppliers. Elaborate on use of Incoterms Discuss the Tools for global supply. Discuss Regional trading agreements & Emerging Market as sources of global supply.	Lectures Class discussions Group projects Case Studies	Quiz/ Assignments (Term work)	
12	Legal and ethics	Chapter 15	Discuss Legal authority of buyer and seller. Discuss The uniform commercial code. Review Purchase of services. Discuss E-commerce and the law Review Intellectual property laws	Lectures Class discussions Group projects Case Studies	Quiz/ Assignments (Term work)	

Week	Topics	Readings/Materials	Weekly Learning Outcome(s)	Instructional Strategies	Evaluation Name	Evaluation Date
			Discuss issues relating to Product liability, Dispute resolution, Regulatory requirements, Ethics			
13	SAP Quotation and contracts Purchasing consumable materials	Assignment 1: The purpose of this exercise is to demonstrate RFQ's and quantity contracts in SAP.  Assignment 2: Consumable materials are items or services which are charged to an object, for example: a cost center, an asset, or a project.	N/A	N/A	SAP Assignment 1 / Assignment 2	
14	Standard purchasing order and shipping notification Transfer between different company codes	Assignment 3: In this assignment, you will be performing the following steps: Standard purchase order including notification. Assignment 4: In Materials Management – Inventory Management, you can transfer goods between different company codes.	N/A	N/A	SAP Assignment 3 / Assignment 4	SAP
15a	Stock transfer and transfer postings Purchasing in procurement process (Term project)	Assignment 5: • Learn how to post inventory transfers using a stock transfer purchase order • Transfer material to another plant with a stock transfer purchase order Project SAP • The objective of this project is to review and consolidate the knowledge gained	N/A	N/A	N/A	



Week	Topics	Readings/Materials	Weekly Learning Outcome(s)	Instructional Strategies	Evaluation Name	Evaluation Date
		about the procurement process in materials management.				
15b	Final Exam	N/A	N/A	N/A	N/A	