

Supply Chain Management
Course Number: 22:799:626
Course Title: Commercial Management of Supply Contracts

COURSE DESCRIPTION

Intense competition is a key driver that elevates supply contracts and their lifetime management to a strategic level. How well supply chain management professionals structure supply contracts and commercially manage supply transactions will continue to be an important part of how organizations improve, reduce costs, and maximize opportunities. The success of critical commercial transactions depends on flawless execution which in turn requires expert contracting and management skills. Billions of dollars are spent every year by corporations in procuring goods and services from their suppliers. Therefore, even small changes and improvements in how supplier contracts are managed can have substantial positive impacts on the bottom line. Supply chain and procurement professionals need to be well versed in the subtleties of how to optimally manage supply contracts and their associated commercial challenges. This course provides supply chain management professionals with skills, strategies and techniques to avoid the pitfalls associated with poor contract management.

The course focuses on crucial real-world contract management considerations including:
How sound contract management practices are an important part of being successful in an increasingly competitive global environment.
How to assess, minimize and commercially manage supply contracts by early identification of contract management "red flags".
Practical steps for improving and standardizing contract management techniques in organizations.

The teaching approach and objectives will include strong emphasis on providing students with useful content, engaging them in discussions, soliciting and asking questions, and practical and real-world examples applicable to the techniques and strategies discussed.

COURSE MATERIALS

The basic course content will be created from the textbook: Build Your Playbook for Managing Supply Chain Transactions, with Desktop Tools, References and Sample Forms, ("Playbook"), First Edition by X. Paul Humbert, Esq. and Robert C. Mastice, MSME, ISBN #13:9780692412947, ISBN #10:0692412948, Library of Congress Control No.: 2015904884. In addition, the course content will include additional reading materials, including but not limited to case studies, assessment materials, desktop tools, references, sample forms and instructions for the preparation of a supply contract management plan based upon a sample contract document provided.

LEARNING GOALS AND OBJECTIVES

This course is designed to help students develop practical skills and knowledge in supply contract management as described above in the Course Description and in greater detail below.

Business Knowledge. Students will have a command of the business aspects and practice in the field of contract management applicable to supply chain management professionals and will demonstrate:

1. Ability to manage contracts from "cradle to grave" with special emphasis on post-execution contract management strategy and techniques for insuring that both parties adhere to their respective responsibilities.
2. Ability to assert or respond to warranty, delay, requests for scope modification, additional compensation requests and other claims in the course of managing transactions.
3. Ability to handle special challenges associated with commercial transactions from a contract management standpoint.

Global Perspective. Students will learn how to function as leaders or participants in the contract management process and will demonstrate:

1. Ability to manage contracts involving commercial transactions for goods and/or services, blending general legal principles and practical aspects, with special emphasis on the importance of sound change management.
2. Ability to avoid pitfalls and apply lessons learned, thereby avoiding potential commercial dysfunction and confusion which can be expensive in today's competitive environment.
3. Ability to demonstrate a higher degree of commercial sophistication and comfort regarding supply contracts and contract management.
4. Understanding how the relationships of the parties affect commercial transactions and the importance of upholding the integrity of the process as well as understanding key considerations and management tools and techniques.
5. Understanding how to manage a set of contract terms and conditions in a commercially sophisticated manner.

Persuasive and effective communication. Students will have the opportunity to acquire effective and persuasive communication skills in demonstrating their knowledge of supply contract management by:

1. Developing contract management skills and knowledge by attending class, participating in discussions, and preparing a Contract Management Plan (CMP) as well as presenting that plan to the class.
2. Participating in class and in making a presentation to the rest of the class in the final session, highlighting their CMP, applying the principles and practices covered in class to the supply contract provided on Canvas.
3. Preparation and presentation of the CMP will be the primary exercise in communication.

ACADEMIC INTEGRITY

I do NOT tolerate cheating. Students are responsible for understanding the RU Academic Integrity Policy (<http://academicintegrity.rutgers.edu/>)

I will strongly enforce this Policy and pursue *all* violations. On all examinations and assignments, students must sign the RU Honor Pledge, which states, "On my honor, I have neither received nor given any unauthorized assistance on this examination or assignment." I will screen all written assignments through *SafeAssign* or *Turnitin*, plagiarism detection services that compare the work against a large

database of past work. Don't let cheating destroy your hard-earned opportunity to learn. See business.rutgers.edu/ai for more details.

COURSE SESSIONS

Each session will consist of several components including learning objectives, assigned reading, exercises or activities, links for further study and the like. The following is a preliminary list of possible sessions and components:

Session 1: Introduction to managing supply chain transactions

Session 2: Utilizing a Playbook Methodology in support of supply chain transactions

Session 3: Steps 1-25 for Utilization of a Playbook Methodology in support of supply chain transactions

Session 4: Steps 25-49 for Utilization of a Playbook Methodology in support of supply chain transactions

Session 5: Developing the Scope of Work/ Scope of Supply ("SOW/SOS")

Session 6: Performing stakeholder mapping/ scheduling and obtaining fiscal authorizations

Session 7: Defining commercial strategy and "cultural" landscape

Session 8: Selecting and finalizing bidders and cycle time tracking

Session 9: Pricing tax and commercial considerations

Session 10: Business considerations regarding strategic alliances **Session 11:** Business considerations regarding outsourcing transactions **Session 12:** True/False skills assessment exercise

Session 13: Case studies review and exercise involving real world cases

Session 14: Final exam consisting of the preparation and presentation of a contract management plan

OTHER CONSIDERATIONS

One of the advantages of this course is that students will be provided with both a sample model of supply contracts as well as an extensive list of tools and sample forms. Probably the most useful tool included in this course will be instructions for developing an appropriate Scope of Work or Scope of Supply. Scopes are crucial to sound bidding, pricing, and contract management given that the scope is that part of a contract that defines what the person or entity (contractor, supplier or consultant) is to provide, perform or otherwise accomplish. Scopes form the basis for pricing and help avoid, minimize, and manage claims, changes or delays. It is a common mistake to allow bidders to prepare the scope of work. By use of a thirty-point checklist, purchasers can develop their own appropriate scopes that protect their interests and achieve the intended objectives. Students will understand the importance of what to include, or not include in scopes and how best to incorporate appropriate documents by reference. A template scope of work with an accompanying checklist will be provided and discussed along with how to capture past lessons learned so that mistakes are not repeated.

Contract management can be facilitated by using forms. The sample forms provided in this course will include not only scope templates but also templates pertaining to bidder lists, confidential information, pricing adjustments, commercial management, letters of credit, payment and performance, sample letters to deal with claims for extras, delays or warranty issues. Other checklists provided include proposal evaluation, kick-off and close-out meetings. Finally, extensive attention will be paid to developing and

designing a robust change management process, given that changes are inevitable, but must be prudently managed.

SUPPORT SERVICES

If you need accommodation for a *disability*, obtain a Letter of Accommodation from the Office of Disability Services. The Office of Disability Services at Rutgers, The State University of New Jersey, provides student-centered and student-inclusive programming in compliance with the Americans with Disabilities Act of 1990, the Americans with Disabilities Act Amendments of 2008, Section 504 of the Rehabilitation Act of 1973, Section 508 of the Rehabilitation Act of 1998, and the New Jersey Law Against Discrimination. More information can be found at ods.rutgers.edu.

[Rutgers University-New Brunswick ODS phone (848)445-6800 or email dsoffice@echo.rutgers.edu]

[Rutgers University-Newark ODS phone (973)353-5375 or email ods@newark.rutgers.edu]

If you are *pregnant*, the Office of Title IX and ADA Compliance is available to assist with any concerns or potential accommodations related to pregnancy.

[Rutgers University-New Brunswick Title IX Coordinator phone (848)932-8200 or email jackie.moran@rutgers.edu]

[Rutgers University-Newark Office of Title IX and ADA Compliance phone (973)353-1906 or email TitleIX@newark.rutgers.edu]

If you seek *religious accommodations*, the Office of the Dean of Students is available to verify absences for religious observance, as needed.

[Rutgers University-New Brunswick Dean of Students phone (848)932-2300 or email deanofstudents@echo.rutgers.edu]

[Rutgers University-Newark Dean of Students phone (973)353-5063 or email DeanofStudents@newark.rutgers.edu]

If you have experienced any form of *gender or sex-based discrimination or harassment*, including sexual assault, sexual harassment, relationship violence, or stalking, the Office for Violence Prevention and Victim Assistance provides help and support. More information can be found at <http://vpva.rutgers.edu/>.

[Rutgers University-New Brunswick incident report link: <http://studentconduct.rutgers.edu/concern/>. You may contact the Office for Violence Prevention and Victim Assistance at (848)932-1181]

[Rutgers University-Newark incident report link: https://cm.maxient.com/reportingform.php?RutgersUniv&layout_id=7 . You may also contact the Office of Title IX and ADA Compliance at (973)353-1906 or email at TitleIX@newark.rutgers.edu. If you wish to speak with a staff member who is confidential and does **not** have a reporting responsibility, you may contact the Office for Violence Prevention and Victim Assistance at (973)353-1918 or email run.vpva@rutgers.edu]

If students who have experienced a temporary condition or injury that is adversely affecting their ability to fully participate, you should submit a request via <https://temporaryconditions.rutgers.edu> .

If you are a military *veteran* or are on active military duty, you can obtain support through the Office of Veteran and Military Programs and Services. <http://veterans.rutgers.edu/>

If you are in need of *mental health* services, please use our readily available services.

[Rutgers University-Newark Counseling Center: <http://counseling.newark.rutgers.edu/>]

[Rutgers Counseling and Psychological Services–New Brunswick: <http://rhscaps.rutgers.edu/>]

If you are in need of *physical health* services, please use our readily available services.

[Rutgers Health Services – Newark: <http://health.newark.rutgers.edu/>]

[Rutgers Health Services – New Brunswick: <http://health.rutgers.edu/>]

If you are in need of *legal* services, please use our readily available services: <http://rusls.rutgers.edu/>

Students experiencing difficulty in courses due to *English as a second language (ESL)* should contact the Program in American Language Studies for supports.

[Rutgers–Newark: PALS@newark.rutgers.edu]

[Rutgers–New Brunswick: eslpals@english.rutgers.edu]

If you are in need of additional *academic assistance*, please use our readily available services.

[Rutgers University-Newark Learning Center: <http://www.ncas.rutgers.edu/rlc>

[Rutgers University-Newark Writing Center: <http://www.ncas.rutgers.edu/writingcenter>]

[Rutgers University-New Brunswick Learning Center: <https://rlc.rutgers.edu/>]

[Optional items that many faculty include:

- Students must sign, date, and return a statement declaring that they understand the RU Academic Integrity Policy.

- Students must sign, date, and return a statement declaring that they understand this syllabus.]