EXECUTIVE DIPLOMAS
With
UTM –S.P.A.C.E.

MODULE SPECIFICATIONS
FOR
PURCHASING AND SUPPLY MANAGEMENT

Delivered and Marketed by
Learning Support Centres Malaysia
# TABLE OF CONTENTS

1 PROGRAMME STRUCTURE ....................................................................................................................... 3
  1.1 MANAGEMENT PRINCIPLES ........................................................................................................... 4
  1.2 ECONOMICS FOR BUSINESS ......................................................................................................... 7
  1.3 PURCHASING & SUPPLY FUNDAMENTALS .................................................................................. 9
  1.4 FUNDAMENTALS OF SUPPLY CHAIN MANAGEMENT .............................................................. 11
  1.5 ORGANISATIONAL BEHAVIOUR ................................................................................................. 14
  1.6 INVENTORY AND WAREHOUSING MANAGEMENT .................................................................... 16
  1.7 RETAIL BUYING ......................................................................................................................... 18
  1.8 BUSINESS ACCOUNTING ............................................................................................................. 20
  1.9 PURCHASING STRATEGY ............................................................................................................. 22
  1.10 BUSINESS COMMUNICATION .................................................................................................... 24
  1.11 RESEARCH PROJECT ................................................................................................................ 26
1 PROGRAMME STRUCTURE

- Management Principles
- Economics for Business
- Purchasing & Supply Fundamentals
- Fundamentals of Supply Chain Management
- Organisational Behaviour
- Inventory and Warehousing Management
- Retail Buying
- Business Accounting
- Purchasing Strategy
- Business Communication
- Research Project
1.1 MANAGEMENT PRINCIPLES

AIMS
This module is designed to provide a broad-based foundation in the study of management, and to prepare students for advanced courses in Management.

The module is structured so as to give students an overview of management in business organisations from a critical thinking perspective.

By drawing on an extensive range of cases and the student’s own personal experience, the course emphasises the continual evolution of theories of management and the changing business context within which different theories are implemented.

SYLLABUS
It is divided into five integrated sections as follows:

Section 1- Overview: Understanding the World of Business
This section introduces and discusses a number of essential concepts - the business context, transformation processes, internal structures, employee motivation, responsiveness, and effects of government policy and legislation.

Section 2- The Environment of Business
This section discusses the external environmental factors and their impact on the business organisation. Specific attention is given to the need of the enterprise to monitor the external environment and use the information gained to make decisions for the future and the changes such a strategy requires of the internal functions. The role of management in the process is discussed.

Section 3- Management
This section examines the management function, especially the role of management as an umbrella activity that spans the internal and external environment of the organisation through establishing multiple relationships with the organisation’s stakeholders. The traditional view of management as a co-ordinating and controlling...
activity is discussed. Attention is given to certain topics such as leadership, motivation and groups essential to the supervision of people.

**Section 4- Business Functions**
This section introduces the students to the business functions of marketing, human resource management, and information systems and technology. Particular attention is given to the interaction between and among these functions.

**Section 5- The Small Business**
As small businesses are important to the business landscape, an in depth discussion of this type of enterprise is given. Comparison is made with other enterprise forms in order to highlight the different managerial approaches needed. This section also provide the opportunity to bring together in an integrated whole much of the information covered in sections 2-4.

**LEARNING OUTCOMES**
After completing this course, students will be able to:

- Provide a critical analysis of the variety of roles exercised by managers and management styles followed in both profit and not-for-profit organisations.
- Describe the challenges faced by today’s managers and their staff and analyse the effectiveness of the strategic responses made by them to the principal external and internal environmental influences affecting their organisations.
- Critically evaluate theories and models of management and apply them to workplace situations, emphasising how managers typically undertake their roles, make decisions and seek to achieve goals within a modern organisational framework.
- Explain some of the principal theories of power, leadership, motivation, and groups applicable to the modern organisation and apply these theories to critically evaluate the use of power in organisations and its relationship to leadership, motivation, teamwork, and the development of corporate culture.
- Describe the principal functions involved in running a business and their inter-relationship within formally and informally structured organisations (including the functions of marketing, human resource management, and the management of information technology).
• identify the characteristics of successful and unsuccessful small businesses
and the role of entrepreneurship and innovation in achieving success

LEARNING MATERIALS:
• Course Material provided by WEC
• Indicative Readings:

ASSESSMENT SCHEME
Coursework (60%)
Final examination (40%)

TOTAL HOURS: 24 hours of direct lecture-tutorial sessions
1.2 ECONOMICS FOR BUSINESS

AIMS
This module introduces the way an economist thinks and how economic issues can affect the world of business.

SYLLABUS
Section 1: Economic Scarcity
This section deals with economic resources, the input allocation methods, the basic economic problems, production possibility curve and the applications and opportunity costs.

Section 2: Theory of Value
This section deals with demand, supply and market equilibrium. It also relates the principles of elasticity and consumer choices. In addition, it explains the utility maximisation methods.

Section 3: The Theory Of The Firm
This section deals with output methods and costs determination. It also explains the relationship between costs, economies of scale and profit maximisation criteria. The analysis of market structure and level of competition also included.

Section 4: The External Sector and Economic Growth
This section deals with international trade, trade restrictions, balance of payments and economic growth.
LEARNING OUTCOMES
Students will be able to:

- Explain how a market system co-ordinates and allocates scarce resources among competing uses and users
- Apply marginal principles to determine price and output variables under perfect and imperfect competition, and understand the principles behind the contestable market structure
- Outline how an economic models solves the efficiency and equity issues
- Explain the reasons why market and government mechanisms may fail to achieve an optimal social outcome
- Apply economic concepts to determine methods of minimising both market and government failure
- Analyse the key macroeconomic areas of inquiry affecting the business environment.

LEARNING MATERIALS

- Course Material provided by WEC.
- Indicative Reading:

ASSESSMENT SCHEME
Examination (40%)
Course work (60%)

TOTAL HOURS: 24 hours of direct lecture-tutorial sessions
1.3 PURCHASING & SUPPLY FUNDAMENTALS

AIMS
The general emphasis of this module is to introduce key concepts of purchasing and supply issues, practices and contemporary development affecting the purchasing and supply function for organisations.

SYLLABUS
This module is organised into four sections:

Section 1: Objectives and organisations:
- Purchasing scope and development
- Strategic aspects of purchasing
- Purchasing structure and organisation
- Management aspects of purchasing

Section 2: Key purchasing variables
- Quality
- The right quantity
- Time
- Source decision making
- Price and cost
- Purchasing negotiations

Section 3: Applications:
- Make or buy decisions and subcontracting
- Buying commodities
- Buying internationally
- Buying capital goods
- Purchasing for resale
- Buying services
• Public sector procurement

Section 4: Systems and controls:

• Purchasing systems
• Controlling performance, efficiency and effectiveness

LEARNING OUTCOMES

By end of this module, students should be able to:

• Apply purchasing concepts and practices to meet organisational’s business objectives
• Demonstrate an understanding of the strategic aspects of purchasing for an organisation
• Demonstrate an understanding of the various key purchasing variables necessary to make good purchasing decisions.
• Apply good practices, models and processes to implement purchasing activities and its implementation and control.

LEARNING MATERIALS:

Course Material provided by WEC.

Indicative Readings:

- Peter Baily, David Farmer, David Jessop, 9th edition (2005), Purchasing Principles and Management, Pearson Education

ASSESSMENT SCHEME

Coursework (100%) consisting of 2 assignments

TOTAL HOURS: 24 hours of direct lecture-tutorial sessions
1.4 FUNDAMENTALS OF SUPPLY CHAIN MANAGEMENT

AIMS
The general aim of this module is to introduce key concepts of supply chain management framework, issues, practices and contemporary development affecting the supply chain management function for organisations.

SYLLABUS
This module is organised into five sections:

Section 1: Introduction to supply chain management:
- Information systems and supply chain management
- Inventory management across the supply chain
- Supply chain relationships
- Challenges facing supply chain managers

Section 2: The role of Information Systems and Technology in Supply Chain Management:
- The importance of Information in an Integrated supply chain management environment
- Interorganisational Information Systems
- Information requirements determination for a supply chain IOIS
- Information and technology applications for supply chain management

Section 3: Managing the flow of materials across the supply chain:
- Understanding supply chains
- Reengineering supply chain logistics
- Importance of the time dimension
- Performance measurement
Section 4: Developing and maintaining supply chain relationship:

- Conceptual framework or model of Alliance development
- Developing a trusting relationship with partners in the supply chain
- Resolving conflicts in a supply chain relationship

Section 5: Future challenges in supply chain management

- Sharing risks in interorganisational relationships
- Managing the global supply chain
- Design for supply chain management
- Intelligent Information Systems
- The “Greening” of supply chain

LEARNING OUTCOMES

By end of this module, students should be able to:

- Apply supply chain management concepts and practices to meet organisational’s business objectives
- Demonstrate an understanding of the strategic aspects of partners relationship in the supply chain for an organisation
- Demonstrate an understanding of the various key Information Systems and Technology Management requirements to ensure smooth operations of the supply chain.
- Demonstrate an understanding of the strategic aspects of future challenges in supply chain management in a dynamic and evolving environment
LEARNING MATERIALS:

Course Material provided by WEC.

Indicative Readings:

Introduction to Supply Chain Management, Pearson Education

b) Cecil c. Bozarth & Robert B. Handfield, 1st edition (2005),
Introduction to Operations and Supply Chain Management,
Pearson Education

ASSESSMENT SCHEME

Coursework (60%)

Final examination (40%)

TOTAL HOURS: 24 hours of direct lecture-tutorial sessions
1.5 ORGANISATIONAL BEHAVIOUR

AIMS
This module is designed to help the students develop their ability to improve organisational performance by applying better management skills and techniques. The aims include the following:

- To introduce students to the evolution of management theories as well as the four functions of management.
- To introduce students to certain basic psychological and sociological theories and concepts relevant to the study of organisational behaviour and management.
- Increase student awareness towards the integration of human elements with structure, technology and the environment that determines the operation of the organisation.
- Expose students to the practicality of Western theories within their country context and the differences that exist between Asian and Western Management styles.

SYLLABUS

Section 1: Organisational Behaviour
In this section, students will learn about various organisation theories.

Section 2: Individual Behaviour and Motivation
This section describes the motivation and specific individual attitude and behaviour towards an organisation.

Section 3: Group Behaviour and Leadership
This section will expose the students with the relevant leadership skills and the needs of teamwork.

Section 4: Power, Politics and Cultural Norms
This section explains the needs of human communication, group efficiency, structural arrangements and cultural effects on an organisational.
LEARNING OUTCOMES
Having successfully completed this module, students will be able to:

- Analyse individuals’ behaviour and motivation and explain the implications within the work environment
- Describe how groups function and identify methods for increasing group efficiency and effectiveness
- Understand and apply effective leadership behaviours in different situations
- Analyse the structural arrangements and cultural norms of an organisation
- Use organisational behaviour theories, concepts and research findings to understand effective organisational change

LEARNING MATERIALS:

- Course Material provided by WEC.
- Indicative Readings:

ASSESSMENT SCHEME
Coursework (100%) consisting of 2 assignments

TOTAL HOURS: 24 hours of direct lecture-tutorial sessions
1.6 INVENTORY AND WAREHOUSING MANAGEMENT

AIMS
The general aim of this module is to introduce key concepts, tools and practices of warehousing and material handling to bring about the effectiveness, accuracy and overall productivity of warehousing operations for organisations.

SYLLABUS
This module is organised into five sections:

Section 1: Warehousing activity profiling:
- Identifying causes of information and material flow problems and pinpointing opportunities for improvement

Section 2: Warehousing performance measurement:
- Performance measurement for monitoring, reporting, and benchmarking warehouse

Section 3: Storage and retrieval system selection:
- Improving storage density
- Handling productivity
- Trade offs in required capital investment

Section 4: Order picking strategies:
- Improving productivity
- Improving accuracy of order fulfillment

Section 5: Computerising warehouse operations
- Profiling activities
- Monitoring performance
- Simplifying operations
The “Greening” of supply chain

LEARNING OUTCOMES

By end of this module, students should be able to:

- Apply warehousing and material handling concepts and practices to meet organisational’s business objectives of efficiency and cost reduction.
- Demonstrate an understanding of the strategic aspects of monitoring performance and bring about improvement in warehousing and material handling operations.
- Demonstrate an understanding of the various key Information Systems and Technology Management requirements to ensure smooth operations of the warehousing and material handling requirements in organisations.
- Demonstrate an understanding of the strategic aspects of future challenges in warehousing operations in a dynamic and evolving environment.

LEARNING MATERIALS:

Course Material provided by WEC.

Indicative Readings:


ASSESSMENT SCHEME

Coursework (100%) consisting of 2 assignments.

TOTAL HOURS: 24 hours of direct lecture-tutorial sessions
1.7 RETAIL BUYING

AIMS
The general emphasis of this module is to allow students to understand the major role in the operation of any retail establishment as well as contemporary development especially the INTERNET’s impact on retail buying affecting different types of organisations.

SYLLABUS
This module is organised into four sections:

Section 1: Introduction to retail Buying:
- Buyer’s role
- Buying for traditional retail organisations
- Buying for discount operations
- Buying for off price retail operations
- Buying for off site operations

Section 2: Planning the purchase
- Consumer Analysis
- What to buy?
- How much to buy?
- Merchandise Sourcing and timing the purchases

Section 3: Making the purchase:
- Purchasing in the domestic marketplace, wholesale market, purchasing over the Internet
- Foreign market purchasing
- Wholesale purchasing on the Internet
- Negotiating the purchase and writing the order
Section 4: Additional buyer responsibilities:

- Merchandising Pricing
- Development of-label programme
- Disseminating product information to retail personnel
- Buyer’s role in planning advertising, special events etc

LEARNING OUTCOMES

By end of this module, students should be able to:

- Demonstrate an understanding of the key concepts and practices pertaining to retail buying in both traditional as well as contemporary retail operations.
- Demonstrate an understanding of the purchasing function including identification of buyers, planning the purchase, making the purchase and managing the full responsibility relating to retail buying.
- Apply good practices, models and processes to implement effective retail buying practices via both conventional as well as via the Internet.

LEARNING MATERIALS:

Course Material provided by WEC.

Indicative Readings:

a) Jay Diamong & Gerald Pintel, 57th edition (2004), Retail Buying, Pearson Education
c) Barry Berman & Joel R. Evans, 9th edition (2004), Retail Management, Person Education

ASSESSMENT SCHEME

Coursework (100%) consisting of 2 assignments

TOTAL HOURS: 24 hours of direct lecture-tutorial sessions
1.8 BUSINESS ACCOUNTING

AIMS
In an increasingly complex world characterised by private sector and public sector organisations of different shapes and sizes, the importance of efficient systems of communication between organisations and their stakeholders.

Accounting is one means by which an organisation provides information to its participants (e.g. shareholders and other provident of funds, employees, customers, government, general public and so on). This course intends to provide a foundation for understanding the principles upon which accounting systems are based, by explaining underlying concepts, existing practices, and alternatives to existing practices. Therefore, this course reviews basic concepts and techniques of accounting and their use in the management practice of today’s firm as well as in the preparation of corporate financial statements for external reporting.

SYLLABUS
It is divided into four sections as follows:

Section 1: Accounting concepts and financial information
This section begins by rationalising the need for accounting reports by introducing you to their users. It also deals with the statement of accounting concepts and the Statement of Financial Performance, Position and Movements in Equity.

Section 2: Accounting Issues
This section deals with issues relating to assets, liabilities, expenses and revenues.

Section 3: Financial statements and user requirements
This section introduces you to prepare cash flow statements and then looks at accounting issues needed by the different groups of users.

Section 4: Analysis and interpretation.
LEARNING OUTCOMES
At the end of the module, the students will be able to:

- Demonstrate an understanding of the principles and concepts of accounting
- Show an awareness of accounting methods and concepts and how this relates to satisfying internal and external obligation
- Demonstrate competence in the preparation of financial and related information

LEARNING MATERIALS:

- Course Material provided by WEC,
- Indicative Readings:

ASSESSMENT SCHEME
Final Examination (60%)
Mid-term Examination (40%)

TOTAL HOURS: 24 hours of direct lecture-tutorial sessions
1.9 PURCHASING STRATEGY

AIMS
The general aim of this module is to introduce key concepts, tools and practices of purchasing strategies drawn from real world examples from a myriad of organisations.

SYLLABUS
This module is organised into three sections:

Section 1: The changing environment and purchasing practices:
- The case for change in rethinking about purchasing strategy
- Exploring change issues in strategic sourcing
- Understanding strategic change in the context of purchasing function

Section 2: Areas and instrument of change:
- Developing the supply base by changing supplier relations
- Organising for strategic sourcing
- Leadership and values for competitive sourcing
- Developing and managing knowledge and competencies
- Leveraging information and communication technology

Section 3: Case Studies and Real world examples:
- From buying towards supply management at Nordic Construction Company (NCC)
- Supply function’s role in a major corporate turnaround, lesson from Thomson
- Strategic change towards global sourcing: Ericsson in ChinaHandling productivity
LEARNING OUTCOMES

By end of this module, students should be able to:

- Apply purchasing strategy concepts and practices to meet organisational’s business objectives of efficiency and cost reduction in the context of change management.
- Demonstrate an understanding of the strategic aspects of outsourcing both through internal and external outsourcing opportunities and relative advantages and disadvantages of both sources.
- Demonstrate an understanding of the various key Information Systems and Technology Management requirements to ensure optimisation of purchasing activities in organisations.
- Demonstrate an understanding of the strategic aspects of future challenges in purchasing strategy gained from lessons learnt from real life companies practices and experiences.

LEARNING MATERIALS:

Course Material provided by WEC.

Indicative Readings:

a) Bjorn Axelsson, Finn Wynstra & F. Rozemeijer, (2005 ), Developing Sourcing Capabilities, John Wiley

b) Arjan Van Weele, 2003 ), Purchasing and Supply Chain Management, Pearson Education

ASSESSMENT SCHEME

Coursework (100%) consisting of 2 assignments

TOTAL HOURS: 24 hours of direct lecture-tutorial sessions
1.10 BUSINESS COMMUNICATION

AIMS
By working through the module, students will learn how to analyse and evaluate communication in business. Students will also gain practical skills to become a more effective communicator. Students will be introduced to some forms of contemporary technology in Business communication of today. This course will give students an ongoing appreciation of the importance of communicating effectively in business.

SYLLABUS
• **Section 1: The Human Communication Process.** This section deals with the theory behind the general process of communication. The basic principles remain the same, for simple or complicated communication process. It may help students later in complex situations where students will be able to analyse and solve problems by going back to the basic principles of communication process.

• **Section 2: Organisational Problems and Solutions.** This section considers the nature of organisational communication globally, how organisations communicate, and what happens when communication breaks down or problems occur. Students will apply critical thinking and logical reasoning to both simulated and real-life communication problems via analysing business situations, using case studies.

• **Section 3: Communication Audit.** This section requires students to use their understanding of communication, to carry out a communication survey of a specific business situation. It also prepares students for writing a report and other documentation.

• **Section 4: Communicating Effectively.** This section will emphasis your effective communication skills through oral or written communication whether individually or working in groups.
LEARNING OUTCOMES
On completion of this module, students will be able to:

- Identify and analyse elements of the human communication process
- Analyse business communication problems and propose appropriate solutions
- Evaluate the effectiveness of a selected range of communication practises in business
- Write business reports and memos more effectively
- Use appropriate communication technology
- Demonstrate interpersonal skills in small groups.
- Demonstrative oral presentation skills
- Demonstrate an understanding of culture in the context of communication

LEARNING MATERIALS

- Course Materials provided by WEC.
- Indicative Reading

ASSESSMENT SCHEME
Course work (100%) consisting of 2 assignments

TOTAL HOURS: 24 hours of direct lecture-tutorial sessions
1.11 RESEARCH PROJECT

AIMS
To provide students with an opportunity to:

• undertake a detailed investigation of an area of specialization undertaken by the student

• demonstrate a sound understanding of research techniques for business

SYLLABUS
Types of research; stages of research; surveys and sampling internal and external validity; statistical techniques; available software such as SPSS

LEARNING OUTCOMES
After completing this module students should be able to:

• understand different approaches to research and how research can be applied

• understand and apply qualitative and quantitative research techniques

• develop disciplines and concepts explored in the course modules

• explore in depth a business-related topic of particular interest to the student

• provide evidence of the ability to integrate management theories and their area of specialization study such as marketing, purchasing and supply management etc..

LEARNING MATERIALS:

• Course Materials provided by WEC.

• Indicative Reading:

➢ SPSS for Windows: Descriptive and Inferential Statistics.


**ASSESSMENT SCHEME**

Research Project : 100%

**TOTAL HOURS:** 21 hours of research methodology workshop and subsequent supervision