EMB530 Operations Management and Supply Chain Management (OM&SCM)

Spring 2018

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Learning Objectives

The primary learning goal of this course is to study:

- Learning perspective and capability
- Global perspectives
- Strategic thinking and cross-disciplinary competency

The primary objective of this course is to teach EMBA students strategic issues in operations and supply chain management (OM&SCM), which top managers in service as well as manufacturing industries must understand. From a comprehensive perspective, OM&SCM encompasses all organizational activities (service and manufacturing) to create value for the customers. In the course, we will primarily focus on how to enhance operations capabilities that enable the firm to achieve sustainable competitive advantage vis-à-vis its global competitors.

Course Materials

Required materials con sist of one textbook and reading materials such as cases and papers/articles. Students are expected to study the assigned readings and cases prior to class and actively participate in class discussion.

Primary textbook

- Kim, B. (2018). *Supply Chain Management: a Learning Perspective*. Cambridge University Press.

Performance Evaluation

The final grade will be based on the following breakdown (subject to change):

Class participation	10%
Assignments	20%
Term project	20%
Exams	50%

Class participation is based on the student's contribution to class discussion from the

assigned readings and case studies.

Assignments are both individual and team case assignments.

Details of *the term project* will be announced in due course.

The exams are a combination of analytical problem solving, case analysis, and essay questions, both qualitative and quantitative. More details will be announced.

CLASS SCHEDULE

(Subject to change as the course proceeds)

	CLASS SYNOPSIS AND READING MATERIALS	
	MODULE 1 OPERATIONS STRATEGY AND FIRM'S COMPETITIVE ADVANTAGE	
1	Operations strategy for competitive advantage ● Xiaomi, Inc.: The Rise of a Chinese Indigenous Competitor (TB0417)	
2	Firm's fundamental capabilities for value creation ● Trouble at Tessei (HBS 9-615-044; Revised October 20, 2015)	
3	Learning and innovation in operations management ● Reinventing E-Commerce: Amazon's Bet on Unmanned Vehicle Delivery (KEL911)	
	MODULE 2 PROCESS AND PRODUCT STRATEGY	
4	Process analysis and design for value creation I ● Emergency Department Congestion at Saintemarie University Hospital (CU48)	
5	Process analysis and design for value creation II	
6	Project and quality management ● New Balance Athletic Shoe, Inc. (HBS 9-606-094; Revised June 30, 2008)	
7	New product innovation and competitiveness ● IDEO Product Development (HBS 9-600-143; Revised April 26, 2007) ● Design Thinking and Innovation at Apple (HBS 9-609-066; Revised March 04, 2010)	
8	Service operations management ● Southwest Airlines: In a Different World (HBS 9-910-419; Revised January 9, 2013)	
	MODULE 3 DESIGNING AND MANAGING A VALUE CHAIN	
9	Structural factors of a supply chain ● Zappos.com: Developing a Supply Chain to Deliver WOW! (GS-65; Revised January 3, 2011)	
10	Infrastructure factors of a supply chain ● Walmart China - Supply Chain Transformation (W15534)	
11	Strategic management of a value chain ● Three-Dimensional (3D) Printing: Jolts on Supply Chain Management and The Chinese Manufacturing Industry (HK1059)	
12	Global supply chain management	
	MODULE 4 INTEGRATION AND VALUE CREATION	
13	Course integration – group project	
14	Value chain sustainability ● Nestle: Agricultural Material Sourcing Within the Concept of Creating Shared Value (CSV) (HBS 9-913-406; Revised August 9, 2013)	

CASE LIST

1. Xiaomi, Inc.: The Rise of a Chinese Indigenous Competitor (TB0417)
2. Trouble at Tessei (HBS 9-615-044; Revised October 20, 2015)
3. Reinventing E-Commerce: Amazon's Bet on Unmanned Vehicle Delivery (KEL911)
4. Emergency Department Congestion at Saintemarie University Hospital (CU48)
5. New Balance Athletic Shoe, Inc. (HBS 9-606-094; Revised June 30, 2008)
6. IDEO Product Development (HBS 9-600-143; Revised April 26, 2007)
7. Design Thinking and Innovation at Apple (HBS 9-609-066; Revised March 4, 2010)
8. Southwest Airlines: In a Different World (HBS 9-910-419; Revised January 9, 2013)
9. Zappos.com: Developing a Supply Chain to Deliver WOW! (GS-65; Revised January 3, 2011)
10. Walmart China - Supply Chain Transformation (W15534)
11. Three-Dimensional (3D) Printing: Jolts on Supply Chain Management and The Chinese Manufacturing Industry (HK1059)
12. Nestle: Agricultural Material Sourcing Within the Concept of Creating Shared Value (CSV) (HBS 9-913-406; Revised August 9, 2013)

CASE ASSIGNMENT QUESTIONS

1. Xiaomi, Inc: The Rise of a Chinese Indigenous Competitor (TB0417)
   - What are the major factors that contributed to Xiaomi becoming a leading smartphone company in the PRC?
   - What does Xiaomi's rapid ascent mean for Apple and Samsung in China and globally? How are Apple and Samsung likely to react? What capabilities would Xiaomi need to develop to compete head-to-head with industry giants Apple and Samsung?
   - Should Xiaomi focus on competing with Apple and Samsung, or should they be more focused on competition with local Chinese rivals?
   - Is Xiaomi's success in China the result of its smartphone launch timing? Can Xiaomi compete neck-and-neck with Apple in China by releasing its latest model smartphone at or about the same time as Apple launches its new version of the iPhone in China?
   - Can Xiaomi resolve the kinks in its Mi Pad and Mi Band so that they are held in the same high regard as its smartphones? Does Xiaomi need to be successful across all three platforms in order to remain a formidable competitor of Samsung, Apple, Huawei, and Lenovo for the long haul?
   - Xiaomi has been very successful in China, but how will they fare in the global market? What obstacles are they likely to face? What capabilities will they need to develop to expand globally?
   - Given his extraordinary range of interests and activities, will Lei have the focus and bandwidth to lead Xiaomi to its future?

2. Trouble at Tessei (HBS 9-615-044; Revised October 20, 2015)
   - What are the challenges Yabe is facing?
   - What would you, as Yabe, do to overcome them?

3. Reinventing E-Commerce: Amazon's Bet on Unmanned Vehicle Delivery (KEL911)
   - What are the obstacles for autonomous vehicle (AV) adoption? Are they related to the reasons Michael Aldrich's e-commerce platform failed to take off?
   - What will be the impact on retail if AVs are adopted for delivery?
   - Are customers ready for AV delivery, and will they pay for it?
   - What are the risks involved with Amazon investing in AV delivery now? Should it wait?

- What impact might AV delivery have on the labor market?
- How can Amazon win in this space?

4. Emergency Department Congestion at Saintemarie University Hospital (CU48)
   - Based on the information provided in the case, estimate:
     a. The utilization in the ED during the daytime (9 a.m.-7 p.m.) and the nighttime (7 p.m.-9 a.m.)
     b. The average time a patient would have to wait before being seen during the daytime and the nighttime. How does your result compare to the actual average wait time provided in the case (1h.10 mins.)?
   - Over the past few years, there has been a recurring debate at the management level of the hospital regarding the possible solution of dividing the ED into two separate units: inpatient (acute cases) and outpatient (non-acute cases). Dupont had always refused this solution given the significant costs it would entail in building such a separation. Had the time come to make such a one-time investment?
   - What additional (or alternative) measures would you recommend for improving Saintemarie's ED performance?
   - What operational problems is the Saintemarie Emergency Department facing? What is your assessment of the current performance and what do you think is driving these problems?
   - How would you formulate performance targets for the ED?

5. New Balance Athletic Shoe, Inc. (HBS 9-606-094; Revised June 30, 2008)
   - Evaluate New Balance's current operations strategy. What are the key decisions implicit in this strategy?
   - Assuming that the total U.S. market for athletic footwear was 400 million pairs in 2005, how costly was New Balance's decision to maintain 25% of its manufacturing in the United States? What is your assessment of that decision?
   - How should the Davises react to Adidas' planned acquisition of Reebok? What aspects of New Balance's operations strategy should they change?
   - Moving forward, how important is the NB2E initiative for New Balance?

6. IDEO Product Development (HBS Case 9-600-143; Revised April 26, 2007)
   - How would you characterize IDEO's process, organization, culture, and management?
   - Decision point: should IDEO accept the Visor project as is (on a dramatically reduced schedule)? Should they try to persuade Handspring's management to change its aggressive launch schedule? Or should they simply decline the project? In your discussions, please consider the IDEO and Handspring perspectives.

7. Design Thinking and Innovation at Apple (HBS 9-609-066; Revised March 04, 2010)
   - Why has Apple been so successful? What do you attribute it to?
   - Is there a systematic "approach" to innovation at Apple? If yes, how would you characterize it? Can it be imitated? Why or why not?
   - Imagine that Apple's management is running your organization – or the last organization that you have worked for. What would that be like? What would change? What obstacles would be encountered? What would it be like to work there?

8. Southwest Airlines: In a Different World (HBS 9-910-419; Revised January 9, 2013)
   - Why has Southwest been so much more successful than its competitors?
   - How has the original strategy been altered in recent years? How, if at all, have these changes affected Southwest's key success factors?
   - What kinds of things over which Southwest's leadership has some control could go wrong? What should be done to make sure they don't happen?
   - Based on your response to question 3, what further changes, if any, need to be made by Southwest's leadership in the face of competitive moves and general economic

conditions?

- Would you recommend that Southwest Airlines acquire the gates and slots available at LaGuardia Airport? Why?
- How does this decision fit with others that the airline's management has made recently or faces in the future?

9. Zappos.com: Developing a Supply Chain to Deliver WOW! (GS-65; Revised January 3, 2011)
   - What are Zappos' core competencies and sources of competitive advantage? How sustainable are they? What role does corporate culture play in these questions?
   - How important is next-day air shipment to the customer experience? Is it worth the cost? How might you change it in the cost-conscious environment facing the company in late 2008?
   - How would you expand the business? Would you add more products, more geographies, or by selling private labels? As you expand the business, how can the company become more profitable, particularly in light of the costs associated with the focus on service?
   - How would you expect the environment of a more cost-conscious consumer to affect Zappos' business? What can Zappos do in such an environment to maintain sales growth?

10. Walmart China - Supply Chain Transformation (W15534)
    - Evaluate the costs of the cross dock and staple stock distribution centre models.
    - Besides costs, what other factors should be considered as a part of the analysis?
    - If you were in the position of Lesley Smith, what recommendations would you make and why?

11. Three-Dimensional (3D) Printing: Jolts on Supply Chain Management and The Chinese Manufacturing Industry (HK1059)
    - What role could 3D printing play in changing supply-chain management?
    - What are the advantages, disadvantages and limitations of 3D-printing technology compared with those of traditional manufacturing technology?
    - What could the short-term and long-term impact of 3D printing on the Chinese manufacturing industry be?
    - Will the expiration of a number of key 3D-printing patents in 2014 stimulate widespread 3D-printing adoption and innovation?
    - Could China leverage the coming 3D-printing trend to reinforce the power of its manufacturing industry?

12. Nestle: Agricultural Material Sourcing Within the Concept of Creating Shared Value (CSV) (HBS Case 9-913-406; Revised August 9, 2013)
    - If you were Hans Johr, how would you present the trends and issues outlined in the case to Nestle's board of directors?
    - As Hans Johr, how do you find independent evaluators of potential conflicts of interest that are likely to occur when a company involved in producing any food or beverage ingredient, such as Nestle, takes an active role in addressing the overall nutritional needs of consumers?
    - How does Nestle find independent not-for-profits active in health, nutrition, and economic development to partner with, without being accused of trying to gain undue influence in the decision making process of such consumer activist groups?
    - What is the best way for Nestle to use the latest technology in improving the management of human, land, and water resources across its operations and supply chain?
    - How does Nestle position itself in the future global food system?
    - How does taking a systemic approach impact Nestle's future strategy?

- How does a health a wellness focus impact Nestle's future strategy?
- How does Nestle relate its leadership in the chocolate, dairy, and coffee industries to the sustainability and health priorities of the company?