



## SCM 460

### Purchasing and Materials Management

#### Online Web Course

Dr. Varun Gupta  
Email: Use CANVAS course e-mail  
Office: Burke 261, Phone ☎: (814) 898-6266  
Office Hours: Tuesday and Thursday: 0900am to 1100am

*This course outline is tentative and the instructor reserves the right to make changes.*

**Course Description:** This is an online introductory Web course on purchasing and materials management. As such, its focus will be on the management of the purchasing and materials management functions. We will emphasize the overall goals of purchasing, which include: providing an uninterrupted flow of materials and services; keeping inventory at a minimum to achieve the objectives of the company; maintaining quality standards; develop competent suppliers; standardizing the item bought; obtaining the lowest ultimate price; improving the organization's competitive position; and achieving good external and internal working relationships. Key topics to be covered include: purchasing policies and procedures, order specifications and agreements, supplier selection, and the role of purchasing in production planning and inventory management. The use of SAP R/3 Enterprise Resource Planning system will be an integral component of this course. Students will complete numerous lab projects consisting of hands-on assignments in the use of the SAP R/3 Materials Management application. SAP R/3 assignments will include the processing of material master records, vendors, requisitions, request for quotes, quotation analysis, purchase order creation, purchase receipts, and invoice processing.

**Prerequisite(s):** SCM 301 or equivalent.

**Required Text:** *Purchasing & Supply Management*, Fifteenth Edition, 2015, McGraw-Hill Irwin.

**Authors:** P. Fraser Johnson, and Anna Flynn; **ISBN-13:** 978-0078024092.

**Student Learning Objectives:** To develop operational and strategic perspectives on the procurement function and its contribution to meeting supply chain goals, and to understand the implications of the changing business environment for purchasing and supply chain management practices. By the end of the semester you should have attained the following objectives:

- Describe the strategic role and importance of purchasing and materials management.
- Identify the key documents communicated between buyer and seller in the business-to-business procurement process.
- Identify specific steps in the supply process.
- Decide which technology tools are most appropriate for the organization's categories of purchases.
- Gain a working knowledge of how to use technology tools such as reverse auctions and radio frequency identification (RFID).

- Recommend improvements to procurement of material in a manufacturing environment in order to reduce shortages.
- Recognize terminology associated with six sigma quality programs.
- Identify various methods of describing purchased item requirements as they relate to product quality.
- Describe the functions of inventory and how to measure inventory performance.
- Identify transportation terms, responsibilities, and various types of freight charges.
- Identify procurement methods for various classes of purchased materials.
- Identify supply law as it relates to the Uniform Commercial Code (UCC).
- Attain a hands-on working knowledge of SAP processes, transactions, terminology, and data fields as they relate to course content and material.

**SAP Lab Assignments:** Lab assignments will generally be cumulative and must be completed in sequence. Approximately 7 SAP labs have been scheduled during the semester. Each SAP assignment is worth 10 points each and a final SAP assignment is worth 25 points. Each lab session will have an associated “lab assignment” that must be completed and submitted.

**Assignment Discussion Forums:** CANVAS discussion boards will be used throughout the course to help guide and fine tune your reading experiences, and allow you to express your personal responses and reactions to readings. As always, professionalism is expected. We encourage the class members to be respectful of opinions and differences that each student brings to the learning environment.

**CHAPTER ASSESSMENTS:** Each chapter and all supplemental material will have an associated quiz which will be completed as an INDIVIDUAL assignment. **The chapter quizzes will be intentionally very challenging.** You should read the chapter, review the chapter material posted on CANVAS and then take the quiz. The quiz is open book and open notes. It is VITAL that you follow this process to learn all course material and to be prepared for exams. All quizzes should be completed by the assigned due date. CANVAS quizzes can be started, saved, and completed at a later date. The CANVAS quiz will be configured to provide you with NO feedback upon completion of the quiz. The quiz will be graded and you can view your answers and score after the assigned quiz due date. All questions associated with quizzes should be posted on the appropriate CANVAS message board.

**CHAPTER ASSIGNMENTS:** Select chapters will have supplemental working assignments intended to help students grasp the course content. Note that chapter assignments will be posted to CANVAS throughout the semester. Most chapter assignments will be short and focused. All assignments are individual assignments and you cannot work with other students.

**EXAMS:** There will be two exams. Exams will be open note / book and will be administered through CANVAS. Exams are INDIVIDUAL ASSIGNMENTS and there should be no collaboration between students. The CANVAS exams will be assigned on a specific day and will have a **one hour limit**. You can start the exams any time between 7:00AM and 9:00PM EST during the day of the exam. The exam will automatically submit and close if you have not completed within the one hour time limit. Exam questions will be randomly selected from a pool of questions and you will have no immediate

feedback when the exam is submitted. After exams have been graded, you will be given the permission to view the exam results and your specific feedback by opening the exam.

**GRADING:** Your course grade will be based on the following team and individual activities: (Assignments / points may be added, modified or eliminated).

**Grade Distribution:**

Exams (two)	100
SAP Assignments	100
Chapter Quizzes / Misc. assignments	140

**Letter Grade Distribution:**

$\geq 93.00$	A	70.00 - 76.99	C
90.00 - 92.99	A-	77.00 - 79.99	C+
87.00 - 89.99	B+	60.00 - 69.99	D
83.00 - 86.99	B	$\leq 59.99$	F
80.00 - 82.99	B-		

Your final grade will not be rounded up and there will be no exceptions to this policy. For example, if your final grade is 92.8%, you will have earned an "A-".

The instructor reserves the right to modify the total course point by adding or eliminating assignments based on the class progress.

**Late assignment policy:** Assignments submitted after the due date will not be accepted. All assignments (except the exams) are due on Fridays at midnight. Please do not wait until the last minute to start / submit assignments.

**On-Line Course Notes**

- On-line courses are delivered in a different, more flexible format than a traditional face-to-face course, but it is very important that you should expect to spend the same amount of your time on an online course as you would spend on a face-to-face course. You should normally expect to spend two to three hours on your own, for each one hour of in-class instruction. For a three-credit course, you should expect to spend a minimum of nine hours per week. The nine hours per week should be your expectation for this course! Therefore, you should be sure to begin assignments early and work through the course material throughout the week. Periodically, some students get into the bad habit of waiting until Friday to begin the assignments... this is a recipe for failure! Waiting until Friday to begin the week assignments will cause you to skim material and if you run into a problem and need time to resolve the assignment issue and ask questions, you will not have the time. You must be disciplined to begin all assignments early.
- Much of the course content is posted on CANVAS in Flash format. You will have the capability to view the web based flash videos and in many cases hear the instructor through the associated audio. THE BEST WAY TO LISTEN TO THE FLASH VIDEOS IS TO USE HEADPHONES. IF YOU PLAN ON VIEWING THE FLASH VIDEOS IN THE LABS, THE USE OF HEADPHONES IS A MUST TO NOT DISTURB YOUR FELLOW STUDENTS.

- The use of the SAP R/3 enterprise resource planning system is an integral part of this course. You will not only learn the concepts of purchasing, but you will also gain hands-on experience using the most popular global industry purchasing application. All SAP assignments should be started a minimum of one week prior to the due date. Note that I will not be sympathetic to students trying to contact me the day before an assignment is due needing help to resolve problems. It is very important to follow the correct process when working on the SAP assignments first step: thoroughly read the SAP assignment, second step: view all of the associated flash videos for the SAP assignment, third: complete the SAP assignment. Located in CANVAS, you will find a folder that will contain flash videos that will help you to fix the most common errors that occur. If you have a problem with an SAP assignment, your sequence of resolution is:
  1. Review the assignment to be sure that you are following the steps as required.
  2. Review the flash video associated with the transaction you are having problem with.
  3. Attempt to resolve the problem on your own this is the best way to learn!
  4. Discuss with other friends / students enrolled in the same class. This is the only time that you can collaborate with other students on assignments.
  5. Scan the course discussion forum to see if other students have had a similar issue and if there is a solutions / recommendation already posted.
  6. If you cannot resolve the issue, post your question on the appropriate CANVAS discussion forum. Pay close attention to the discussion forum post requirements. Note that I will look very favorably upon students who review the SAP assignment board and answer the questions of other students this demonstrates true understanding of the material.
  7. I will respond to your question using the discussion forum. Note that you should not send the instructor an email with your question.
- All of the SAP transactions that you will need to run have step-by-step demonstrations included in the flash videos. Most of the flash video SAP transaction demos used in SCM460 do not have audio, and are recorded at a relatively fast pace. The intent is for you to see a quick demonstration of each transaction before you run it on your own. You can always pause, rewind, or go back the flash video file demonstration if you run into trouble. The SAP transaction flash videos are for reference only, they are NOT the instructions for your assignments. All SAP assignments include an MS-Word document containing the instructions. DO NOT open the flash videos and run the transactions with the same data that is included in the transaction demonstration.
- Be sure to pay close attention to the SAP master data naming conventions. You will be assigned a four digit number that will be used when creating all of your unique master data. I will grade all SAP assignments by looking on the SAP database for the specific data you are required to create. If you run into a problem, it is your responsibility to fix the problem based on the seven step process defined above. As an alternative to fixing your problem, you CANNOT decide to pick a new master data naming convention and in essence start the assignment over by using the new data. Please do not send me an email stating that you used a different master data naming convention than was assigned to you as that is not acceptable. If you have a problem, you must fix the problem, which is part of the learning process in this course. Your assignment will still be graded on the assigned naming convention with no exceptions.
- You should read your PSU email frequently and sign into the SCM460 CANVAS class on a daily basis. It is the student's responsibility to understand assignment due dates and course requirements.

**ACADEMIC INTEGRITY:** Penn State Behrend puts a very high value on academic integrity, and violations are not tolerated. Academic integrity is one of Penn State's four principles to which all students must abide. This principle states:

I will practice academic integrity. Academic integrity is a basic guiding principle for all academic activity at Penn State University, allowing the pursuit of scholarly activity in an open, honest, and responsible manner. In accordance with the University's Code of Conduct, I will practice integrity in regard to all academic assignments. I will not engage in or tolerate acts of falsification, misrepresentation, or deception because such acts of dishonesty violate the fundamental ethical principles of the University community and compromise the worth of work completed by others.

Any violation of academic integrity will receive academic and possibly disciplinary sanctions, including the possible awarding of an XF grade which is recorded on the transcript and states that failure of the course was due to an act of academic dishonesty. All acts of academic dishonesty are recorded so repeat offenders can be sanctioned accordingly.

More information on academic integrity can be found at: [Academic Integrity Website](#).

All course assignments are INDIVIDUAL assignments. You should not review quiz answers with friends and you should complete homework problems individually (no collaboration). **All course material should be downloaded from your own CANVAS account.** You cannot download course material / assignments and share with anyone else. All flash video material should be viewed from your personal CANVAS account. The instructor will track all course activity in detail by each individual student. If through audit, the instructor identifies that you have completed work that could not possibly have been completed without accessing course material through your own CANVAS account, it is an academic integrity issue and you will earn a zero for the assignment.

**STUDENT / INSTRUCTOR COMMUNICATION:** Students are expected to review their CANVAS course e-mail on a DAILY BASIS. Note that you have the ability to set up your CANVAS email to automatically forward to another e-mail address. **All student e-mail messages to the instructor should be sent via CANVAS e-mail.** The purpose of this is for me to easily keep my work e-mails and class e-mails organized and separated. *My policy is to respond to email and discussion forum posts in 24 hours excluding weekends.* If I am traveling and do not have Internet access, I will communicate this to you in advance. Schedule changes and assignment notes will be communicated electronically and it is the student's responsibility to monitor for e-mails. You can schedule virtual meetings using Adobe Connect with the instructor. Adobe Connect will allow us to share PC desktop views and can usually eliminate the need for in-person meetings.

## SAP CERTIFICATION

This course is one of four available courses that can be used to attain the ERP with SAP certification. Penn State Behrend is one of only 12 Universities across the country that offers the SAP sanctioned certification. Talk to your instructor about the SAP certification!

### Tentative Course Outline:

Instructor reserves the right to adjust the schedule as required.

**Detailed assignment due dates can be found in the CANVAS Calendar.**

Topic
Introduction to Course
Administrative Activities
Purchasing and Supply Management – chapter 1
SAP Introduction and Navigation Exercise
SAP Assignment 1
Supply Strategy – chapter 2
SAP Assignment 2
Supply Organization – chapter 3
SAP Assignment 3
Supply Processes and Technology – chapter 4
Reverse auction assignment
Need Identification and Specification – chapter 6
Quality – chapter 7
Quantity and Inventory – chapter 8
SAP Assignment 4
Delivery– chapter 9
SAP Assignment 5
Price – chapter 10
SAP Assignment 6
Cost Management – Chapter 11
Supplier Selection – chapter 12
Global Supply Management – chapter 14
Radio Frequency Identification (RFID) in the supply chain
SAP Final Assignment
Legal and Ethics – chapter 15

**Academic and Career Planning Center (ACPC)** can assist students with the process of career and life planning through a full range of programs and services. You may schedule appointments with ACPC staff to discuss issues including interests, skills, values, and goal setting as well as how to find career information, internships, full-time jobs, and graduate schools. You are encouraged to utilize the services of the ACPC every year from first semester to graduation.

ACPC Location: Reed Union Building, Room 125 (Second Floor)

ACPC Phone ☎: 814-898-6164

ACPC Web Site: <https://psbehrend.psu.edu/Academics/academic-services/acpc>

**Writing tutoring is available in the Learning Resource Center**, 203 John M. Lilley Library, 4951 College Drive, Erie, PA 16563.

For more information please go to: Penn State Behrend Learning Resource Center.

**Note to students with disabilities:** Penn State is strongly committed to providing full access to its programs and services for all individuals. The University encourages academically qualified students with disabilities to take advantage of the educational programs offered at Penn State Behrend. The Office of Educational Equity and Diversity Programs, located in the Student Affairs Suite, on the second floor of the Reed Union Building, provides assistance and support for students. A disability services coordinator provides services tailored to meet the specific needs of each student.

For more information please go to: Penn State Behrend Disability Services.

**Protocol for Responding to Bias Motivated Incidents:** Penn State takes great pride to foster a diverse and inclusive environment for students, faculty, and staff. Acts of intolerance, discrimination, or harassment due to age, ancestry, color, disability, gender, gender identity, national origin, race, religious belief, sexual orientation, or veteran status are not tolerated and can be reported through Educational Equity via the Report Bias webpage.