Minor in Strategic Procurement

Description

The Minor concept

A minor gives you the opportunity to specialize your master program even further. The minor is a bundle of electives that can be chosen separately, but if chosen together gives you a coherent set of competencies that qualifies you to a specialist or leadership function, in this case within Strategic Procurement.

Purpose

With the last 20-30 years' of globalization and technological developments, supply markets and networks have become highly complex and therefore demand a well-structured and organized management set-up to find the right suppliers. This has led to a shift of the role of procurement from cost savings only to value creation for the company as a whole. With this shift, the procurement organization becomes a nexus of relationships with internal and external stakeholders. Internal stakeholders are business units that benefit from the competencies of the procurement organizations and external stakeholders are primarily suppliers of goods and services. As cost of goods sold (COGS) is 50-80% in companies with manufacturing and in service companies, the equivalent is 30%, there are plenty of opportunities to create value for the companies through not at least supplier relationships. Procurement is climbing up the strategic agenda in corporations.

The minor in Strategic Procurement gives you a comprehensive set of analytical and management tools to elevate a traditional procurement organization to the strategic level. It provides students with the new skill-sets to drive procurement transformation from both an analytical and an execution perspective.

Structure

The minor combines theories and methods primarily from the supply management discipline - with specific focus on external-internal relationship building - with that of management accounting giving you the financial insight and measures to understand the function and how procurement is connected to corporate strategy and the business as a whole. In providing you with the tools to develop the procurement organization, the minor further gives insight into leadership issues and organizational change processes. The minor consists of three courses each equivalent to 7.5 ECTS each, namely **1) Performance Measurement in Procurement Organizations** that is taught over the whole autumn semester**, 2) Global Sourcing Management** taught in the first quarter and followed by **3) Procurement Value Creation** in the second quarter**.**

The below table lists the structure and the ECTS credits of the individual courses. The course descriptions are available in the online course catalogue. Direct links are inserted in the below table.

Course	ECTS
Global Sourcing Management	7.5
Performance Measurement in Procurement Organizations	7.5
Procurement Value Creation	7.5

Content

The focus of the minor and its three courses is how procurement and the procurement organization create value for the organization and primarily the global organization. Even though globalization seems to take a new form these years, many companies are still global in their orientation, not at least to sourcing. This has led to segmentation of products and components to be sourced as well as potential suppliers in the market. Category management is therefore an approach that many larger organizations have applied in their procurement organization. Category managers develop strategies for their categories and coordinate procurement processes tightly with business units. A Chief Procurement Officer (CPO) is coordinating category managers and sets the strategy and performance measures for the procurement organization as a whole.

As mature procurement organizations are shifting their focus from unit price and savings towards understanding of value drivers, a mind-set of driving the ‘total business case’ for a project, business unit or entire company is necessary. New performance measures therefore have to follow this development to understand and analyze procurement data that is increasing in numbers due to digitalization of procurement processes.

Digitalization of procurement is closely connected to the organization and leadership of the procurement organization and therefore has a prominent role in the minor. But also timely topics such as sustainable supply chain management is touched upon. The more classical procurement themes ‘supplier collaboration’ and ‘supplier relationships’ are obvious parts of the minor. Further, as innovation becomes ever more important for companies to stay in the market, suppliers’ competences and willingness to collaborate on finding innovative solutions to contemporary problems such as climate change, are mandatory. Finally, developing the competencies of the procurement organization is an important part of the minor in Strategic Procurement.

Today, relatively few companies have a mature procurement organization, and one of the reasons is lack of skilled procurement employees to drive the transformation. Hence there will be an increasingly need for young candidates with the right academic qualifications to help develop the procurement discipline. To secure the continuing practice relevance of these qualifications, we collaborate closely with a number of companies including consultancy firms. The companies are also invited to present contemporary important issues in class. Interaction between theory and practice is the basis of the minor’s learning approach.

The minor in Strategic Procurement was developed in collaboration with NovoNordisk, Ørsted, Maersk, Vestas Danske Bank, ISS, Widex, Nilfisk, Leo Pharma, Novozymes and others.

Examinations

The minor consists of the examinations listed below. The learning objectives and the regulations of the individual examinations are prescribed in the online course catalogue. Direct links to the individual examinations are inserted in the table below.

Exam name	Exam form	Gradingscale	Internal/external exam	ECTS
Global Sourcing Management	Home assignment - written product	7-point grading scale	Internal exam	7.5
Performance Measurement in Procurement Organizations	Oral exam based on written product	7-point grading scale	Internal exam	7.5
Procurement Value Creation	Oral exam based on written product	7-point grading scale	External exam	7.5

Further information

Minor coordinator

Professor Britta Gammelgaard, Department of Operations Management

Bente Kildemose, e-mail bkn.om@cbs.dk or Britta Gammelgaard, e-mail bg.om@cbs.dk

Study Board

The minor in Strategic Procurement is offered by the Study Board for the Master of Science Programme
in Economics and Business Administration.

How to sign up

If you want to sign up for the minor in Strategic Procurement, you have to
select CCMVM1009U Minor in Strategic when you sign up for
electives.You will then subsequently be signed up for all three courses.You do not have to select all three courses individually.