SUPPLY CHAIN MANAGEMENT®

MODULAR LEARNING SYSTEM





ITC's Modular Learning System in Supply Chain Management® MLS-SCM®

What is the MLS-SCM®?

A practical, continuously updated and supported training pack that can help you to make effective international purchasing and supply chain management become a key factor for your company's competitiveness and success.

The $^{\tiny{\textcircled{\tiny{0}}}}$ symbol signifies the power of purchasing which is one key element of this programme.

Who is it for?

Present and future managers and staff responsible for purchasing and supply chain management, particularly in private enterprises.

What does it contain?

Through its 19 modules and the SCM for SME training pack, the MLS-SCM® covers all stages in the purchasing and supply management process. A brief description of each module is given as from page 2 in this document. A more detailed description as well as additional information about this programme can be downloaded from www.scm-learningnet.org (see "MLS-SCM® Information" and "MLS-SCM® Diploma Programme"). On the same website you can also see a list of the institutional network members.

How is it used?

The MLS-SCM® is used exclusively by licensed ITC partner institutions worldwide, including management training institutes, universities, business sector organisations, purchasing and supply management institutes and others. These institutions have expressed their commitment to providing training in international purchasing and supply chain management to their countries' business communities by offering them the unique, user-friendly and practical approach of the MLS-SCM®. A number of these network member institutions and trainers have received guidance and assistance from ITC on how to offer the programme effectively.

Additional benefits?



In addition to the high quality of the MLS-SCM[®]-based training itself, participants who have completed the required cycle of MLS-SCM[®] modules – along with a project-based practical application of the knowledge and skills gained – will qualify as candidates for the MLS-SCM[®] diploma in supply chain management. This diploma is recognised by ITC as well as by participating institutions around the world.

About ITC

ITC is the focal point institution in the UN system providing technical cooperation to developing countries and economies in transition in the area of international trade promotion and development.

For further information, please visit our websites at www.scm-learningnet.org and www.intracen.org/exporters/supply-chain-management or contact us at the following address:

MLS-SCM[®] Programme, International Trade Centre, Palais des Nations, 1211 Geneva 10, Switzerland, Tel: +41 22 7300 301, Fax: +41 22 7300 328, e-mail: mls-scm@intracen.org

Whom to contact?¹

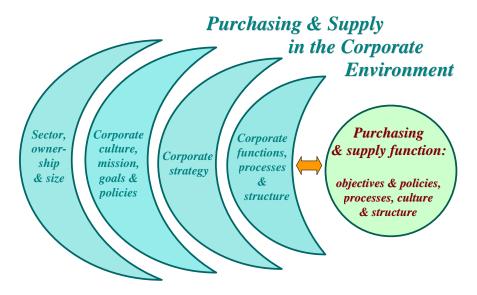
In order to obtain further information on MLS-SCM®-based training opportunities in your country, please contact:

¹ To be completed by local network partner institutions

A description of the MLS-SCM® Modules

Module 1 Understanding the Corporate Environment

This Module aims to explain the impact of the corporate environment on the purchasing & supply function of an enterprise, and to show how this function interrelates with the rest of the organisation.



Module 2 Specifying Requirements & Planning Supply

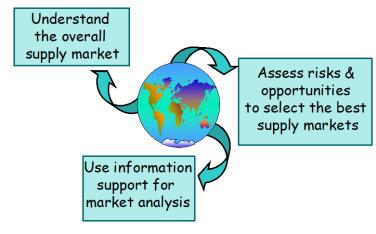


This covers how to determine and specify all the different dimensions of what the enterprise needs to purchase.

It gives practical guidance and advice on developing purchase specifications and planning supply in an enterprise. It also explains the role of the purchasing and supply function and shows how its involvement in the specification and supply planning process varies depending of the type and importance of the purchase to be made.

Module 3 Analysing Supply Markets

This Module describes a methodology and various practical tools that enable you to analyse supply markets in a cost-effective manner. It shows you how to set priorities for your supply market analysis taking account of your company's situation. How supply markets function and their characteristics are also covered, and you will be guided through a process of appraising the risks and opportunities of specific market segments.



Module 4

Developing Supply Strategies



This Module focuses on how to develop supply strategies for your company's different categories of products and services.

Developing and using different supply strategies for different types of purchases will help you to spend your time and effort where it is most needed, and achieve the best results.

For example, once you have gone through this Module, you will know when - and for which types of purchases - to develop a strategic partnership with your supplier(s) and when it is better to spot buy or have a framework contract. Approaches such as joint ventures and internal provision are also covered.

Module 5

Appraising & Short-listing Suppliers

This focuses on how to appraise suppliers for purposes of short-listing them as viable business partners for your company.

Working with the best possible suppliers is essential for your enterprise, particularly when you are purchasing items that are critical to its operations, or involve a high degree of supply risk or of expenditure. Knowing how to identify such suppliers and to assess their relative capabilities and degrees of motivation to do business with your company - will establish a firm foundation for you to develop productive supplier relationships over the long term.

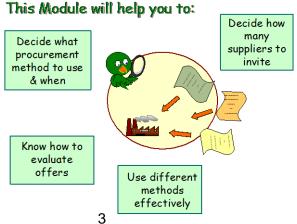


This Module covers issues relating to the kinds of criteria that you can use for your appraisal, and how to locate, screen and further research suppliers that are likely to be the most appropriate. You will follow a methodology for measuring and rating potential suppliers against criteria that you have set, including their financial situation. You will also understand key follow-up issues to take into account once you have completed the short-listing of your suppliers.

Module 6

Obtaining & Selecting Offers

This Module will show you how to best obtain and select offers from suppliers. This is perhaps one of the most important dimensions of purchasing.

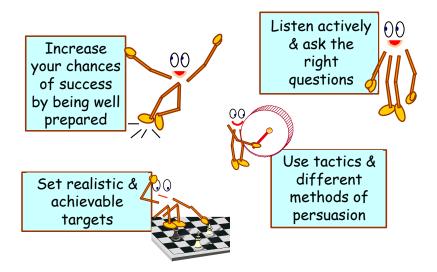


It covers issues such as how many suppliers to invite to offer depending on the type of purchase. It also deals with what type of process to apply in different situations and how formal this process needs to be (e.g., formal tendering as opposed to requesting quotations). The art of evaluating the offers you receive is also explained, and two separate Annexes deal specifically with the formal tendering process in more detail.

Module 7 **Negotiating**

Being able to negotiate the best possible deals with your suppliers can mean the difference between success and failure. In this Module, you will learn how to prepare for, and conduct, a negotiation in a professional way. You will see how a well-prepared negotiation can substantially increase your chances of success, how to set realistic and achievable negotiation objectives and targets, and how to develop a negotiation strategy. The art of questioning, active listening and the use of tactics and different persuasion techniques are also explored.

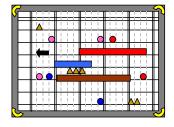
As you work your way through this Module, you will realise that – unlike what many people think – good negotiation skills can be developed and improved and are not something we are born with.



Module 8 **Preparing the Contract**

This Module focuses on how the contract fits into the purchasing & supply process. It outlines the buyer's and seller's main obligations, and describes the overall context under which a contract is prepared. A number of specific terms and conditions are presented for various kinds of contractual relationships ranging from spot contracts to partnerships and joint ventures. It also covers a number of other topics essential to the preparation of a contract, such as Incoterms, applicable law, contractual default and how to avoid it, and the settlement of disputes.

Module 9 Managing the Contract & Supplier Relationships



Once a contract is signed, it is important to ensure its effective implementation and to manage the relationship with suppliers successfully. This Module focuses on the main approaches to managing a contract, as well as the roles and responsibilities of the contract management team.

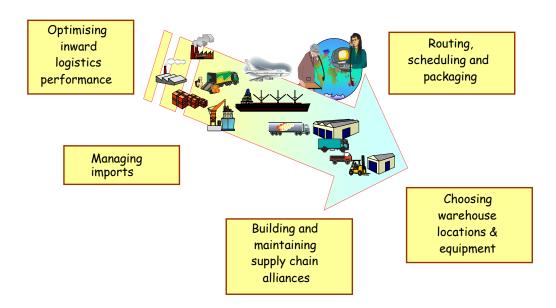
It covers issues such as setting up the contract management team, the various kinds of information to be included in a contract management plan, main indicators of contract performance and how to deal with risks. It also discusses contract review reports and meetings as well as how to deal with changes and variations in contracts.

The importance of good supplier relationship management is emphasised and advice is given on how to handle claims and resolving disputes. The main differences between operational and project contract management are also highlighted.

Methods of payment, financing and how to deal with exchange risks are also covered.

Module 10 Managing Logistics in the Supply Chain

This Module examines the operational and strategic management of logistics and the role of logistics managers in improving the competitiveness of an enterprise. It explains the most important practical aspects associated with logistics management, including: importation, internal distribution, scheduling and routing operations, selection of transport partners, choice of logistics equipment and packaging, evaluating logistics performance and planning the implementation of improvements in the logistics process.

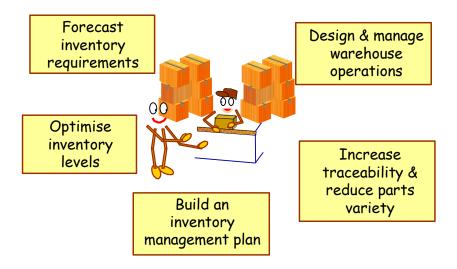


Through this Module, you will see how to optimise logistics performance levels, evaluate opportunities to reduce costs and minimise errors, and achieve international standards of logistics management in your supply chain.

Module 11 Managing Inventory

This Module examines the operational and strategic management of inventories and the role of inventory management in improving the competitiveness of an enterprise.

It covers key aspects of warehouse design and operations, forecasting supply requirements, parts variety reduction, evaluating inventory practices and building an inventory management action plan.



Efficient management of inventories, is essential to reducing an enterprise's working capital requirements. This Module will show you how to optimise inventory levels, evaluate opportunities to reduce holding costs and variety of supplies, achieve high levels of internal and external customer service, minimise error rates and achieve international standards of quality and traceability.

Module 12 Measuring and Evaluating Performance

Measuring and evaluating performance is a key area which must not be neglected, as it is the basis for continued improvement.

This Module will give you practical advice on what to measure and how to evaluate your purchasing and supply performance. It includes various examples of specific measurements which you could use or adapt to meet your own company's requirements. It also reviews the process of collecting, analysing and interpreting evaluation data, and of communicating and obtaining feedback on a performance evaluation.

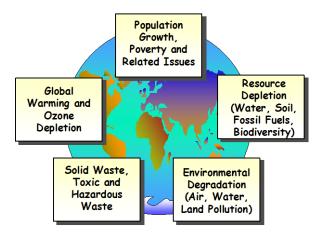


Module 13 Environmental Procurement

Protecting the environment, ensuring cleaner production and aiming at sustainable development have been growing issues during the last decade and will go on being particularly relevant to businesses.

This Module gives you an overview of how global trends have resulted, among other things, in resource depletion and degradation. It also helps you become more conscious of environmental concerns and apply concepts such as cleaner production and green procurement. It provides hints on how to make environmentally preferable purchasing happen, how to get started and how to establish suitable partnerships in this regard.

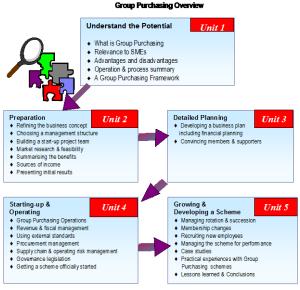
It includes various examples as well as annexes to help you assess the environmental effects of a product or process over the entire period of its life cycle, apply environmental labelling and refer to relevant international agreements.



Module 14 Group Purchasing

Group purchasing schemes can bring significant benefits for both buyers and suppliers. This Module aims to explain the business case for group purchasing with a special focus on the potential for small and medium sized enterprises.

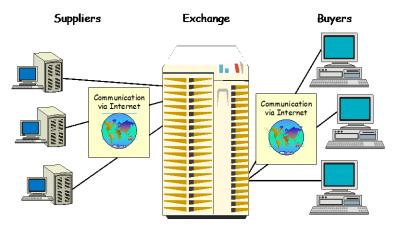
It illustrates how a project team can prepare and plan a group purchasing scheme, criteria for choosing the most appropriate structure, how to start-up and start a scheme and manage group purchasing operations. The final part of the Module gives important tips about managing the development and growth of a scheme and evaluating its performance. It concludes with some case studies based on real schemes.



Module 15 E-Procurement

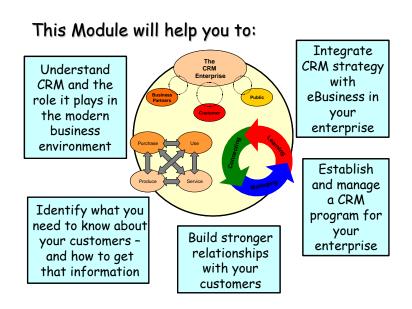
This Module aims to provide an understanding of what e- procurement is, how it can be of value to purchasing organisations, and how to introduce it into a company.

The Module is conceived as a step-by-step practical guide. It provides an overview of how e-procurement has emerged and how it has evolved into its present-day role of strategic importance in supply chain management in a more and more global business environment. Its compares the traditional and the e-procurement approaches. It demystifies the landscape by explaining all the major types of e-procurement tools including catalogues, Internet trading exchanges or e-marketplaces, online auctions and e-sourcing. The module is also dedicated to provide guidelines on how to assess e-procurement needs, develop an e-procurement strategy, select the right e-procurement solution and implement an e-procurement initiative.



Module 16 Customer Relationship Management

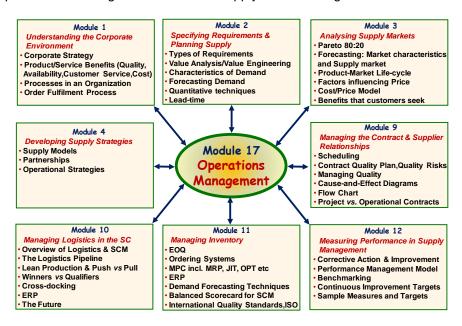
This Module aims to provide you, the user, with an understanding of what CRM (customer relationship management) is, its significance in the modern business environment, and its impact on the way enterprises perceive their customers. It sets out a framework model of CRM that highlights the three main customer-oriented competencies required to be a successful CRM enterprise. It provides practical guidelines that can be turned into immediate actions by any enterprise. And it sets out advice for the management of CRM programs once they are established.



Module 17 Operations Management

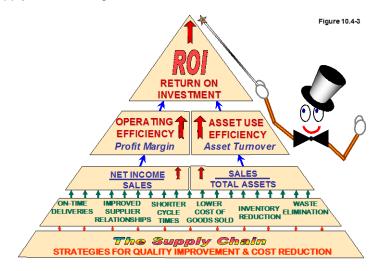
The focus of this module is on fundamental principles and concepts that will enable you to gain a thorough understanding of operations management and to assist you in becoming a better manager.

The module examines the impact and importance of operations management in organizations and the key role that it plays in improving productivity and competitiveness. The operations function is often at the heart of most organizations and interfaces closely with most other functional areas, notably Purchasing & Supply Chain Management and Marketing. Topics covered include Quality Management, Product and Process design, Facility Location and Layout, Operations Planning and Control and Supply Chain Management.



Module 18 Managing Finance along the Supply Chain

The management of money, banking, working capital, credit, assets and investments associated with international trade will facilitate imports and exports in the commercial activities of the supply chain. Trade Finance management includes assessing financial needs, methods of payment, financing techniques, planning, sources of finance, business planning, legal implications, and how they impact supply chain management.

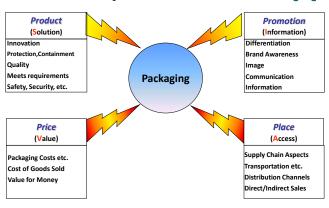


Module 19 Packaging in the Supply Chain

The principle objective of this module is to provide professional purchasing and supply chain managers with sufficient knowledge for them to make informed decisions about the choice of packaging. Packaging is a crucial and integral part of all supply chains — especially those involved with the production and distribution of food products and other fast moving consumer goods.

The module also provides the reader with an understanding of many of the technical aspects of packaging including the different types of packaging materials, packaging processes, labelling and traceability. What guides the consumer's hand to take the product off the retailer's shelf, peruse it, and then place it in the shopping trolley? The reuse and recycling of used packaging is a major undertaking in most countries today. It is part and parcel of sustainability — the greatest challenge for all those involved in the packaging of products.

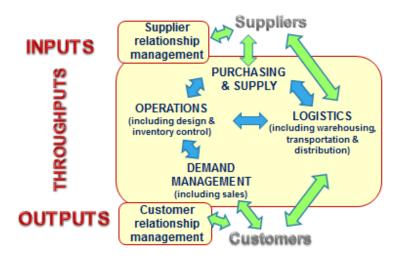
The Relationship between the 4 P's and Packaging



SME Training Pack

Supply Chain Management for SMEs

This Module aims to help the leader of a Small and Medium-sized Enterprise (SME) to better manage his or her business's supply chain processes by dealing effectively with understanding supply chains & the importance of effective supply chain management (SCM) for SMEs, setting SCM objectives & strategies, assessing and managing demand, managing the business's operations, managing purchasing & supply, manage the logistics processes, managing the business's relations with its supply chain partners, understanding the supply chain technologies that are relevant to the business, understanding how to monitor and assess the business's supply chain performance.









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The International Trade Centre (ITC) is the joint agency of the World Trade Organization and the United Nations.





