

Module 2

Purchasing Process: Supply Management Integration for Competition. Shaping Smart Business Decisions: Acquisition Environment; DOD Contracting Customer.

Session 2 Lecture: The Role of Cross-functional Teams in Source Selection



Purchasing and Materials Management

ASCM 626

Learning Objectives:

After completing this lecture module, you should be able to:

- Understand why integration is important and the role that supply management plays in internal and external integration
- Understand the role of cross-functional teams in promoting integration
- Understand how supply management can work with engineering and suppliers to develop new products and services

Session 2 Readings:

- The Week 2 Reading List is a separate file that is posted following the Week 2 Lectures.
- Session 2 Lecture – Supply Processes
- Session 2 Lecture - The Role of Cross-functional Teams in Source Selection

Session 2 Review:

- PowerPoint Presentation for Week 2 Topic 2: Shaping Smart Business Arrangements - Lecture 1: Acquisition Environment. (*Scroll down to locate PowerPoint Presentation in last section of this web page*).
- Video about Procurement Purchase Order Value Improvement Project. (*See last section of this web page*).
- Week 2 Discussion Topics

[The Critical Role of Cross Functional Sourcing Teams](#)



The role of the cross functional team in the acquisition of goods is to source and manage the components involved with identifying the right suppliers. The cross functional teams allow for input from all relevant stakeholders affected by the selection of a potential supplier. The responsibility for selecting the right source falls on supply management, but the process can be handled in many different ways. The easiest way is to have the supply manager conduct the analysis and make the selection. A common approach is to use a cross-functional team consisting of representation from supply management, design engineering, operations, quality, and finance.

Another approach is to create commodity teams that source and manage components similar to that of the cross functional teams. The commodity teams usually consist of the supply managers, materials engineers, and production planners and may include a commodity manager and representatives from materials, design and manufacturing engineering, quality and finance. The principle difference between the commodity team and the cross functional team is that commodity teams are more permanent and cross functional teams tend to focus on a one time assignment.

Source: Burt, D., Dobler, D., & Starling, S. (2003). *World Class Supply Management; The Key to Supply Chain Management*, Seventh Edition. In D. Burt, D. Dobler, & S. Starling, *World Class Supply Management; The Key to Supply Chain Management*, Seventh Edition. New York: McGraw Hill

Source: Developed by ASCM Faculty and Course Developers

Next Steps:

Complete your readings for Week 2. Begin to participate in your discussions.

Curious? Want to Know More?

Consider the UMUC online Library and use these search words:

- Supply Management and Internal and External Integration
- Cross-functional Teams in Supply Management Integration

<http://www.umuc.edu/library/index.cfm> is the Library Link.

Week 2 Topic 2 PowerPoint Presentation and Video Presentations:

[Week 2 Topic 2: Shaping Smart Business Arrangements](#) (PowerPoint Presentation):

Lecture 1: Acquisition Environment

http://www.youtube.com/watch?v=S_yMW2b0kNk: Davila, E. (2010). Arizona State University. W.P. Carey School of Business. Department of Supply Chain Management. Module 6: Supply Chain Integration.

<http://www.youtube.com/watch?v=hFsX4-cohew>: Toyota's impact on suppliers video.

More Web links with research and ideas:

<http://ezproxy.umuc.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=70989256&site=eds-live&scope=site>: Value of Information Integration to Supply Chain Management: Roles of Internal and External Contingencies.

<http://ezproxy.umuc.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=53772787&site=eds-live&scope=site>: Examining the interrelationships between supply chain integration scope and supply chain management efforts.

<http://www.sciencedirect.com/science/article/pii/S147840921400065X>: Four Dimensions of Supply Chain Integration.

<http://ezproxy.umuc.edu/login?url=http://search.ebscohost.com/login.aspx?direct=true&db=bth&AN=111831296&site=eds-live&scope=site>: Demand Chain Management: Enhancing Customer Lifetime Value Through Integration of Marketing and Supply Chain Management.