Module 10: Supply Chain Contracts & Collaboration – Teaching Objectives and Plan

Intensive competition among supply chains often forces trading partners to collaborate (hand-shaking) despite their conflict of interests (back-stabbing). The FloraPark simulation is designed for students to learn how to strike the balance between "hand-shaking" and "back-stabbing” in supply chain collaboration, in two ways: (1) with multiple supply chains competing in the same market, the trading partners in each supply chain must collaborate (“hand-shaking”) to get a bigger pie for their supply chain. (2) The conflict of interests, as induced by the price and quantity bargaining (“back-stabbing”), forces them to fight against each other to get a better share for themselves. The simulation puts the trading partners in this paradox and forces them to come up, together, with a supply chain contract that can do both, that is, winning the competition against other supply chains, and defending their interests against their partners.

Flora-Park is a supply chain strategic game with the following learning objectives:

* Supply chain contracts: push, pull, advanced purchasing discount contracts.
* A total business game: Integrating supply chain, marketing decisions and product strategy.
* Strategic thinking, negotiation and teamwork.

The simulation allows the instructor to cover a wide range of topics (teaching slides are included):

* Supply chain collaboration and contracts
* Supply chain competitive strategies
* Supply chain marketing interfaces
* International supply chains
* Strategic thinking
* Negotiation
* Teamwork

Video on the teaching notes:

* <https://youtu.be/gA2cDGW0tDw>

This module is designed for one-day and half executive training and can cover up to 6-9 hours of in-class time (can be condensed to 3-4 hours if students play the game off-class but only attend interactive sessions in class). To achieve the best learning outcome, the instructor can blend gaming with interactive plenary sessions so that students can first play, then discuss and learn, and finally play better the next round. Here is the screen play:

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| **Interactive Plenary Session** | **Before Game Round** |
| Supply chain challenges & key lessons | 1st |
| Strategic thinking, integrating supply chain / marketing decisions | 2nd |
| Effective teamwork and group decisions | 3rd |
| Coordinate supply chain via price & quantity contracts | 4th |
| Competitive supply chain strategies | 5th |
| Negotiation | 6th |
| Game trajectory. Reflections – From Game to Practice | Reality-show |

Teaching slides to lead each interactive plenary session are included in the teaching deck.

Readings for students:

* FloraPark: A competitive and collaborative supply chain simulation exercise (from the Coursepack)
* FloraPark student game instructions (from the Coursepack)

Assignment

* The simulation provides a rich content for students to do their course project & presentation.
* Requirement: Summarize the most compelling insights from the FloraPark simulation on
  + Supply chain collaboration
  + Supply chain competition
  + Integrating supply chain & marketing decisions
  + Strategic thinking
  + Negotiation
  + Teamwork
* The project should also answer questions such as
  + How did you collaborate with your trading partner while defending your own interest?
  + What would you do differently next time?
  + What suggestions do you have for your trading partner?