

## BASICS of Supply Chain Management

### What does the course cover ?

The **APICS BASICS** certification validates knowledge of the fundamental terms and principles in the fields of physical (production and distribution), information and financial flow management, i.e.

**Supply Chain Management.** The **BASICS** program covers all the different steps: from long term production planning to operations and distribution of the products. All the different types of production are dealt with: project, intermittent, repetitive and continuous process.

It introduces the Supply Chain concept. It emphasizes the standard terminology and covers the relationships between all the different activities included in the Supply Chain.

Covering 10 to 15% of the **CSCP** (Certified Supply Chain Professional certification) programme, the **BASICS** certification is therefore an excellent introduction for both **CPIM** and **CSCP** certifications.

### Who is concerned by the BASICS course?

The **BASICS** certification enables all professionals to share a common company culture and terminology. It is especially destined for:

- Beginners with little or no experience in Supply Chain Management who need an introduction to its essential concepts.
- Professionals (marketing, IT, sales, R&D, finance/accounting, ...) who are not directly concerned with the logistics functions of their companies but who wish to acquire a common SC terminology culture, to be aware of the strategic importance of good SCM and who may be involved in an industrial reorganization project
- Logistics or Supply Chain professionals who prefer to test their knowledge before undertaking the full **CPIM or CSCP** course
- Company managers and department heads needing a rapid introduction to the fundamentals of SCM
- Undergraduate level students (mainly Engineering and Sales schools) wishing to acquire key terminology and fundamental concepts of SCM to be a step ahead in their new jobs.

### What is the level of recognition?

The **BASICS** certification is delivered by **APICS** (The Association for Operations Management). More than 60 000 people in the world are certified at the **BASICS** level, of whom 7 000 are from France. **BASICS** has therefore become a key international reference.

Our references in France :

- Over 500 manufacturing companies of all sizes in all types of production processes, use the course as a means to improve SC knowledge
- IT consultants from service companies who have to master the same terminology and fundamental SC concepts as their customers to understand their needs and work more efficiently with them
- More than 20 engineering and sales management institutions. Over 1000 undergraduates have been able to improve their job opportunities and to negotiate higher salaries with the **BASICS** certification.

### How is the course conducted?

MGCM's **BASICS** 3-day course is held over a period of 2-3 months. It includes 2 types of activities:

- Self-study of reading material (in English) provided at the beginning of the course. Each week, the candidate is expected to put in between 3 and 7 hours' reading.
- The candidates work in groups or classes that meet together once a month. With the instructor, they work on multiple choice questions that cover the program and they discuss the different aspects of Supply Chain management, sharing knowledge and experiences. Networking and interactivity play an important role in MGCM's training method.

**The final exam** comprises 105 multiple choice questions in English and candidates are given 3 hours.

## BASICS of Supply Chain Management

This module covers basic concepts in managing the complete flow of materials that represents a supply chain from suppliers to customers. The Basics module introduces supply chain concepts and emphasizes basic terminology, but it also covers relationships among activities in the supply chain.

The Basics module is divided into 4 main areas:

### I. Business wide concepts

This section of the outline covers basic business wide concepts, including the various production environments used for the transformation process and financial fundamentals. Three of the common companywide management approaches (MRP II, JIT and TQM) are individually presented, together with their interrelationships.

- A. Organization Fundamentals, Elements of the Supply Chain, Internal organizational dynamics
- B. Operating Environments, Customer expectations, cumulative lead times, inventory, product life cycle, Process choices, Impact of product design, Production environment
- C. Financial Fundament, Statements, Costs, Analysis
- D. Manufacturing Resource Planning (MRP II), Objectives, key principles and characteristics
- E. Just-in-Time (JIT); Objectives, key principles and characteristics. Waste and value-added activity
- F. Total Quality Management (TQM), Objectives, key principles and characteristics
- G. Impact of Environment on System Design and Deployment

### II. Demand planning

This section covers demand planning, including a basic understanding of markets and customer expectations, the definition of value, and a fundamental overview of demand forecasting

- A. Marketplace-Driven, Customers, Competitors, Economy and regulatory policy
- B. Customer expectations and definition of Value, Order winners/qualifiers, Marketing strategy
- C. Customer relationships, Expanding product / service offerings, Design assistance, Information / communication
- D. Demand Management, Sources of demand, Forecast management, Distribution requirements planning (DRP)

### III. Transformation of demand into supply

This section includes the design, management, and control of the transformation process itself.

- A. Design, Manufacturing feasibility, Planning parameters, Data sources and data accuracy, Functional responsibilities
- B. Capacity Management, Resources, Measuring capacity, Capacity Planning, Bottlenecks/constraints
- C. Planning (objectives, inputs, and outputs), Strategic planning and business planning, Sales and operations planning/production planning, Master scheduling and rough-cut capacity planning (RCCP), Material requirements planning (MRP) and capacity requirements planning
- D. Execution and control, Customer service, Linkages to the master schedule, Work-in-process, Quality assurance

### IV. Supply

This section is devoted to supply issues: inventory, purchasing and physical distribution

- A. Inventory, Categories, Functions, Dependent versus independent demand systems, Management, Order systems, Cost analysis
- B. Purchasing, Receiving and analyzing notification of need, Selecting suppliers, Supplier agreements, Order management, Monitoring and supplier performance
- C. Physical Distribution System, Transportation, Warehousing, Distribution Inventory, Interfaces with production, marketing, and