



Forum for International Trade Training

## Global Value Chain Course Description & Learning Outcomes

### Course Description

The *Global Value Chain* course examines aspects of the primary activities of Distribution and Inventory Management, and the supporting activities of Document Management and Procurement, which are integral to international trade logistics. Doing business in/with foreign markets requires consideration of different regulatory, financial, geographical, cultural and consumer requirements. This course examines how organizations obtain resources and what they need to know to control and manage logistical systems within the global value chain in order to implement strategic business management decisions that minimize costs and risks, and maximize international business potential.

The *Global Value Chain* course is a key course of the FITTskills Program, which has been designed for the independent self-directed learner who is an international trade practitioner with a minimum of two to five years of experience. The FITTskills Program has been developed so that you as a practitioner can ensure you have all the competencies required to take advantage of international trade opportunities.

### *Modules in this Course:*

**INTERNATIONAL PROCUREMENT:** Purchasing and Outsourcing in the Global Marketplace

**INVENTORY MANAGEMENT:** Maximizing Efficiency in Global Inventory Management

**INTERNATIONAL DISTRIBUTION:** Transportation of Goods and Delivery of Services

**DOCUMENT MANAGEMENT:** Control, Compliance and Consistency

Note: The *Global Value Chain* course assumes you have the necessary basic business and trade knowledge and skills needed for domestic trade, as these fundamentals are not covered in the FITTskills Program.

## Course Learning Outcomes

Upon successful completion of this course, learners will be able to:

1. Procure goods and services and outsource production in international markets in an effective, efficient and compliant manner.
2. Determine requirements and make arrangements for efficient and effective transportation of goods in a timely manner, ensuring compliance with regulatory requirements.
3. Ensure preparation of goods for transportation in a manner that minimizes risk, maintains condition of the goods and complies with regulations.
4. Implement inventory management strategies that address the use of international suppliers and the needs of international buyers and customers.
5. Provide products and services to global buyers to meet the needs of clients' projects and comply with local legal requirements and cultural customs.
6. Prepare and manage all necessary documentation for exporting and importing goods and services.

## Textbook Contents

### Module—International Procurement: Purchasing and Outsourcing in the Global Marketplace

#### *Unit 1: The Strategic Procurement Process*

Following the Strategic Procurement Process

STEP 1: Conduct an Internal Needs Analysis

STEP 2: Conduct an Assessment of the Suppliers' Market

STEP 3: Collect Supplier Information

STEP 4: Develop a Sourcing/Outsourcing Strategy

STEP 5: Implement the Sourcing Strategy

STEP 6: Negotiate with Suppliers and Select the Winning Bid

STEP 7: Implement a Transition Plan or Contractual Supply Chain Improvements

Government Procurement

#### *Unit 2: Global Sourcing of Goods*

Global Sourcing Motivators

Global Sourcing: Considerations and Risks

The Decision Making Process

#### *Unit 3: Global Outsourcing of Manufacturing*

Motivators for Global Outsourcing of Manufacturing

Global Outsourcing of Manufacturing: Considerations and Risks

The Decision for Globally Outsourcing Manufacturing

#### *Unit 4: Global Outsourcing of Services*

Types of Outsourcing Services

Motivators for Global Outsourcing of Services

Service Delivery Models  
Global Outsourcing of Services: Considerations and Risks  
The Decision for Globally Outsourcing Services

***Unit 5: Developing the Supplier Relationship***

Supplier Relationship Management  
Forming Partnerships and Alliances

**Module—Inventory Management: Maximizing Efficiency in Global Inventory Management**

***Unit 1: Inventory Essentials***

Financial Importance of Inventory  
Selective Inventory Management  
Managing the Product Life Cycle  
Inventory Tracking and Information Technology  
Planning Inventory Storage Locations  
Selective Inventory Management Strategies  
Problem Inventories  
Inventory Management Outsourcing

***Unit 2: Reverse Logistics***

Establishing Product Return Systems  
Processing Returns  
Using Centralized Collection Centres  
Outsourcing Reverse Logistics  
Developing Recall Plans  
Managing Recalls

***Unit 3: The Circular Economy***

Circular Supply Chains  
The Sharing Economy  
Waste Management  
The Circular Economy

**Module—International Distribution: Transportation of Goods and Delivery of Services**

***Unit 1: Modes of Transportation***

Marine/Ocean Transportation  
Rail Transportation  
Road Transportation  
Air Transportation  
Pipelines  
Integration of Transportation Modes  
Transportation of Dangerous Goods

***Unit 2: Distribution Risk Management***

Risk Issues  
Risk Mitigation Strategies

***Unit 3: Crossing Borders and Managing Customs***

The Role of Customs and Border Security Agencies  
Customs and Border Security Agency Trade Facilitation  
Customs and Border Security Agency Clearance Processes  
Single Window Customs and Border Security Services  
Customs Brokers

***Unit 4: Distribution of Goods***

Distribution Logistics  
Incoterms® Rules  
Distribution Logistics Cycle  
Supporting Activities  
Logistics Service Providers

***Unit 5: Delivery of Services***

Types of Services in International Trade  
General Agreement on Trade in Services  
Services Distribution and Delivery  
Supporting Activities

**Module—Document Management: Control, Compliance, and Consistency**

***Unit 1: International Trade Stakeholders—Roles and Responsibilities***

Who Are the Stakeholders and What Do They Do?  
Commercial Transaction Participants  
Government and Regulatory Agents  
Shipping and Transportation Providers  
Financial Organizations

***Unit 2: International Trade Documents***

International Trade Document Descriptions  
Transport Documents  
Certificates and Approvals  
Financial Documents  
Notification Documents  
Service Delivery Documents

***Unit 3: Incoterms® Rules***

What Are Incoterms® Rules?  
Incoterms® 2020 Definitions  
Visual Shorthand  
Incoterms® Rules and Documents  
Choosing the Right Incoterms® Rule

***Unit 4: Documents and the International Trade Transaction***

What Documents Are Necessary?  
Where to Find the Documents

Who Uses Documents  
Document Compliance  
Documents and IT