## Segment 1.5 Developing Supply Chain Management

**Level:** Managerial

**Theme:** Position & Influence

<table>
<thead>
<tr>
<th>Knowledge: Will know and understand</th>
<th>Capabilities: Will be able to</th>
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</thead>
<tbody>
<tr>
<td>Sources of competitive advantage such as low cost, sources of differential advantage such as innovation, product/service range, brand image and customer care</td>
<td>Ensure that the procurement and supply function supports the achievement of the organisation's source of competitive advantage</td>
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The added value to organisations that can be achieved through effective supply chain management by:

- Reducing prices and total costs
- Improving quality
- Reducing time to market and achieving deliveries to required timescales
- Encouraging innovation
- Reducing risk and supply chain vulnerability
- Promoting sustainable procurement

Create plans with stakeholders to improve supply chain management and add organisational value:

- The development of integrated supply chains, supply networks and supply chain management
- Liaise with stakeholders to develop supply chains, supply networks and supply chain management
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<tr>
<td>The importance of collaborative and competitive strategies for improving supply chain management and how they differ from each other</td>
<td>Develop appropriate strategies and plans for improving supply chain management with stakeholders and promote their use</td>
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<tr>
<td>The main risks that can impact on supply chains and how they can be mitigated</td>
<td>Work with stakeholders to mitigate or manage risks that can impact on supply chains</td>
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<tr>
<td>Standards and legislation that apply to bribery, corruption and fraud in organisations, their application and why this is important</td>
<td>Work with stakeholders to eliminate corruption and fraud in supply chains</td>
</tr>
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</table>

**Related CIPS Knowledge Links**

- Supplier Co-ordination/Association - [http://www.cips.org/Knowledge/Procurement-](http://www.cips.org/Knowledge/Procurement-)

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