



# The Global Standard for Procurement and Supply

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# Segment 4.7 Developing Operational Expertise in Procurement

**Level:** Advanced Professional

**Theme:** Spend Management

Knowledge: Will know and understand	Capabilities: Will be able to
<p>The sources of organisational competitive advantage such as:</p> <ul style="list-style-type: none"> <li>• low cost</li> <li>• sources of differential advantage</li> <li>• product/service range</li> <li>• brand image</li> <li>• customer care</li> <li>• other order-winning criteria</li> </ul>	<p>Develop approaches to ensure that the procurement and supply function supports the achievement of the organisation's sources of competitive advantage</p>
<p>The use of collaborative and competitive strategies for improving supply chains and how they differ from each other</p>	<p>Develop appropriate strategies and plans for the adoption of collaborative or competitive strategies and promote their use by internal and external stakeholders</p>
<p>The implications of BS11000 (to become ISO11000) and other frameworks and standards that create partnering and collaborative approaches to supplier relationship management</p>	<p>Develop and instigate approaches with stakeholders to support collaborative business relationships using appropriate standards and frameworks?</p>
<p>Approaches to demand forecasting and balancing demand with supply</p>	<p>Create plans to improve demand forecasting to achieve balanced demand with supply</p>

Knowledge: Will know and understand	Capabilities: Will be able to
The use of technology transfer	Take actions to develop and implement technology transfer with suppliers

Making decisions on capital investment

Contribute to investment appraisal and decisions undertaken by internal stakeholders so that total costs of ownership can be minimised and the most profitable investment decisions can be made

## Related CIPS Knowledge Links

[Application of Technology - http://www.cips.org/Knowledge/Procurement-topics-and-skills/eCommerce---systems/Application-of-Technology/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/eCommerce---systems/Application-of-Technology/)

[Collaborative Working - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Efficiency/Collaborative-Working1/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/Efficiency/Collaborative-Working1/)

[Demand Management - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Developing-and-managing-contracts/Demand-Management1/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/Developing-and-managing-contracts/Demand-Management1/)

[Leadership and Promotion of Procurement and Supply Management - http://www.cips.org/Knowledge/Procurement-topics-and-skills/People-and-skills/Leadership-and-Promotion-of-Procurement-and-Supply-Management1/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/People-and-skills/Leadership-and-Promotion-of-Procurement-and-Supply-Management1/)

[Procurement Strategy Development - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Strategy-policy/Procurement-Strategy-Development1/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/Strategy-policy/Procurement-Strategy-Development1/)

[Total Quality Management \(TQM\) - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Continuous-Improvement/Total-Quality-Management-TQM/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/Continuous-Improvement/Total-Quality-Management-TQM/)

[Whole Life Costing - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Strategy-policy/Whole-Life-Costing/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/Strategy-policy/Whole-Life-Costing/)

[Stakeholders - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Procurement-Organisation/Stakeholders/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Procurement-Organisation/Stakeholders/)

[Sourcing and Tendering - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Supplier---bid---tender-evaluation/Sourcing-and-Tendering/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Supplier---bid---tender-evaluation/Sourcing-and-Tendering/)

[Strategic Analysis - Tools and Templates - http://www.cips.org/Knowledge/Tools-and-Templates-revised/Strategic-Analysis/Strategic-Analysis-Tools-and-Templates/](http://www.cips.org/Knowledge/Tools-and-Templates-revised/Strategic-Analysis/Strategic-Analysis-Tools-and-Templates/)

# Segment 4.8 Developing Organisational Expertise in Category Management

**Level:** Advanced Professional

**Theme:** Spend Management

Knowledge: Will know and understand	Capabilities: Will be able to
The main models for the adoption of category management/strategic procurement	Evaluate and apply an appropriate methodology using contemporary techniques to achieve improved category management/ strategic sourcing
Segmentation of purchases and the use of techniques to profile expenditures	Lead colleagues and other internal stakeholders to understand the dynamics of the supply chain and to recommend appropriate category strategies
Category team selection and stakeholder engagement	Encourage collaboration between procurement/supply chain personnel with stakeholders to develop effective category plans
The development of business cases, acquisition strategies and category management	Actively lead the development and promotion of effective business cases, acquisition and category strategies with stakeholders that reflect organisational objectives
Approaches to supply market research/early supplier engagement/pre-contract dialogue	Promote the consideration of the consequences of decisions that impact on suppliers and supply markets to create a culture of innovative sourcing solutions

## Knowledge: Will know and understand

## Capabilities: Will be able to

The implementation of category plans

Analyse and react to stakeholder feedback, and implement appropriate category plans to standardise organisational processes and systems

Strategic supplier relationship management

Develop and maintain the use of structured approaches to supplier relationship management supported by colleagues and other internal stakeholders

Approaches to category cost driver analysis

Apply cost driver analysis across key categories of spend to support assessment of cost and value

## Related CIPS Knowledge Links

[Business Case Development - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Strategy-policy/Business-Case-Development/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/Strategy-policy/Business-Case-Development/)

[Category Management - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Strategy-policy/Category-Management/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/Strategy-policy/Category-Management/)

[Collaborative Working - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Efficiency/Collaborative-Working1/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/Efficiency/Collaborative-Working1/)

[Commodity Specific Knowledge - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Understand-Need---Market-and-options-assessment/Commodity-Specific-Knowledge/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/Understand-Need---Market-and-options-assessment/Commodity-Specific-Knowledge/)

[Continuous Improvement - http://www.cips.org/Knowledge/Procurement-topics-and-skills/#6906](http://www.cips.org/Knowledge/Procurement-topics-and-skills/#6906)

[Influencing Skills - http://www.cips.org/Knowledge/Procurement-topics-and-skills/People-and-skills/Influencing-Skills/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/People-and-skills/Influencing-Skills/)

[Financial Analysis and Reporting for Purchasers - http://www.cips.org/Knowledge/Procurement-topics-and-skills/People-and-skills/Financial-Analysis-and-Reporting-for-Purchasers/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/People-and-skills/Financial-Analysis-and-Reporting-for-Purchasers/)

[Leadership and Promotion of Procurement and Supply Management - http://www.cips.org/Knowledge/Procurement-topics-and-skills/People-and-skills/Leadership-and-Promotion-of-Procurement-and-Supply-Management/](http://www.cips.org/Knowledge/Procurement-topics-and-skills/People-and-skills/Leadership-and-Promotion-of-Procurement-and-Supply-Management/)

[skills/Leadership-and-Promotion-of-Procurement-and-Supply-Management1/](#)

[Market Analysis - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Understand-Need---Market-and-options-assessment/Market-Analysis1/](#)

[Sourcing - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Understand-Need---Market-and-options-assessment/Sourcing1/](#)

[Supplier Development - http://www.cips.org/Knowledge/Procurement-topics-and-skills/SRM-and-SC-Management/Supplier-Development/](#)

[Supplier Relationship Management \(SRM\) - http://www.cips.org/Knowledge/Procurement-topics-and-skills/SRM-and-SC-Management/Supplier-Relationship-Management-SRM/](#)

[Stakeholders - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Procurement-Organisation/Stakeholders/](#)

[Organisation - Tools and Templates - http://www.cips.org/Knowledge/Tools-and-Templates-revised/Organisations/Organisation-Tools-and-Templates/](#)

[Value Generation - https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Efficiency/Value-Generation1/#tabs-2](#)

[Tools and Templates - http://www.cips.org/en-gb/knowledge/tools-and-templates-revised/](#)

[Soft Skills - http://www.cips.org/en-gb/knowledge/procurement-topics-and-skills/people-and-skills/soft-skills/](#)

[Category Management - http://www.cips.org/en/knowledge/procurement-topics-and-skills/strategy-policy/category-management-gep/](#)