



The Global Standard for Procurement and Supply

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Leading global excellence in procurement and supply

Segment 6.9 Developing Global Sourcing

Level: Professional

Theme: Sourcing

Knowledge: Will know and understand	Capabilities: Will be able to
<p>Creating competitive advantage such as reduced costs, improved quality, time to market and product and service differentiation through global sourcing and low cost country sourcing</p>	<p>Evaluate opportunities for global and low cost country sourcing to contribute to the creation of competitive advantage for the organisation</p>
<p>Identifying value added activities and the value chain in global sourcing through:</p> <ul style="list-style-type: none">• Reducing costs• Improved quality• Delivery reliability• Innovation• Sustainability	<p>Analyse potential global supply chains to ensure that external organisations contribute added value</p>
<p>Assessing supply chain risks in global sourcing such as:</p> <ul style="list-style-type: none">• country risk• STEEPLED factors• export and import controls and sanctions• bribery and corruption• fraud• counterfeiting• disruptive technologies• cyber attack	<p>Monitor potential risks across global sources to develop and implement risk assessment and risk mitigation strategies for global sourcing, taking actions to exploit market opportunities</p>

Knowledge: Will know and understand

Capabilities: Will be able to

Positioning in local, regional and global supply chains

Create and implement plans to achieve any applicable requirements between local, regional and global sourcing taking into account stakeholder feedback

Sourcing decisions in supply chains and the sourcing of rare earth commodities and other bottleneck items

Develop appropriate sourcing strategies for categories of procurements including the mitigation of potential supply chain risks

The co-ordination of commitments with different suppliers to balance supply chain risks across the global supply chain

Establish plans that co-ordinate and share allocations of expenditures across different suppliers when relevant

Sustainability in global sourcing including fair pricing and payment terms and recognising relevant labour standards in global sourcing

Create and implement plans for the use of responsible procurement

Legal and regulatory requirements for successful International trading relationships

Advise colleagues and internal stakeholders of changes in international trading, legal issues and regulations

Standards that apply to human rights and ethical/responsible sourcing such as;

- the United Nations (UN) Trafficking Protocol
- the International Labour Organisation (ILO)
- the Ethical Trading Initiative (ETI)
- Social Accountability International Standard SA8000

Monitor compliance with human rights and ethical practices and standards taking appropriate actions in the event of any breaches

Related CIPS Knowledge Links

[Global Supply Chains - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/SRM-and-SC-Management/Global-Supply-Chains/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/SRM-and-SC-Management/Global-Supply-Chains/)

[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/)

[Risk Analysis and Management - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Risk-mitigation/Risk-Analysis-and-Management1/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Risk-mitigation/Risk-Analysis-and-Management1/)

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

[Diligent Procurement - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Risk-mitigation/Diligent-Procurement/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Risk-mitigation/Diligent-Procurement/)

[Value Generation - http://www.cips.org/en/Knowledge/Procurement-topics-and-skills/Efficiency/Value-Generation1/](http://www.cips.org/en/Knowledge/Procurement-topics-and-skills/Efficiency/Value-Generation1/)

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

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

[Cross Border Risk - http://www.cips.org/dunandbradstreet](http://www.cips.org/dunandbradstreet)

[Sustainable and Ethical Procurement - https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Sustainability/Sustainable-and-Ethical-Procurement/](https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Sustainability/Sustainable-and-Ethical-Procurement/)

[Cyber Security - https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/eCommerce---systems/Cyber-Security/](https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/eCommerce---systems/Cyber-Security/)

[Counterfeit - https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Risk-mitigation/Counterfeit/](https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Risk-mitigation/Counterfeit/)

[Legislation - https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/External-Environment/Legislation1/#tabs-2](https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/External-Environment/Legislation1/#tabs-2)