CIPS

The Global Standard for Procurement and Supply

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Leading global excellence in procurement and supply

Segment 2.4 The Impact of Globalisation on Supply Chains

Level: Managerial

Theme: External Environment

Knowledge: Will know and understand	Capabilities: Will be able to
The main drivers of globalisation in supply chains	Identify and explore opportunities for globalisation in the procurement of goods and services
Potential Conflict between the needs of stakeholders operating with globalised supply chains and certain methods of management	Contribute to the management of the procurement and supply chain function taking steps to mitigate challenges and difficulties to resolve conflict within the organisation and with its supply chains
The main implications of ethical and sustainable procurement in supply chains	Advise colleagues and other stakeholders on how to promote ethical and sustainable procurement in the organisation and its supply chain
The main cultural and social issues in supply chains, such as: • Language and cultural barriers • Labour standards and workers rights • Inequalities between workers • Health and safety and environmental standards • Minimum/fair wages • Modern slavery	Advise colleagues and other stakeholders on cultural and social issues that can affect supply chains

Knowledge: Will know and understand	Capabilities: Will be able to
Labour codes that impact on the globalisation of supply chains such as standards set by the United Nations (UN), the International Labour Organisation (ILO), the Ethical Trading Initiative (ETI) and Social Accountability International standard SA8000	Develop and implement plans that address the implications of labour standards that impact on the globalisation of supply chains

The impact of customs unions, trade areas and trade blocs such as:

- European Union (EU)
- European Free Trade Association (EFTA)
- East African Community (EAC)
- African Union (AU)
- United States-Mexico-Canada Agreement (USMCA)

Evaluate the impact customs unions, trade areas and trade blocs have on any restrictions or opportunities for global sourcing

Related CIPS Knowledge Links

Conflict Resolution - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Developing-and-managing-contracts/Conflict-Resolution/

Global Supply Chains - http://www.cips.org/Knowledge/Procurement-topics-and-skills/SRM-and-SC-Management/Global-Supply-Chains/

Legislation - http://www.cips.org/Knowledge/Procurement-topics-and-skills/External-Environment/Legislation1/

Models (SC/Sourcing/Procurement/Costs) - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Strategy-policy/Models-SC-sourcing--procurement-costs/

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

Sustainable and Ethical Procurement - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Sustainability/Sustainable-and-Ethical-Procurement/

Stakeholders - Tools and Templates - http://www.cips.org/Knowledge/Procurement-topics-and-skills/Procurement-Organisation/Stakeholders/