



# The Global Standard for Procurement and Supply

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Leading global excellence in procurement and supply

# 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, and differences between, collaborative and competitive strategies to improve supply chains</p>	<p>Develop appropriate strategies and plans for the adoption of collaborative or competitive strategies and promote their use to internal and external stakeholders</p>
<p>The implications of ISO 11000 Collaborative business relationship management systems standard and other frameworks that develop 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 decisions that add the most value can be made
Technologies for communicating across the organisation and with the supply chain	Assess and implement the use of technologies to improve communication across the organisation and with the supply chain

## 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 - https://www.cips.org/knowledge/procurement-topics-and-skills/efficiency/collaborative-working/](https://www.cips.org/knowledge/procurement-topics-and-skills/efficiency/collaborative-working/)

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



# 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 and procurement	Evaluate and apply an appropriate methodology by using contemporary techniques to improve category management and sourcing
Segmentation of procurement spend and the use of techniques to profile expenditure	Guide colleagues and other internal stakeholders to understand the dynamics of the supply chain, and recommend appropriate category management strategies
Category team selection and methods of stakeholder engagement	Encourage collaboration between procurement/supply chain personnel with stakeholders to develop effective category plans
The development of business cases, acquisition and category management strategies	Actively lead the development and promotion of effective business cases, and acquisition and category strategies with stakeholders that align to organisational objectives
Approaches to supply market research, early supplier engagement and pre-contract dialogue	Promote an understanding of the consequences of sourcing decisions 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 respond to stakeholder feedback, and implement appropriate category plans to standardise processes and systems for the organisation

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 creation

## 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 - https://www.cips.org/knowledge/procurement-topics-and-skills/efficiency/collaborative-working/](https://www.cips.org/knowledge/procurement-topics-and-skills/efficiency/collaborative-working/)

[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 \(SRM\) - https://www.cips.org/knowledge/procurement-topics-and-skills/supplier-relationship-management/](#)

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

[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/](#)