



The Global Standard for Procurement and Supply

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Leading global excellence in procurement and supply

Segment 6.10 Evaluating and Advising on Risks in Strategic Procurement and Supply

Level: Advanced Professional

Theme: Sourcing

Knowledge: Will know and understand	Capabilities: Will be able to
The impacts of risks on the reputation of organisations	Develop approaches to mitigate the impact of the supply chain that could adversely affect the reputation of the organisation and contribute to the use of risk pathways by the organisation
The impact of supply chain disruptors and supply chain resilience	Develop approaches to mitigate supply risks and create resilience in supply chains
Sourcing decisions in supply chains and the sourcing of rare earth commodities and other bottleneck items	Develop and implement appropriate sourcing strategies for rare earth commodities and other bottleneck items
The use of risk assessments and approaches to manage risks in sourcing plans	Take calculated risks in the development and implementation of sourcing plans to deliver innovative solutions for the organisation, and assign risks to the party best placed to manage them

Knowledge: Will know and understand	Capabilities: Will be able to
<p>The main implications of globalisation on supply chain management and their bearing on risk, such as:</p> <ul style="list-style-type: none"> • Global logistics • Supply chain disruptors • Ethical sourcing • The local versus global dilemma 	<p>Monitor and evaluate aspects of globalisation that affect the organisation's supply chains and advise colleagues and strategic stakeholders about actions that can be taken to mitigate risks</p>
<p>Emerging risks, such as cyber security, disruptive technologies, counterfeiting and fraud</p>	<p>Develop and communicate an assessment of risks and use intelligence and alerts to manage emerging risks from external influences, such as cyber security, disruptive technologies, counterfeiting and fraud</p>
<p>The impact of key legislation and regulations impacting on competition law, licensing, documentation, tariffs and duties on imports, and applicable law for international contracts</p>	<p>Monitor and evaluate developments in legal requirements and regulations that affect sourcing decisions in supply chains, and advise colleagues and strategic stakeholders on actions that can be taken to mitigate risks</p>
<p>The use of insurance for protection against risks in supply chains, including business interruption, credit protection, import and export, public and employers' liability, and professional indemnity</p>	<p>Develop and implement approaches to mitigate financial risks that impact supply chains through the use of appropriate insurance arrangements</p>
<p>The development of risk management frameworks such as Enterprise Risk Management (ERM)</p>	<p>Support the adoption and use of frameworks such as ERM to mitigate risks in the supply chain</p>

Knowledge: Will know and understand

Capabilities: Will be able to

The use of international standards for risk management

Support the adoption and use of standards that mitigate risks in the supply chain

The risk appetite of the organisation

Research market, and own organisations position on risk and quantify risks providing recommendations to internal stakeholders

Mechanisms for recording, managing and allocating the ownership of risks

Monitor risk management registers and other associated mechanisms and facilitate appropriate actions to minimise supply chain disruption and cost

Related CIPS Knowledge Links

[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/)

[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/)

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

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

[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/)

[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/)

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

[Logistics - http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Operations-Management/Logistics1/](http://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/Operations-Management/Logistics1/)

Cyber Security - <https://www.cips.org/en-GB/Knowledge/Procurement-topics-and-skills/eCommerce---systems/Cyber-Security/>