

# Innovation in Procurement and Supply [L6M8]

**Target Audience:** For those who are successful in completing the CIPS Level 5 Advanced Diploma in Procurement and Supply; this represents the final level of CIPS qualifications for those working towards MCIPS Chartered Procurement and Supply Professional.

**Hours:** 60 Hours

**Pre-requisite:** You will need to have achieved the CIPS Level 4 Diploma in Procurement and Supply.

## 1.0 Understand techniques for supplier development

### 1.1 Assess cross functional working to achieve

improvements in the supply chain

- Cross functional involvement in the development of specifications and requirements
- Simultaneous (concurrent) engineering
- Product and process design

### 1.2 Evaluate techniques to promote the development of

innovation in procurement and supply

- Collaboration with suppliers and customers to promote improvements in innovation
- Early supplier involvement
- The role of innovation councils
- Supplier forums and associations
- The use of technology transfer
- The use of data analytics to assist planning, forecasting, control and decision making
- The use of integration tools in systems technology

### 1.3 Contrast the developments in technology that can be

applied to promote improvements in supply chains

- Forms of e-procurement
- E-catalogues
- E-sourcing
- E-auctions
- P2P (purchase to pay) systems

- Data integrity and integration between organisations

in a supply chain

- XML (extensible markup language) and the use of application programming interfaces (APIs) and other integration tools

- Developments in technology such as:

- Cloud computing
- Open source software
- Mobile telecommunications
- Remote working
- Convergence of technology platforms

1.4 Evaluate the use of relationship assessment for supplier development

- The use of joint performance appraisal systems
- The use of relationship assessment methodologies
- The use of balanced scorecards

## 2.0 Understand methods to achieve procurement and supply improvement and innovation

2.1 Evaluate where technology can be used to improve procurement and supply

- Areas such as:
- Expenditure control
- Data analytics and capture
- Systems integration with suppliers and supply chains
- Organisational systems integration to improve senior management and stakeholder knowledge and information flow
- Artificial Intelligence (AI) and predictive analysis

2.2 Evaluate tools and techniques which are available to

improve procurement and supply

- Tools such as:
- Total quality approaches
- Statistical analysis
- Just-in-Time (JIT)
- Lean thinking and lean supply
- Business Process Re-engineering (BPR)
- ERP
- Databases
- The use of business continuity planning to mitigate

supply chain interruption

2.3 Assess methods to incentivise improvement and innovation

- Bidding
- Selection
- Contract award
- Contract management
- Setting examples and maintaining standards

## 3.0 Understand the environmental factors which affect supply chain improvement and innovation

3.1 Assess approaches to environmentally sensitive design

- Lifecycle analysis
- Design for disassembly
- Use environmentally friendly materials
- ISO 14001 – Environmental Standards
- ISO 20400 – Sustainable Procurement Standard

3.2 Assess the impact of green procurement on improvement and innovation

- Impact on strategic policy and planning

- Sustainable procurement
- Low carbon
- Low waste
- Water efficient
- Respect biodiversity
- International targets and agreements