

Stakeholder Relationships (L2M3)

Target Audience: For anyone new to the profession, with little or no business experience and those aspiring to move into a career in procurement and supply. It is also ideal for managers in other professions and business leaders or entrepreneurs who need to understand how procurement should function and its overall impact on business success.

Hours: 32 Hours

Pre-requisite: This is the first entry level qualification, there are no formal entry requirements.

1.0 Know the stakeholders in procurement and supply

1.1 Define external stakeholders in procurement and supply

- Defining and profiling stakeholders
- Typical stakeholders such as suppliers, customers, consumers, communities, government and other groups
- The distinction between customers and consumers

1.2 Identify internal stakeholders that can be involved in purchases from suppliers and supplies delivered to customers

- The role of procurement and supply in dealing with other business functions such as marketing, sales, production, operations, human resources, finance, design and development, distribution, facilities, senior management and the board of management

1.3 Describe how internal and external stakeholders influence procurement and supply activity

- The internal and external stakeholders that can influence the work and success of procurement and supply

2.0 Know the key market factors that impact on a procurement and supply function

2.1 Identify the key economic sectors that impact on a procurement and supply function

- Public, private and not-for-profit or third sector
- Primary, secondary and tertiary sectors

2.2 Indicate the impact of demand and supply on markets

- Demand and supply curves
- How demand and supply factors can change
- How demand and supply factors can impact on pricing and availability

2.3 Describe how market factors impact on the procurement and supply activities of an organisation

- The level of competition: perfect competition, imperfect competition, oligopoly, duopoly and monopolies

- The impact of demand on sales
- Market growth and decline
- Competitive forces on organisations

2.4 Identify the contribution that marketing makes to develop customer and supplier relationships

- Define the principles and definitions of marketing
- Techniques associated with marketing
- Sources of competitive advantage sought through marketing
- Relevance of marketing principles to purchasers

3.0 Understand the techniques associated with successful and effective communication in procurement and supply

3.1 Describe and explain approaches to build rapport with internal and external stakeholders

- Techniques to develop, maintain and improve relationships with internal stakeholders to promote effective procurement and supply

3.2 Explain methods of negotiating with suppliers and customers

- Negotiation techniques for use with suppliers and customers to agree contract terms and relationships that will achieve the interests of the overall organisation

3.3 Recognise all elements of the communication cycle

- The importance of appropriate, prompt and timely communications with stakeholders and suppliers
- How to create appropriate written correspondence
- How to complete electronic files and documents used in support of the procurement and supply process

3.4 Describe the key characteristics of successful and effective team working

- Group cohesiveness and performance
- The characteristics of an effective work group
- The stages of team development

4.0 Know approaches for conflict resolution with stakeholders in procurement and supply

4.1 Identify the types of information that can be exchanged between purchasers and suppliers

- Types of information exchange such as scheduling difficulties, demand forecasts, trends in costs and availability, designs and innovations and new product development

4.2 Indicate how conflict can arise in the work of procurement and supply

- Defining workplace conflict
- The sources of conflict in organisations and between personnel
- The sources of conflict between organisations and their personnel

4.3 Identify approaches to conflict resolution with stakeholders in procurement and supply

- Approaches to conflict resolution
- Clarifying roles and responsibilities
- Group cohesion
- Achieving buy-in from stakeholders