

# Leader of the future



**A Competency  
Framework for Senior  
Leaders in the Aerospace  
and Defence Sector**

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## 1. Overarching introduction

Unprecedented pressure on budgets and growing competition on accessible markets across the world has resulted in the need to change the interaction with our Supply Chain to address the different problems we collectively now face. Products offered must be right for the Market (Time, Cost, Performance), vulnerability and sustainability of our Supply Chain must be managed, the changing Customer Base is driving a more Global Supply Chain which incurs enhanced levels of offset and transfer of technology demands and the emphasis on being competitive must always be upheld.

Through this difficult environment, the UK Aerospace and Defence Industry Senior Procurement Personnel are expected to demonstrate Industrial Leadership by our Customers, Supply Chains and Internal Business Stakeholders. They can only achieve this by fostering the culture and demonstrating the appropriate collaborative behaviours to find better and more efficient ways of working to maximise opportunity. These opportunities could include:

- Better delivery of Customer product capability through alignment of Technology roadmaps, innovation and early involvement with our Supply Chain.
- Effective use of limited finances through joint R&T investment.
- Reduction in management overhead costs through removal of waste.
- Improved relationships to drive joint risk identification and mitigation.
- Open and transparent approaches enabling greater knowledge to share and learn.
- Greater visibility of the Supply Chain enabling targeted support in vulnerable areas.
- Jointly developed export philosophies through our Supply Chains to enable export opportunities to be realised.
- Realising these opportunities will contribute to a more competitive Aerospace and Defence Industry and ensure technologically advanced and commercially attractive solutions.

This Framework Document defines the competency and capabilities required from our Aerospace and Defence Senior Procurement Personnel to actively develop the strategy and actions to be successful in this ever changing environment.

- We expect this Framework to be used by all Companies with an aspiration to develop their senior Procurement Teams. This will embrace typical job roles to include: Chief Procurement Officers; Procurement Directors; Supply Chain Directors; Commercial Directors; Vice Presidents of Supply Chain; etc.
- The Framework Document has been constructed under collaboration of the CIPS Aerospace and Defence Procurement Group representative Organisations and nominated personnel with a view to ensuring that the work undertaken reflects the sector, not just individual Organisations. In addition the work has been mapped to the CIPS Global Standard, Advanced Professional Level, defined as “an individual who leads procurement teams within an Organisation and influences the board to adopt leading-edge procurement strategies and establish best practices, influences supply markets with innovative sourcing solutions”.

- The competencies have been defined in such a way that they show the requirements over and above ‘generic’ leadership competencies and contextualise the sector more appropriately, in particular considering the extremely demanding high dependency customer and supplier relationships that are core to the sector. The context of the aerospace and defence industry is that it is extremely complex, highly political, volatile and needs to be agile and flexible enough to respond to the unexpected, both in positive and negative circumstances, economic and otherwise.
- It is an industry where influencing takes on a different meaning in terms of both the complexity of client and supplier relationships. The necessity for senior personnel to be involved in highly political government relationships, both central and federal to the development of new markets and new suppliers, but also managing and developing significant and often high-risk investment partnerships and managing those prime suppliers, while dealing with the challenges of complex and multi-tiered Supply Chains, that have almost the deepest tier structure of any industry.
- Senior personnel in this industry need to demonstrate significant leadership in driving and achieving functional excellence while being highly aspirational for the Supply Chain.
- The Deloitte Global CPO Survey (2014) found that the businesses that CPO’s are serving are changing. The traditional sets of skills are no longer the panacea to serve a much broader agenda to deliver procurement strategies. The skills most lacking were identified as relationship building, influencing, communication and leadership.
- This framework recognised the importance of enhancing the traditional skills required from our Procurement Professionals but goes further in identifying the capability to deliver the future challenges that our Procurement Professionals are facing over the coming decade (See Figure 1)

In defining the key characteristics of our “Leaders of the Future” the emphasis placed on enhanced levels of ‘Emotional Intelligence’ is significant. This built upon sound technical procurement competence provides us with the capability that the Aerospace and Defence Supply Chain needs to be successful.

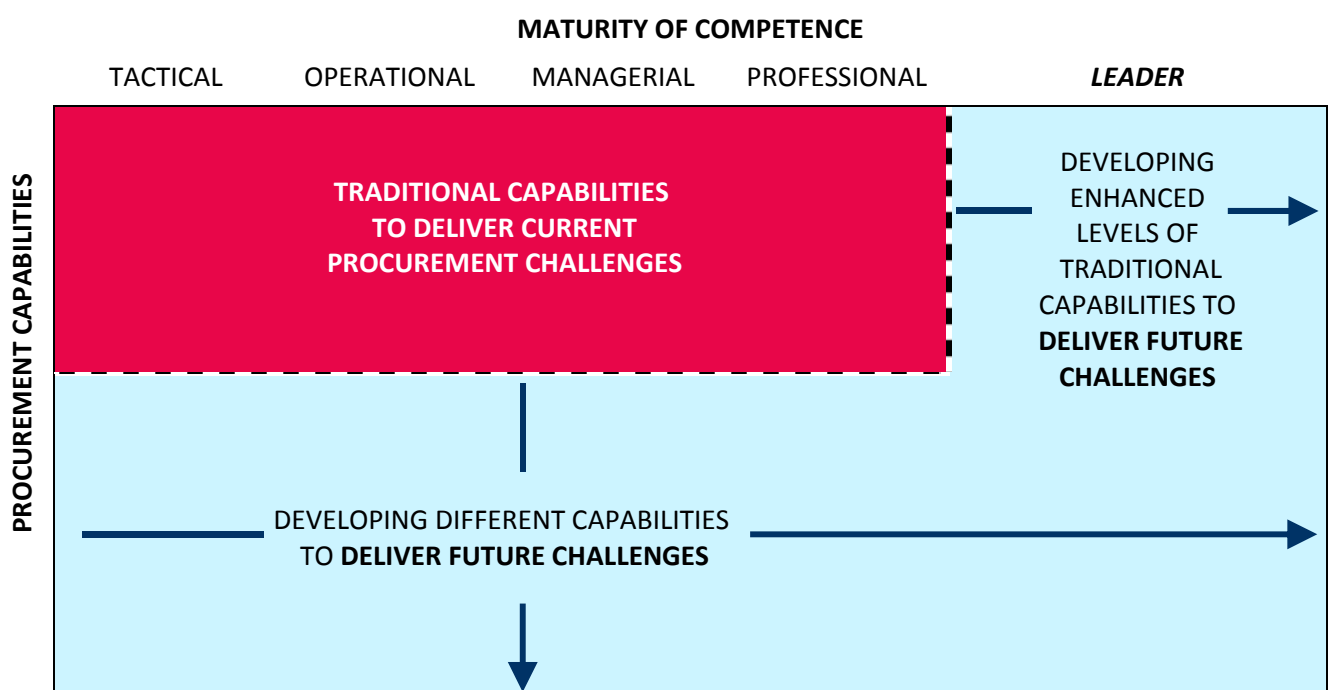


Figure 1

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## 2. Your Own Framework and Buyer of the Future

A previous exercise was undertaken by the ADPG where the competencies for Buyer of the Future were defined and mapped to your own Companies Skills competency Framework. The Buyer of the Future Competencies built on the traditional skillsets and identified common themes for the ADPG.

## 3. Structure of the Framework

There are ten areas of competency defined as part of this document which are the LOTF key characteristics and are based on those capabilities required to address the requirements of a world class and forward looking Procurement Function:

- i. Leading through emotional intelligence
- ii. Supply Chain risk and opportunity management
- iii. Commercial management
- iv. Relationship management
- v. Industrial policy for Supply Chain management
- vi. Global procurement and supply strategies
- vii. Supply Chain development
- viii. Governance, compliance and legal
- ix. Innovation and new product development
- x. Complex programme management for Supply Chain

Each of these ten areas has detailed competencies defined, recognising that while each of these competency areas are presented as individual components, in fact there is considerable linkage and integration of the defined activities.

The Technical competencies 1-9 are not the current (Traditional) Aerospace and Defence Procurement skill set as defined in the individual Company Frameworks, but are additional skills identified to meet the future challenges. What makes the difference in defining a leader of the future is additional behavioural or emotional attributes required to meet the future challenges.



## i. Leading Through Emotional Intelligence

Characteristic	Effectively applying enhanced and mature emotional intelligence characteristics to underpin the leadership of Organisations, functions and complex high dependency relationships.
Leading through emotional intelligence	<b>Self-awareness:</b> <ul style="list-style-type: none"> <li>To exhibit a high level of self-awareness in your dealings with key internal and external stakeholders, and be cognisant of how you come across to others at all levels within the Supply Chain.</li> <li>Seek to manage your responses to a range of situations, complex and otherwise while continuously being aware of the impact you have in diverse environments/situations.</li> <li>Demonstrate a strong awareness and understanding of your own behaviours and how they impact on others, recognising your inherent style and that you need to be adaptable to different scenarios and adjusting behaviours accordingly.</li> </ul>
	<b>Emotional resilience:</b> <ul style="list-style-type: none"> <li>In all situations and at all levels of engagement, demonstrate a positive mental attitude in the face of adversity, responding well to negative, challenging and/or honest feedback, in an adult to adult way, seeking to learn from it and adjust your position on future occasions.</li> <li>Does not shy away from the challenge of delivering difficult messages, but manages the approach constructively, objectively, factually by applying the appropriate level of sensitivity.</li> </ul>
	<b>Motivation:</b> <ul style="list-style-type: none"> <li>Demonstrate a true passion for setting stretching targets for yourself and others in a way that it is obvious, showing that you are motivated through leading by example.</li> <li>Professionally communicate a compelling and inspired vision or sense of core purpose to your key stakeholder audiences, both internally and externally, in doing so talk optimistically of scenario's 'beyond today' and of the opportunities and possibilities facing the business.</li> <li>Utilise a style that effuses a sense of motivation and inspiration while driving objectives in a positive manner for work related groups and supplier/client Organisations and through the Supply Chain.</li> </ul>
	<b>Interpersonal Sensitivity:</b> <ul style="list-style-type: none"> <li>Create opportunities to demonstrate you are listening and evaluating where others are coming from at all levels in the Organisation and the Supply Chain.</li> <li>Take time to show you acknowledge and understand the perspectives of others, while holding firm to your own values and beliefs, in good and bad times and leading appropriately.</li> <li>Effectively rewards the right values and finds a way of expressing disapproval of others and offering alternative approaches, showing respect for all in these situations.</li> </ul>

	<p><b>Influence:</b></p> <ul style="list-style-type: none"> <li>• Utilise a range of persuasive strategies for engaging in, and positioning stakeholder policies in an ambiguous environment.</li> <li>• Exhibit strong influencing skills in the leadership context, being a compelling force in enlisting and gaining the support of others to accomplish a common task.</li> <li>• Develop approaches to gain the confidence of teams and wider stakeholder groups by effective decision making and communication in a variety of business and Supply Chain discussions and contexts.</li> </ul> <p><b>Intuitiveness:</b></p> <ul style="list-style-type: none"> <li>• Quickly and effectively identify patterns of information that may significantly impact the business and define a way forward.</li> <li>• Make decisions with little information to hand in a way that provides a confidence and security in the way forward.</li> <li>• Confidently lead by example, when dealing with ambiguity within the business and the Supply Chain.</li> <li>• Manoeuvre through complex political situations credibly, effectively, quietly and calmly.</li> <li>• Is sensitive to how people and Organisations function and views corporate politics as a necessary part of Organisational life and works to adjust to that reality.</li> </ul> <p><b>Integrity and trust:</b></p> <ul style="list-style-type: none"> <li>• Exhibits true leadership qualities, driving with passion and an ethical stance. Demonstrating ‘this is how I work’ and is perceived as a direct, truthful individual who can admit mistakes and learn from them.</li> <li>• Is widely trusted and keeps confidences and can present the unvarnished truth in an appropriate and helpful manner and doesn't misrepresent him/her for personal gain.</li> </ul> <p><b>Courage:</b></p> <ul style="list-style-type: none"> <li>• Exhibits a strong courage in saying what needs to be said, but in an objective and balanced way.</li> <li>• Provides current, direct, complete, actionable, positive and corrective feedback to others.</li> <li>• Let's people know where they stand and is not afraid to take action when necessary.</li> </ul>
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The following table is an illustration of how the characteristics of emotional intelligence are implicit within the wider Leader of the Future competencies. For the purpose of clarification we define the rational of 'Critical' and 'Desirable'

1. Critical – is based on the need to apply soft behaviour skills. E.g. In the case of relationship management, 80% of the success of the relationship will be based on the behaviours exhibited and 20% based on fact.
2. Desirable – is primarily based on fact and would benefit from application of the highlighted Emotional Intelligence behaviours to enforce.

### Emphasis for Each Competence

	Supply Chain Risk & Opportunity	Commercial Management	Relationship Management	Industrial Policy & Supply Chain Management	Supply Strategy & Globalisation	Supply Chain Development	Governance Compliance & legal	Innovation & New Product Development	Complex Programme Management
<b>Self-Awareness</b>	Critical	Critical	Critical	Desirable	Desirable	Critical	Desirable	Critical	Critical
<b>Emotional Resilience</b>	Critical	Critical	Critical	Desirable	Desirable	Critical	Desirable	Critical	Critical
<b>Motivation</b>	Critical	Critical	Critical	Desirable	Critical	Critical	Desirable	Desirable	Critical
<b>Interpersonal Sensitivity</b>	Critical	Critical	Critical	Critical	Desirable	Desirable	Critical	Desirable	Critical
<b>Influence</b>	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical
<b>Intuitiveness</b>	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical
<b>Integrity</b>	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical
<b>Courage</b>	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical	Critical



## ii. Supply Chain Risk and Opportunity Management

<b>Characteristic Capability</b>	<p>Holistically consider the vulnerability risk and opportunities inherent within our current and future Supply Chain. Consider specifically:</p> <ul style="list-style-type: none"> <li>• Multi-tier level</li> <li>• Markets</li> <li>• Sustainability</li> <li>• Technology development</li> </ul> <p>Expanded detection capability through the use of Primary, Corporate and Third party intelligence. Expanded risk prevention capability without our supply base.</p>
<b>Supply Chain Risk &amp; Opportunity Management</b>	<ul style="list-style-type: none"> <li>• Identify and detect risk and vulnerability in the Supply Chain.</li> <li>• Consider, inform and address value chain risks and opportunities to ensure business continuity, sustainability and reputational stability, becoming a source of informed views to wider stakeholders on factors such as rare earth commodities, monopolistic producers, nation state and conflicting technological demands.</li> <li>• Lead a continuous and robust review and detect emerging threats, proactively developing mitigation strategies to de-risk and reduce vulnerability but also to protect the Supply Chain, leverage opportunities and drive them through the business.</li> <li>• Develop collaboratively with key stakeholders, a Supply Chain map which views key risks to overall capabilities, suppliers, Supply Chain process and sub-tier elements of the Supply Chain.</li> <li>• To develop an opportunity and risk picture, using intelligence and alerts to manage the mitigation of emerging risks from external influences (cyber, counterfeiting, disruptive technologies), considering the impact on the Supply Chain and in particular the customers.</li> <li>• Monitor cultural, social and ethical issues that affect Supply Chains and develop appropriate robust mitigation approaches, identifying points of failure.</li> <li>• Prevent, treat and mitigate risks effectively.</li> <li>• Challenge institutional risk and contingency approaches in all parts of the Organisation and Supply Chain and affect innovation and risk sharing strategies through key supplier relationships e.g. pain share and gain share opportunities.</li> <li>• Proactively assess the capability and health of the critical Supply Chain and take an 'enterprise risk' approach to managing, assessing and adopting a stronger position on risk across the Organisation.</li> <li>• Develop and implement approaches to mitigate financial risks that impact on the full Supply Chain, including evaluating different approaches to security of supply.</li> <li>• Continuously monitor and evaluate developments in legal issues that affect sourcing decisions in global and local Supply Chains and advise colleagues and strategic stakeholders on actions that can be taken to mitigate risks and exploits opportunities including those associated with export compliance.</li> <li>• Continuously review lessons learned in the risk management process and build in new and improved behaviours and practices into the Organisation.</li> </ul>

### iii. Commercial Management

<b>Characteristic Capability</b>	<p>Execution and management of sourcing approaches and supplier contracts. Consider specifically:</p> <ul style="list-style-type: none"> <li>• The development and deployment of progressive commercial frameworks</li> <li>• Undertaking strategic analysis of key suppliers to include technology, investment, risk and opportunity, corporate alignment, performance and capability</li> <li>• Effective competitions / partnering</li> <li>• Performance management</li> <li>• Commercial risk exposure</li> <li>• Effective negotiation</li> </ul>
<b>Commercial Management</b>	<ul style="list-style-type: none"> <li>• To undertake a strategic analysis of key suppliers to include technology, investment, risk and opportunity, performance and capability by:</li> <li>• Categorising the potential supply base and calling upon effective Industrial modelling</li> <li>• Establishing Supply Chain capability prior to commitment</li> <li>• Continuously assessing and managing risk and opportunities.</li> <li>• Develop and deploy innovative and progressive Commercial frameworks and practice enforcing all Legislation and Policy requirements.</li> <li>• Interpreting Company requirements and enacting appropriate contracting models in support of cross functional stakeholder needs.</li> <li>• Influencing and aligning strategic partner decisions to Company strategy and execute in line with sourcing strategies.</li> <li>• Determining competitive advantage by means of competition and other value for money approaches.</li> <li>• Adopting relational contracting in line with overarching relationship management strategy to establish compatibility of interests and define procedures to achieve a mutually successful outcome and utilise cross industry and international best practice to constructively challenge business as usual mentality.</li> <li>• To manage and measure performance by:</li> <li>• Deploying appropriate tools and techniques to support and optimise commercial benefits.</li> <li>• Driving the development of an appropriate performance management framework with agreed high performing KPI's that are collaboratively defined to deliver excellence, opportunities for continuous improvement and Organisational success. Continuously monitor and evaluate developments in legal issues that affect sourcing decisions in global and local Supply Chains and advise colleagues and strategic stakeholders on actions that can be taken to mitigate risks and exploits opportunities including those associated with export compliance.</li> <li>• Continuously review lessons learned in the risk management process and build in new and improved behaviours and practices into the Organisation.</li> </ul>

#### iv. Relationship Management

<b>Characteristic Capability</b>	<p>To understand and deliver the various facets of effective business and Interpersonal relationships with key internal and external stakeholders to ensure the desired results are achieved, and through deploying good judgement, objectivity with the required courage and conviction to succeed.</p> <ul style="list-style-type: none"> <li>• Joint relationship vision</li> <li>• Ability and acumen to deal with ambiguity</li> <li>• Stakeholder and network management</li> <li>• Strategic engagement with key suppliers</li> <li>• Transversality (<i>condition limits solutions to an infinite period dynamic optimization problem</i>)</li> <li>• Continuous improvement mentality</li> </ul>
<b>Relationship Management</b>	<ul style="list-style-type: none"> <li>• To lead and drive philosophies to increase value from relationships for mutual benefit to the Supply Chain and creating a culture of exceptional relationship management.</li> <li>• Defining the sphere of influence and fostering horizontal and vertical integration throughout the Supply Chain adapting and attuning robust argument through quantitative and qualitative debate.</li> <li>• Setting appropriate plans for the adoption of relationship strategies and promoting their use by all stakeholders, gaining personal commitment to success.</li> <li>• Championing change through the business and the Supply Chain and embedding change management principles and confidently selling a long term vision using impactful communications.</li> <li>• Creating a culture which works to cultivate creativity and mutual benefit in being able to realise innovative initiatives which contribute to operational excellence and continuous improvement across all facets of the Supply Chain.</li> <li>• Delivering a transparent relationship with our key suppliers to enable open dialogue to occur.</li> <li>• Understanding the geopolitical bias and influence the partner has on the respective customer and to offer win-win strategies.</li> <li>• Networking with Government and Industry to deliver best practice.</li> <li>• Defining and managing the benefits and risks impacting relationship management.</li> </ul>

## v. Industrial Policy for Supply Chain management

<b>Characteristic Capability</b>	<p>Creating and maintaining a comprehensive understanding of the critical identified industrial landscapes providing the platforms for growth. Consider specifically:</p> <ul style="list-style-type: none"> <li>• Domain strategy</li> <li>• Topical industrial policy</li> <li>• Supplier and industry intelligence</li> <li>• Technology road mapping</li> <li>• Geopolitical challenges</li> <li>• New and disruptive technologies</li> <li>• Current technology trends</li> <li>• Leverage opportunities to support market access (M&amp;A), production absorption and bottleneck mitigation</li> <li>• Assess and inform the impact of short, medium and long term growth and or consolidation strategies</li> <li>• Understanding the value chain</li> <li>• Carry out an impact assessment on make / buy policies</li> </ul>
<b>Industrial Policy for Supply Chain Management</b>	<ul style="list-style-type: none"> <li>• Influence and define Industrial Policies and associated governance structures by determining the Make vs Buy positions; mergers and acquisitions approaches; consideration of product services obsolescence. Using technology road maps; providing Industrial guidance and defining short, medium and long term goals.</li> <li>• Developing sub-tier strategies to drive and achieve competitive advantage.</li> <li>• To own the Company Supply Chain Architecture by ensuring the Company has an embedded segmentation and categorisation of the Supply Chain and putting in place key supplier engagement strategies while illustrating key Industrial and Supply Chain Risks to the Board.</li> <li>• Foster and stimulate an Innovative Supply Chain by providing mechanisms for the Supply Chain to demonstrate open and specific innovation and ensuring appropriate funding streams are in place and strategies for IP are understood.</li> <li>• Create a culture within the Organisation which is receptive to Supply Chain Innovation and owning strategies to increase the Supply Chain's value contribution to the Company's excellence and overall competitive advantage.</li> <li>• Ensure that Industrial Landscapes are constructed to deliver value to the customer by driving total cost consciousness into our designs and setting challenges to reduce identified cost drivers internally and externally, aligning to customer/end user needs and Organisational drivers.</li> </ul>

## vi. Supply Strategy and Globalisation

<b>Characteristic Capability</b>	<p>Develop global sourcing strategies to meet the needs of both domestic and export market winning campaigns. Consider specifically:</p> <ul style="list-style-type: none"> <li>• Manage the internal and external global factors impacting the Supply Chain.</li> <li>• Geopolitical challenges</li> <li>• Offset and transfer of technology implications</li> <li>• Sustainment</li> <li>• Collaborative working and partnerships</li> <li>• Alert to shifts in global defence markets</li> <li>• Emergence of new technologies</li> </ul>
<b>Supply Strategy and Globalisation</b>	<ul style="list-style-type: none"> <li>• Develop Sourcing Strategies from a corporate view in alignment with Make or Buy Policy of the Company by owning a robust Sourcing methodology built on Portfolio analysis, segmentation and categorisation/commoditisation management on behalf of the Company and identify a global supply base with a robust selection criteria.</li> <li>• Develop and exploit relationships with Domestic and Export partners.</li> <li>• To illustrate the markets geopolitical position from a Partner and Supply Chain selection perspective to the Board by the approval of Offset Strategies, including transferring technology strategies and that are in alignment with Global Strategic Sourcing objectives.</li> <li>• Evaluate opportunities for global and low cost country sourcing to contribute to the creation of Supply Chain competitiveness, while maintaining a position on developing localisation agenda's driving local economic competitive development approaches.</li> <li>• Develop an approach and culture to cost modelling and contingency planning, creating a strong awareness and understanding of cost implications, indicators, cost escalators and developing strategies to achieve Organisational growth and competitive advantage.</li> <li>• Create plans to improve demand forecasting to achieve balanced demand and supply.</li> <li>• Assess pricing and competitive behaviour in the Supply Chain and take actions to improve or protect the Organisations interests.</li> <li>• Build and drive a sustainable Supply Chain, economically, environmentally and socially and communicate the approach to the Board through managing the risk status impacting the Global Sourcing Strategy, supplier and partner selection.</li> <li>• Utilising capital expenditure to mitigate risk and secure robust routes to market.</li> </ul>

## vii. Supply Chain Development

<b>Characteristic Capability</b>	<p>Develop the Supply Chain capability the meet the company domain / category strategies. Consider specifically:</p> <ul style="list-style-type: none"> <li>• Continuous sustainable improvement plans</li> <li>• Critical sub-tier development</li> <li>• Systematic issue recovery</li> <li>• Coherence with the categorisation model</li> <li>• Internal process optimisation</li> <li>• Identification and deployment of industry best practice</li> </ul>
<b>Supply Chain Development</b>	<ul style="list-style-type: none"> <li>• Develop a Supply Chain in alignment with the Organisations strategy and the procurement categorisation model that is willing to develop its capabilities and be able to adapt to the needs of the Organisation, shaping the Supply Chain to meet the demand driven Organisation from concept to disposal.</li> <li>• Develop and nurture joint continuous improvement by connecting the internal and external Supply Chain, winning hearts and minds, influencing their active involvement by articulating the global/local business benefits, building and managing capability.</li> <li>• Establish continuous sustainable improvement that drives capability maturity levels through the life cycle by utilising Industry tools and techniques and by addressing the root causes of systematic failure including managing positive change to create lean, agile and time compression techniques, SC21 and manage variability, complexity and variety.</li> <li>• Provide consistent evaluation of a suppliers' capability through the measurement of performance that is analysed, reviewed, managed and if applicable, rewarded.</li> <li>• Identify business, market opportunities and potential risk to develop, manage and facilitate a suppliers' performance accordingly.</li> <li>• Lead Supplier Development and Performance Improvement projects utilising and applying supplier capability development processes, supplier performance management approaches and leading and lagging indicators to assess the capability and health of the critical Supply Chain.</li> <li>• Develop a capability to influence and manage supplier development effectively.</li> </ul>



### viii. Governance, Compliance and Legal

<b>Characteristic Capability</b>	<p>Manage compliance to all relevant legislation. Consider specifically:</p> <ul style="list-style-type: none"> <li>• Prevailing national law</li> <li>• REACH</li> <li>• ITAR</li> <li>• Safety</li> <li>• CSR</li> <li>• Policy</li> <li>• Charter coherence</li> </ul>
<b>Supply Chain Development</b>	<p>Proactively lead the continuous development and execution of the Procurement and Supply Chain governance policy and framework aligned to corporate governance framework, to manage evolving risk and compliance by:</p> <ul style="list-style-type: none"> <li>• Actively working and participating on review boards and interest groups to address, review and influence forthcoming legislation requirements against existing Industry and Company Supply Chain practices.</li> <li>• Liaise with legal to secure the required advice, support and knowledge about the impact of the legislation on Procurement and Supply Chain compliance matters.</li> <li>• Lead Compliance Analysis review to access opportunities and risks associated with the given legislation and standards on current Procurement and Supply Chain practices, processes and system configurations, for instance <ul style="list-style-type: none"> <li>○ Anti-corruption</li> <li>○ Ethics</li> <li>○ Integrity</li> <li>○ Third parties due diligence</li> <li>○ Trade compliance administration.</li> </ul> </li> <li>• Sponsor and secure funding for business and development improvement initiatives to drive Corporate and legislative compliance. Ensuring Procurement procedures, processes and measures enforces accountability, responsibility and transparency across the Company and where relevant throughout the Supply Chain.</li> <li>• Ensure integration, consolidation and delivery of common and shared framework of best industry practices by working collaboratively with the Supply Chain where there are joint responsibilities on governance.</li> <li>• Own the governance of an effective ethics and compliance programme, enforcing corrective actions and measures to be undertaken where non- compliance has been identified.</li> <li>• Drive CSR through your Supply Chain, ensuring appropriate KPI's and reporting system accurately recorded, measuring company and Supply Chain effectiveness and performance.</li> <li>• Working collaboratively with key stakeholders (finance) apply process methodology to effectively manage and control costs and capture data to accurately measure actual and forecast Procurement expenditure against assigned P&amp;SC budget.</li> </ul>

## ix. Innovation and New Product Development

<b>Characteristic Capability</b>	<p>Extract the maximum value from supplier intellectual property by the stimulation and utilisation of Supply Chain innovation in Company products. Consider specifically:</p> <ul style="list-style-type: none"> <li>• Gaining early access to sources of new technology.</li> <li>• Disruptive technologies.</li> <li>• Game changing methods and processes.</li> <li>• Leveraging SME and academia innovation.</li> <li>• Understand, access and respecting IP.</li> <li>• Challenge existing conventions.</li> </ul>
<b>Innovation and New Product Development</b>	<ul style="list-style-type: none"> <li>• Proactively leads the evolution of innovation and product development for the sustainability of the sector and the business for the future including building a competitively entrepreneurial culture and capability in alignment with company future strategy and identifying ongoing opportunities.</li> <li>• Joining the political debate with clients and the wider Supply Chain on the new and novel approaches for a dynamic, competitive and sustainable innovation capability and seek to find ways of stimulating and utilising Supply Chain innovation as part of this process.</li> <li>• Evaluate the Total Cost Acquisition activities of the Organisations Supply Chains and takes action to increase value, including the innovation through technology and other means.</li> <li>• Developing a strategy of innovation and leading on the development and/or exploitation of existing technology and products for the full benefit of new or alternative markets, even in the absence of live contracts, but which is legally robust.</li> <li>• Drive a collaborative engagement and leveraging of knowledge and capability with key stakeholders including industry, academia and relevant professions that will identify and connect the Supply Chain with the innovation and investment process.</li> <li>• Evaluate financial models; financing; investment; resource and capability sharing to support the ongoing drive for innovation in a transparent way.</li> <li>• Develop commercial frameworks to promote the incorporation of new technology and innovation and generate added value for all parties including protection and/or acquisition of IP.</li> <li>• Consider the implications of the impact of technologies, continuity of supply risk mitigation, shareholder needs for creative solutions and the balance of sustainability and the risks of exiting or swapping technological capabilities.</li> </ul>

## x. Programme Management for Supply Chain

<b>Characteristic Capability</b>	<p>Using enhanced project management techniques proactively drive Supplier performance across the Supply Chain to meet or exceed customer and project demands. Consider specifically:</p> <ul style="list-style-type: none"> <li>• Effective joint team working.</li> <li>• Transparency speed and agility.</li> <li>• Dealing with ambiguity.</li> <li>• Assess impact of decisions as part of short, medium and long term plans and strategies.</li> <li>• Identify barriers and enablers to effective planning and delivery.</li> </ul>
<b>Technical Competence</b>	<ul style="list-style-type: none"> <li>• Interpret business requirements for major Supply Chain programmes to drive enhanced performance and develop strategies that will drive total cost of acquisition based activities, flexibility and adaptability into the Organisation, supporting and contributing to managing the Organisations challenges including the governance surrounding 'stop-go' decisions.</li> <li>• Evaluate the impact of undertaking major programmes and projects on the Organisation's Supply Chain and enable the formation of appropriate strategic contract relationships.</li> <li>• Drive portfolio based project management philosophies, including product life cycle management with appropriate governance structures to extract mutual benefit which use cross-industry and market based best practice, networking the portfolio vision as well as programme management needs.</li> <li>• Develop an approach of project partnering and strategic alliances through the sector.</li> <li>• Develop and lead a culture of programme and project management which is collaborative, collegiate with collective responsibilities and accountabilities, with an agile and transparent way of working and can deal with complex, unexpected and significant ambiguity.</li> <li>• Ensure a robust risks framework is in place to reduce the risk of leading disruption, loss of continuity and instability in major projects and develop mitigation, utilising and maximising the use of information management and emerging intelligence and trends.</li> <li>• Championing the approach to supplier projects and the need for professional programme and project management approaches, utilising 'game changer' techniques.</li> <li>• Work to ensure strong commercial contracting and look beyond obviously commercial remedies for 'win-win'/risk-reward solutions which drive innovation and maximise the Organisations shareholder value.</li> <li>• Define and determine appropriate approaches to contract management, KPI's; scorecards; and SLA's/SLI's and ensuring high quality and beneficial outcomes achieved.</li> <li>• Lead on taking forward crisis management and/or invoking contingency approaches to volatile and unexpected events, showing courage, sound judgement, conviction and excellent communications.</li> </ul>

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## 4. Application of the Leader of the Future Capability Framework

This Framework is intended to capture the required capability from a Senior Procurement Leader. The intention is to develop ways of assessing where our leaders are with regards to the capability needed versus capability attained. It is then our intention to develop learning and experiential solutions to develop the competence. These will take the form of some generic Industry solutions supported by CIPS and other 3<sup>rd</sup> party providers, and also can determine the requirements for specific Business Unit demands.

- The current CIPS Academic Framework is under development to ensure it addresses the LOTF technical themes. Further work will need to be undertaken with the ADPG to understand how we can address any up-skilling required for Emotional Intelligence attributes unless it is felt that your own Companies Leadership programmes offer a programme of personal assessment, psychometric testing or mentoring.

The Framework should be used as a guide. There may be a need for Business Units to place a special focus on certain Capabilities over others due to the nature of the environment they are working under.

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**CIPS Group** Easton House, Easton on the Hill, Stamford, Lincolnshire, PE9 3NZ, United Kingdom  
**T** +44 (0)1780 756777 **F** +44 (0)1780 751610 **E** [info@cips.org](mailto:info@cips.org)

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**CIPS Africa** Ground Floor, Building B, 48 Sovereign Drive, Route 21 Corporate Park, Irene X30, Centurion, Pretoria, South Africa  
**T** +27 (0)12 345 6177 **F** +27 (0)12 345 3309 **E** [infos@cps.org.za](mailto:infos@cps.org.za)

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**CIPS Asia Pacific** 31 Rochester Drive, Level 24, Singapore, 138637  
**T** +65 6808 8721 **F** +65 6808 8722 **E** [infosg@cips.org](mailto:infosg@cips.org)

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**CIPS Australasia** Level 2, 520 Collins Street, Melbourne, Victoria 3000, Australia  
**T** 1300 765 142/+61 (0)3 9629 6000 **F** 1300 765 143/+61 (0)3 9620 5488 **E** [info@cipsa.com.au](mailto:info@cipsa.com.au)

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**CIPS MENA** Office 1703, The Fairmont Hotel, Sheikh Zayed Road, PO Box 119774, Dubai, United Arab Emirates  
**T** +971 (0)4 311 6505 **F** +971 (0)4 332 8810 **E** [mena.enquiries@cips.org](mailto:mena.enquiries@cips.org)

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