

Professional Diploma in Procurement and Supply

Demonstrate professionalism

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How to read a CIPS syllabus

Before getting started on any of our qualifications we encourage you to read the syllabus. Our examiners will use the syllabus to set the exam questions to test your knowledge and understanding of the content.

Each syllabus is split into topic modules. Each module is further broken down into learning outcomes, assessment criteria and indicative content.

Learning Outcomes

This is the overarching theme of the content for the module that you are studying. It's the first part in the list of items that our examiners will use to write their questions to test your knowledge and understanding.

Assessment Criteria

This will give you a breakdown of the learning outcome or theme. Take notice of the command words used at the start of each assessment criteria. The meaning of a command word can be found in our **Guide to CIPS Exams**. Our examiners consider these when creating questions to test your knowledge and understanding.

Indicative Content

The following content provides examples of what you could be asked questions about in an exam but remember this is not an exhaustive list. You should aim to study and thoroughly understand each topic in this content list.

Global Commercial Strategy [L6M2] Learning outcomes, assessment criteria and indicative content		
1.0	Understand and apply the concept of commercial global strategy in organisations	
1.1	Evaluate characteristics of global strategic decisions in organisations	1.1.1 The characteristics of strategic decisions 1.1.2 The vocabulary of strategy 1.1.3 Strategic versus operational management 1.1.4 The strategic position 1.1.5 Strategic choices and capabilities to support 1.1.6 Strategy in action
Global Commercial Strategy [L6M2] Learning outcomes, assessment criteria and indicative content		
2.0	Understand and apply tools and techniques to address the challenges of global supply chains	
2.1	Assess methods to analyse the global supply chain	2.1.1 The macro environment and the STEEPLD (social, technological, economic, environmental, political, legal, ethical and demographic) framework 2.1.2 Competitive forces: Porter's Five Forces Framework 2.1.3 The industry and product life cycle 2.1.4 Cycles of competition
2.2	Evaluate the regulatory influences on the global supply chain	2.2.1 Licensing of imports and exports 2.2.2 Controls through import and export tariffs and duties 2.2.3 Role of global industry regulators and international bodies 2.2.4 The challenges of regulations on global supply chains 2.2.5 Regulatory influences to support environmental, social and governance (ESG) considerations in supply chains

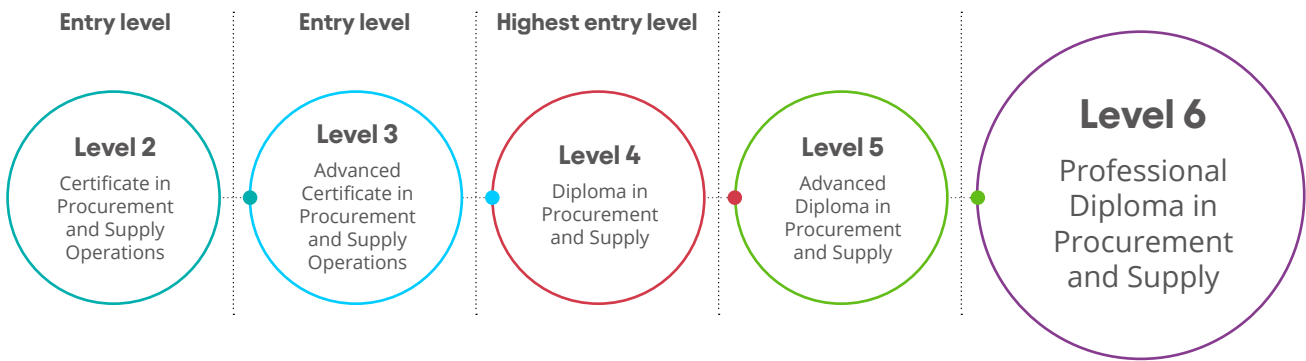
Your qualification


CIPS qualifications are regulated internationally to ensure we offer a recognised, professional standard in procurement and supply. CIPS Level 6* Professional Diploma in Procurement and Supply is a vocationally related professional qualification. Formal recognition is included within the regulatory frameworks of an increasing number of countries, such as the UK (England, Wales and Northern Ireland), Dubai, Trinidad & Tobago, Botswana and Ghana. Further information on this recognition and the details of corresponding qualification levels for other international qualifications frameworks are detailed on our website. CIPS members can have confidence in our regulated qualifications, which reliably indicate the standard of knowledge, skills and understanding that you, as a learner, are required to demonstrate.

The CIPS Level 6 Professional Diploma is the final qualification for those working towards MCIPS Chartered status, the globally recognised standard for procurement and supply chain professionals.

Building on the knowledge and skills learned at the CIPS Level 5 Advanced Diploma in Procurement and Supply. It is designed for

experienced members of the profession who are expected to lead procurement teams within an organisation and influence the board to adopt leading-edge procurement strategies, thereby establishing best practices. Learners will also understand the importance of ESG considerations on procurement and supply activities.





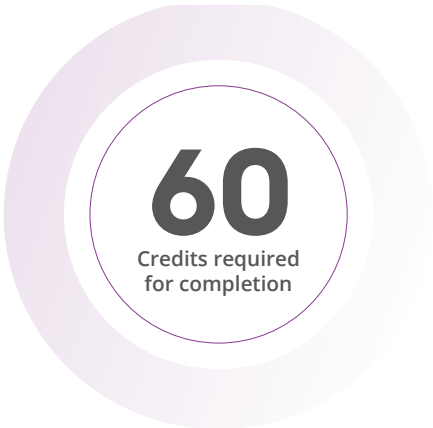
NEXT STEPS

On successful completion you will need to formally apply to be upgraded to MCIPS, or with an up to date CIPS Ethical Procurement and Supply certificate you will be eligible to upgrade to **MCIPS Chartered Procurement and Supply Professional**. To apply your CIPS membership must be current.

*Refers to levels within the UK RQF. Other regulatory bodies may have different corresponding levels.



What will I study?



42 credits must be made up of these **CORE** modules

CORE Level 6 Strategic Ethical Leadership (L6M1)	12 CREDITS	CORE Level 6 Global Strategic Supply Chain Management (L6M3)	12 CREDITS
CORE Level 6 Global Commercial Strategy (L6M2)	12 CREDITS	CORE Level 6 Future Strategic Challenges for the Profession (L6M4)	6 CREDITS

Choose three **ELECTIVE** modules to make up the final **18 remaining credits**

ELECTIVE Level 6 Strategic Programme Leadership (L6M5)	6 CREDITS	ELECTIVE Level 6 Commercial Data Management (L6M7)	6 CREDITS
ELECTIVE Level 6 Innovation in Procurement and Supply (L6M8)	6 CREDITS	ELECTIVE Level 6 Supply Network Design (L6M9)	6 CREDITS
ELECTIVE Level 6 Global Logistics Strategy (L6M10)	6 CREDITS	ELECTIVE Level 6 Environmental, Social and Governance (ESG) Principles (L6M11)	6 CREDITS

Who is it for?

For those who successfully completed 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.

What will I learn?

Building on the knowledge and skills learned through the CIPS Level 5 Advanced Diploma in Procurement and Supply, this qualification equips you with the strategic skills necessary to inspire and motivate others towards organisational success. It is designed to cultivate transferable workplace competencies, including exceptional communication skills and the ability to collaborate effectively and lead diverse teams. Employers increasingly recognise the strategic thinking, leadership, and policy influence essential for progression. This qualification will give you a comprehensive understanding of diverse perspectives and theories, enabling you to critically analyse, interpret, and evaluate complex information, concepts, and ideas.

Entry requirements

You must have achieved the CIPS Level 5 Advanced Diploma in Procurement and Supply.

Credit values

To gain a qualification, you are required to complete a total of a number of credits. This is a way of quantifying the required number of study hours. One credit is equivalent to 10 hours of study. Each module is given a credit value of 6 or 12 credits.



About our exams and your study commitments

Objective Response exam format (OR)

These questions allow you to select a response from a list of possible answers. These types of exams are offered across all our qualification levels. They are marked by computers and then moderated by CIPS examiners.

OR

Guided learning hours (GLH)

It is expected that you will undertake 250 GLH. The definition of guided learning hours is: 'A measure of the amount of input time required to achieve the qualification'. This includes lectures, tutorials, practicals, and supervised study in learning centres and workshops.

250
GLH HOURS

Constructed Response exam format (CR)

These questions require you to create or 'construct' a response to the question, such as an essay or case study. You will find this type of exam in our diploma-level qualifications, and they will be marked by subject expert examiners.

CR

Self-study requirement (SSR)

Additionally, we recommend that you also commit to at least 335 SSR hours. This includes a wider reading of the subject areas and revision to give yourself the best preparation for successfully achieving the qualification.

335
SSR HOURS

Your total qualification time (TQT)

The TQT indicates the overall number of guided learning hours, additional self-study, and assessment time required.

600
TQT HOURS

Total exam time

The total exam time for this qualification is 15 hours. All the modules in CIPS qualifications are assessed by examination.

15
HOURS

Strategic Ethical Leadership (L6M1)

12
CREDITS

Module purpose

On completion of this module, learners will be able to evaluate leadership skills and behaviours required to achieve organisational and stakeholder commitment to strategic improvements and change and appreciate ethical practices, standards and regulations that impact the procurement and supply function.

Module aim/s

Globalisation and the ever-changing markets in which organisations operate require influential leaders who can think and act strategically. This is particularly true for those who lead the procurement and supply function, ensuring that it positively contributes to overall organisational success. Strategic Leadership is the ability to make and communicate decisions that enhance the prospects for the organisation's long-term success while maintaining long-term financial stability. This module is designed for professionals expected to deliver effective and efficient procurement and supply. It emphasises the leadership skills and behaviours required to achieve the objectives and improvements sought by organisations.

C

Core module

3

Hours exam duration

CR

Constructed response exam

120

Hours module learning time



Learning outcomes, assessment criteria and indicative content

1.0	Understand and apply leadership skills and behaviours that are appropriate for strategically improving the procurement and supply chain function	
1.1	Evaluate the differences between leadership and management	1.1.1 The differences between leadership and management
		1.1.2 The role of a leader and the activity of leadership
		1.1.3 The importance of leadership
1.2	Analyse approaches to leadership for improving procurement and supply chain management	1.2.1 The qualities or traits approach to leadership
		1.2.2 The functional or group approach, including action-centred leadership
		1.2.3 Styles of leadership: authoritarian, autocratic, distributed, democratic and laissez-faire
		1.2.4 Contingency theories for leadership, such as path-goal theory
		1.2.5 Situational leadership
		1.2.6 Transformational and inspirational leadership
		1.2.7 The forces in deciding the type of leadership
		1.2.8 The continuum of leadership behaviour

Learning outcomes, assessment criteria and indicative content

2.0	Understand and apply communication planning techniques and analyse their influence on individuals involved in the supply chain	
2.1	Evaluate influencing styles that can be used in the effective leadership of a supply chain	2.1.1 Communicating and implementing a vision of improved procurement and supply chain management
		2.1.2 Influencing and leading supply chain stakeholders: senior management, subordinates, other functions, and external stakeholders
		2.1.3 A range of influencing styles for cross-functional leadership, both within and outside the bounds of formal teams
2.2	Compare leadership techniques that can be used to influence stakeholders in a supply chain	2.2.1 Assessing the readiness of followers or groups
		2.2.2 Leadership techniques that recognise the value of individuals and their contribution to the procurement and supply chain function
		2.2.3 Management by objectives and establishing key performance indicators (KPIs)
		2.2.4 Measuring the effectiveness of leadership techniques
		2.2.5 The role of the leader in coaching and mentoring
		2.2.6 The role of emotional intelligence in leadership
2.3	Evaluate how to create a communication plan to influence stakeholders in the supply chain	2.3.1 Stakeholder analysis, including primary, secondary and key stakeholders
		2.3.2 Communication methods and creating a communication plan
		2.3.3 How to gain support for supply chain strategies from stakeholders
		2.3.4 Perspectives on stakeholder mapping



Learning outcomes, assessment criteria and indicative content

3.0	Understand and apply methods to overcome leadership challenges faced by procurement and supply chain professionals	
3.1	Contrast the sources of power and how they can be used to overcome common challenges faced by procurement and supply chain leaders	<div>3.1.1 Perspectives on individual power</div> <div>3.1.2 Perspectives on power: institutional, processual and organisational</div> <div>3.1.3 The balance between order and flexibility</div>
3.2	Analyse how equality, diversity and inclusion (ED&I) issues relating to the supply chain can be used to improve strategic effectiveness	<div>3.2.1 Defining equality, diversity and inclusion (ED&I)</div> <div>3.2.2 The benefits of equality, diversity and inclusion (ED&I) in organisations and their supply chains</div> <div>3.2.3 The impact of discrimination, harassment and victimisation</div> <div>3.2.4 Developing and implementing policies and initiatives to enhance equality, diversity and inclusion (ED&I) across the supply chain</div>
3.3	Evaluate methods of change management that can be used to develop the supply chain	<div>3.3.1 The nature and drivers of organisational change</div> <div>3.3.2 The role of leaders in managing effective change</div> <div>3.3.3 Planning and implementing organisational change</div> <div>3.3.4 Understanding and managing resistance to change</div>
3.4	Assess methods for resolving conflict with internal and external stakeholders to support change in the supply chain	<div>3.4.1 Contingency models of organisations</div> <div>3.4.2 The functions of the informal organisation</div> <div>3.4.3 Conflict management: sources of conflict, resolution strategies, and outcomes</div> <div>3.4.4 Incremental and transformational change</div>

Learning outcomes, assessment criteria and indicative content

4.0	Understand and apply ethical practices, standards and regulations that impact environmental, social and governance (ESG) considerations for procurement and supply functions	
4.1	Examine ethical practices and standards that support environmental, social and governance (ESG) considerations in global supply chains	<div>4.1.1 Promoting ethical practices, codes of conduct and published standards</div> <div>4.1.2 Effective supplier due diligence to support environmental, social and governance (ESG) compliance</div> <div>4.1.3 Contractual clauses to support environmental, social and governance (ESG) improvements and compliance with relevant ethical practices, standards and regulations</div> <div>4.1.4 Developing a culture of commitment to achieve ethical codes and practices</div>
4.2	Assess regulations that impact the ethical employment of people	<div>4.2.1 The impact of regulations relating to:<div><div>- Equality, diversity and inclusion (ED&I)</div><div>- Employee redundancy and dismissal</div><div>- Working time and staff payment</div><div>- International labour codes</div><div>- Health and safety at work</div><div>- Minimum/fair wages</div></div></div>



Global Commercial Strategy

[L6M2]

12
CREDITS

Module purpose

On completion of this module, learners will be able to evaluate the concept of commercial global strategy, assess the challenges and main elements associated with formulating and implementing a commercial strategy, and understand the impact of finance on strategic decision-making.

Module aim/s

The global agenda is becoming increasingly prevalent in organisational success. Business leaders need to formulate and implement global commercial strategies as organisations increase overseas development, investment, and sourcing. This module is designed for professional procurement and supply chain leaders. It focuses on developing, configuring, and implementing a global commercial strategy to enable such leaders to help organisations achieve competitive advantage.

C

Core module

3

Hours exam duration

CR

Constructed response exam

120

Hours module learning time

Global Commercial Strategy [L6M2]
Learning outcomes, assessment criteria and indicative content

1.0	Understand and apply the concept of commercial global strategy in organisations	
1.1	Evaluate characteristics of global strategic decisions in organisations	<div>1.1.1 The characteristics of strategic decisions</div> <div>1.1.2 The vocabulary of strategy</div> <div>1.1.3 Strategic versus operational management</div> <div>1.1.4 The strategic position</div> <div>1.1.5 Strategic choices and capabilities to support</div> <div>1.1.6 Strategy in action</div>

Global Commercial Strategy [L6M2]
Learning outcomes, assessment criteria and indicative content

2.0	Understand and apply tools and techniques to address the challenges of global supply chains	
2.1	Assess methods to analyse the global supply chain	<div>2.1.1 The macro environment and the STEEPLED (social, technological, economic, environmental, political, legal, ethical and demographic) framework</div> <div>2.1.2 Competitive forces: Porter's Five Forces Framework</div> <div>2.1.3 The industry and product life cycle</div> <div>2.1.4 Cycles of competition</div>
2.2	Evaluate the regulatory influences on the global supply chain	<div>2.2.1 Licensing of imports and exports</div> <div>2.2.2 Controls through import and export tariffs and duties</div> <div>2.2.3 Role of global industry regulators and international bodies</div> <div>2.2.4 The challenges of regulations on global supply chains</div> <div>2.2.5 Regulatory influences to support environmental, social and governance (ESG) considerations in supply chains</div>



Learning outcomes, assessment criteria and indicative content

3.0 Understand strategy formulation and implementation		
3.1 Evaluate how corporate and business strategic decisions impact supply chains	3.1.1	Strategic directions: market penetration, consolidation, product development and market development
	3.1.2	Diversification: related and unrelated
	3.1.3	Portfolio matrices: growth/share, directional policy and parenting matrix
	3.1.4	Drivers of global, regional and local dimensions to strategic choice
	3.1.5	The influence of environmental, social and governance (ESG) on strategic decisions
3.2 Evaluate how organisational strategy can be implemented in supply chains	3.2.1	Methods of pursuing strategies: organic, mergers and acquisitions, or strategic alliances
	3.2.2	Strategy evaluation: suitability, acceptability and feasibility
	3.2.3	Managing intended and realised strategy
	3.2.4	Strategy development in uncertain and complex conditions
	3.2.5	Determining measurable outcomes of success for an effective strategy
	3.2.6	Devising metrics of performance for successful strategy implementation
3.3 Analyse the relationship between business strategy and organisational structure	3.3.1	Structural types: simple, functional, multi divisional, matrix and transnational
	3.3.2	Aligning organisational structure with business strategy
	3.3.3	Aligning the supply chain design to the organisational structure
3.4 Analyse the management of resources to support the development and implementation of strategy	3.4.1	People as a resource
	3.4.2	Managing information
	3.4.3	The role of technology
	3.4.4	Managing finance: the financial aspects of value creation

Learning outcomes, assessment criteria and indicative content

4.0 Understand different financial aspects that affect global procurement and supply chains		
4.1 Assess the importance of costs and finance within global supply chains	4.1.1	The financial objectives of different organisations (e.g. value for money, maximising shareholder wealth)
	4.1.2	Funding of strategy development and implementation
	4.1.3	Different types of supply chain costs and cost drivers
	4.1.4	Cost management and reduction techniques
	4.1.5	Financial ratio analysis to assess viability within global supply chains
4.2 Analyse the financial related risks and why they might arise within global supply chains	4.2.1	Market risk
	4.2.2	Credit risk
	4.2.3	Liquidity risk
	4.2.4	Interest rate risk
	4.2.5	Foreign exchange risk
	4.2.6	Commodity risk
4.3 Evaluate different tools, techniques and financial products for managing financial risks within global supply chains	4.3.1	Monitoring and managing financial risks in global supply chains
	4.3.2	Using forward contracts, options, swaps and futures to hedge financial risks
	4.3.3	Reporting financial risks in global supply chains



Global Strategic Supply Chain Management

[L6M3]

12
CREDITS

Module purpose

On completion of this module, learners will be able to evaluate the influence of strategic supply chain management and assess the methods available to measure, improve, and optimise supply chain performance.

Module aim/s

One of the significant impacts of globalisation has been a marked increase in the complexity of the supply chain and associated networks. These challenges require procurement and supply leaders to develop and lead modern-day supply chains and understand their vital role in the overall success of corporate and business strategy. This module is designed for such professionals as it focuses on the development, implementation, monitoring and optimisation of global supply chains and the strategic influence of such chains on achieving competitive advantage.

C

Core module

3

Hours exam duration

CR

Constructed response exam

120

Hours module learning time

Global Strategic Supply Chain Management [L6M3]

Learning outcomes, assessment criteria and indicative content

1.0	Understand how strategic supply chain management can support corporate business strategy	
1.1	Assess the relationship between functional, business and corporate levels of strategy	<div>1.1.1 The relationship between the supply chain, business and corporate levels of strategy</div> <div>1.1.2 The impact of supply chain management on business and corporate performance</div> <div>1.1.3 The impact on the profitability of the supply chain</div> <div>1.1.4 Supply chain risks and their impact on business and corporate performance</div>
1.2	Evaluate the contribution of strategic supply chain management	<div>1.2.1 Creating sources of competitive advantage: cost, improved quality, time to market, product and service differentiation</div> <div>1.2.2 Enterprise profit optimisation</div> <div>1.2.3 The use of outsourcing to create value and achieve competitive advantage</div> <div>1.2.4 Strategies to support supply chain management: offshoring, outsourcing, inshoring, insourcing</div>
1.3	Evaluate the impact of market change on strategic supply chain management	<div>1.3.1 STEEPLD (social, technological, economic, environmental, political, legal, ethical and demographic) factors and their impact and risks on supply chains</div> <div>1.3.2 Distinguishing between disruptive and incremental change</div> <div>1.3.3 Changing markets and market volatility</div> <div>1.3.4 The impact of globalisation on supply chains</div> <div>1.3.5 The impact of environmental, social and governance (ESG) factors on strategic supply chain management</div>
1.4	Evaluate approaches to developing and implementing strategic relationship management	<div>1.4.1 The purpose of strategic alignment</div> <div>1.4.2 Customer, supplier, and stakeholder relationship management</div> <div>1.4.3 Methodologies for the implementation of strategic relationship management</div>



Learning outcomes, assessment criteria and indicative content

2.0 Understand and apply supply chain design tools and techniques		
2.1 Evaluate approaches to segmentation	2.1.1	Approaches to segmenting customers, suppliers and stakeholders
	2.1.2	Managing the product and service mix
	2.1.3	Creating strategies for the different tiers of a supply chain
2.2 Assess approaches to developing networked supply chains	2.2.1	Supply chain flows and the use of supply chain and the value stream
	2.2.2	Tiering in supply chains and the use of network sourcing
	2.2.3	Identifying value-added activities and the value chain in supply chain networks
	2.2.4	Network optimisation modelling
	2.2.5	The circular economy and the use of reverse logistics in supply chain networks
2.3 Assess the role of distribution systems	2.3.1	Channel design
	2.3.2	The impact of e-commerce on distribution networks
	2.3.3	Logistics flow path design
	2.3.4	Physical network configuration
	2.3.5	Challenges in transportation management
	2.3.6	Locations of distribution centres
	2.3.7	Positioning in local, regional and global chains
	2.3.8	The impact of environmental, social and governance (ESG) considerations on distribution systems
2.4 Evaluate Lean and agile supply chains	2.4.1	The benefits and challenges of lean and agile supply chains: security, sustainability, and economies of scale (EOS)
	2.4.2	Implementing Lean supply and Lean thinking
	2.4.3	The impact of promotions and causal events on demand
	2.4.4	Improving demand planning accuracy and the use of statistical forecasting
	2.4.5	Supply chain visibility (SCV)

Learning outcomes, assessment criteria and indicative content

3.0 Understand and apply techniques to achieve effective strategic supply chain management		
3.1 Evaluate approaches to developing and implementing supply chain collaboration	3.1.1	Supply chain evolution from transactional information sharing to collaborative approaches in supply chain management
	3.1.2	Creating collaborative relationships with customers, suppliers and other stakeholders
	3.1.3	The use of shared services in supply chains
	3.1.4	Data integration in supply chains
3.2 Evaluate approaches to managing change within supply chains when working with stakeholders	3.2.1	Communicating plans with customers, suppliers, senior management and other organisational functions
	3.2.2	Evaluating and implementing resources for strategic supply chain management
	3.2.3	The role of the change agent
	3.2.4	Evaluating the acceptance of strategic change
3.3 Analyse approaches to measuring supply chain performance	3.3.1	Measures of supply chain performance: price, safety, quality, costs, and environmental, social and governance (ESG)
	3.3.2	Measuring processes and the use of key performance indicators (KPIs) in supply chain management
	3.3.3	Measuring supply chain, organisational, functional, team and individual performance
	3.3.4	Analyse mechanisms for gathering feedback on supply chain performance
3.4 Analyse how the development of knowledge, skills and behaviours can help achieve effective strategic supply chain management	3.4.1	The concept of knowledge management within the organisation and with suppliers
	3.4.2	The importance of developing procurement and supply chain competencies
	3.4.3	Training and development to improve knowledge, skills and behaviours within the organisation and stakeholders across the supply chain
	3.4.4	Approaches to measurement, analysis, improvement and control to develop knowledge, skills and behaviours



4.0	Understand and apply methods to measure, improve and optimise supply chain performance	
4.1	Assess methods to improve and optimise supply chain performance	<div>4.1.1 The number of operating facilities and their locations</div> <div>4.1.2 The number of suppliers</div> <div>4.1.3 Assess the flow of items through the supply chain network</div> <div>4.1.4 Network Optimisation Models (NOM)</div> <div>4.1.5 Risk identification and management</div> <div>4.1.6 Collaborative planning, forecasting and replenishment (CPFR)</div> <div>4.1.7 Business process re-engineering (BPR)</div>
4.2	Assess tools and techniques to help the organisation achieve strategic fit within the supply chain	<div>4.2.1 Analysing and managing supply chain uncertainties: demand, supply, disruption and delay</div> <div>4.2.2 Define desired cost and service requirements</div> <div>4.2.3 Assess the supply chain capabilities, strengths and weaknesses</div> <div>4.2.4 Achieving strategic fit through supply chain design and competitive strategy</div> <div>4.2.5 Trade-offs between efficiency and responsiveness, zone of strategic fit and cost responsiveness frontier</div>
4.3	Assess the challenges to achieving and maintaining strategic fit	<div>4.3.1 Increasing product variety and shrinking life cycles</div> <div>4.3.2 Globalisation and increasing uncertainty</div> <div>4.3.3 Fragmentation and increased complexity of the supply chain</div> <div>4.3.4 Changing technology and the business environment</div> <div>4.3.5 The effect of environmental, social and governance (ESG) considerations on strategic fit</div>

Future Strategic Challenges for the Profession [L6M4]

6 CREDITS

Module purpose

On completion of this module, learners will be able to evaluate the changing needs and requirements for the procurement and supply function and assess the future challenges for the profession.

Module aim/s

The volatile global environment threatens traditional concepts of international trade and presents strategic challenges to the procurement and supply function and profession. Strategic procurement and supply leaders require knowledge of the present challenges for their function and profession and must prepare themselves for the future strategic challenges they will undoubtedly face. This module is designed to challenge procurement and supply leaders to look ahead and consider future strategic challenges for themselves and the profession.

C	Core module	2	Hours exam duration
CR	Constructed response exam	60	Hours module learning time



Future Strategic Challenges for the Profession [L6M4]

Learning outcomes, assessment criteria and indicative content

1.0 Understand the changing needs and requirements of the strategic procurement and supply function of the future		
1.1 Assess the drivers that are shaping the future requirements of the strategic procurement and supply function	1.1.1	Alignment with the organisation: internally, vertically and horizontally
	1.1.2	Recognise and develop supply chain opportunities
	1.1.3	New approaches and requirements
	1.1.4	Dealing with complexity - Supply Network Strategies: <ul style="list-style-type: none">- Interpreting the current approach to procurement- Formulating objectives- Determine the network strategy.- Restructuring the supply chain network- Planning and design of supply chain networks- Resilient supply chains and networks
1.2 Evaluate the skills and knowledge of future leaders of the strategic procurement and supply function	1.2.1	Changing the focus from internal operations to external outcomes
	1.2.2	Functional knowledge, skills and behaviours
	1.2.3	Interpersonal skills
	1.2.4	General management and strategic skills
	1.2.5	Internal and external relationship management
	1.2.6	ESG (environmental, social and governance) management and leadership challenges
1.3 Analyse the likely influence of the external environment on the strategic procurement and supply function of the future	1.3.1	Volatile global environment changing concepts of international trade
	1.3.2	Wider influence on market identification, development and creation
	1.3.3	Future risks and challenges

Future Strategic Challenges for the Profession [L6M4]

Learning outcomes, assessment criteria and indicative content

2.0 Understand the future challenges for the procurement and supply profession		
2.1 Evaluate the emerging impact of innovation and technology on the profession	2.1.1	Disruptive influence on operations
	2.1.2	Organisational uptake of technology and leveraging opportunities
	2.1.3	Automation and changing roles for the profession
2.2 Assess the importance of collaboration for the future of the procurement and supply chain profession to leverage value	2.2.1	The changing boundaries between organisational disciplines
	2.2.2	Interdisciplinary working and knowledge
	2.2.3	Growing influence of the profession
	2.2.4	Collaborative and supportive – maintaining the standard
	2.2.5	Embed good practice through collaboration
	2.2.6	Cross-skilling those from other disciplines
2.3 Analyse the future challenges for the procurement and supply profession in creating competitive advantage	2.3.1	Strategic analysis to identify potential sources of competitive advantage
	2.3.2	The role of the profession in achieving added-value benefits and a competitive edge
	2.3.3	New ways to achieve competitive advantage through the supply chain



Strategic Programme Leadership

[L6M5]

6
CREDITS

Module purpose

On completion of this module, learners will be able to assess contracting requirements and approaches to the leadership of major strategic programmes and evaluate the role that organisational culture has to play on achieving overall success.

Module aim/s

Major programmes are a key element in any organisational strategy; hence, successful leadership of them is a significant contributor to overall success. This module is designed for those procurement and supply professionals who will develop and lead the implementation and monitoring of contracts from the strategic standpoint, requiring a practical knowledge of the associated issues and approaches to programme control.

E

Elective module

1.5

Hours exam duration

OR

Objective response exam

60

Hours module learning time

Strategic Programme Leadership (L6M5)

Learning outcomes, assessment criteria and indicative content

1.0	Understand contracting for programmes	
1.1	Evaluate contract forms for programmes	<div>1.1.1 The role of institutes and professional bodies in developing contract forms:<ul style="list-style-type: none">- The New Engineering Contract (NEC) core and optional clauses- International Federation of Consulting Engineers (FIDIC) contract forms- Institution of Mechanical Engineers (IMechE) contract forms- Joint Contracts Tribunal (JCT) contract forms- CIPS model forms of contract</div> <div>1.1.2 Comparisons of main contractual terms and schedules</div>
1.2	Assess the use of pricing mechanisms for programmes	<div>1.2.1 Fixed lump sum pricing</div> <div>1.2.2 Activity schedule pricing</div> <div>1.2.3 Bills of quantity</div> <div>1.2.4 Target costing methods and risk and reward pricing mechanisms</div> <div>1.3.5 Cost reimbursable contracts</div>
1.3	Contrast methods of investment appraisal for programmes	<div>1.3.1 Purpose of investment appraisal</div> <div>1.3.2 Payback analysis</div> <div>1.3.3 Average rate of return</div> <div>1.3.4 Discounted cash flow</div> <div>1.3.5 The choice of discount factor</div> <div>1.3.6 Calculating net present values</div> <div>1.3.7 Calculating the internal rates of return</div> <div>1.3.8 The strengths and weaknesses of different methods of investment appraisal</div>



Strategic Programme Leadership (L6M5)

Learning outcomes, assessment criteria and indicative content

2.0 Understand programme leadership approaches		
2.1 Assess approaches to strategic cost management for programmes	2.1.1	Fixed and variable pricing methods
	2.1.2	Budgetary control and variance analysis
	2.1.3	Value engineering
	2.1.4	Consortium-based procurement
	2.1.5	The use of open book costing and cost transparency
2.2 Analyse the use of financial and management information on the performance of programmes	2.2.1	Estimating budgets for projects
	2.2.2	Measurement, monitoring control and improvement
	2.2.3	Project tracking and control mechanisms
	2.2.4	Controlling variations, claims/compensation events
	2.2.5	Implementing remedial actions
2.3 Analyse the impact of programme performance on the supply chain	2.3.1	Consequential losses resulting from default
	2.3.2	Assessment of damages
	2.3.3	Contractual warranties and conditions
	2.3.4	Specific performance
	2.3.5	Termination clauses
2.4 Assess the implications of programme closure on the supply chain	2.4.1	Obtaining client acceptance
	2.4.2	Installing deliverables
	2.4.3	Conducting project audits
	2.4.4	Knowledge management
	2.4.5	Communicating the review, evaluation and learning

Strategic Programme Leadership (L6M5)

Learning outcomes, assessment criteria and indicative content

3.0 Understand the role of culture on achieving programme success		
3.1 Critically assess the concept of organisational culture	3.1.1	The meaning of organisational culture
	3.1.2	The ingredients of culture
	3.1.3	Identifying culture: <ul style="list-style-type: none">- Levels of culture- Cultural web
	3.1.4	The four types of culture: <ul style="list-style-type: none">- Power culture- Task culture- Role culture- Person culture
3.2 Analyse the influence of national culture on programme success	3.2.1	Cultural similarities and differences
	3.2.2	Language, religion, social, laws, politics, education systems, values and attitudes
3.3 Analyse tools and techniques which support cultural change	3.3.1	Ignoring the culture
	3.3.2	Managing around the culture
	3.3.3	Changing behaviours
	3.3.4	Education vs. persuasion
	3.3.5	Coercion to change attitudes
	3.3.6	Recruitment policy, selection, promotion and reward
	3.3.7	Redundancy policy and alter workforce composition



Commercial Data Management

(L6M7)

6
CREDITS

Module purpose

On completion of this module, learners will be able to assess the concept of big data and evaluate the impact of data integrity and cyber security on the procurement and supply function.

Module aim/s

Until recently, big data was seen as a technical issue that had to be addressed; however, organisations now view it as a business opportunity that can significantly contribute to competitive advantage and are now exploiting big data in all its forms to discover facts they didn't know before. Given this propensity for data and the associated gathering and storage activity, supply chain cyber security is now a key requirement. This module is designed for procurement and supply leaders who require a clear knowledge of the concept of big data and the impact of data integrity and cyber security.

E

Elective module

1.5

Hours exam duration

OR

Objective response exam

60

Hours module learning time

Commercial Data Management (L6M7)

Learning outcomes, assessment criteria and indicative content

1.0	Understand the concept of big data in the global supply chain	
1.1	Evaluate the term big data and the historic rise of its importance to the procurement and supply function	<div><div>1.1.1</div><div>Transit from technical problem to business opportunity:<ul style="list-style-type: none">- Increasing data volumes- Scalability crisis- Data storage capacity increases- CPU capacity, speed and intelligence- Falling cost of IT</div><div>1.1.2</div><div>The 3Vs:<ul style="list-style-type: none">- Volume- Velocity- Variety</div></div>
1.2	Evaluate the need for big data and the diversity of data sources and types	<div><div>1.2.1</div><div>Require large volumes of highly detailed data</div><div>1.2.2</div><div>Use of Business Intelligence (BI) and analytics</div><div>1.2.3</div><div>Driving agility and innovation with big data</div><div>1.2.4</div><div>Sources of data:<ul style="list-style-type: none">- Sensors- Devices- Third parties- Web applications- Social media</div><div>1.2.5</div><div>Types of data:<ul style="list-style-type: none">- Real-time vs. delayed- Unstructured (text and human language) vs semi-structured (XML, RSS feeds etc.)- Audio, video, other devices- Multi vs. single-dimension- Streaming data</div></div>



Learning outcomes, assessment criteria and indicative content

2.0 Understand data integrity and its impact on procurement and supply		
2.1 Evaluate the requirement for integrity and confidentiality of data	2.1.1	Data integrity vs. data security
	2.1.2	Legal aspects such as: <ul style="list-style-type: none">- The UK Data Protection Act- General Data Protection Regulation 2016 (GDPR)- EU Data Protection Directive- Responsible data handling- Non-disclosure agreements (NDA)- Intellectual property rights (IPR)
	2.1.3	Information assurance and risk management for individuals and organisations
	2.1.4	Physical integrity vs. logical integrity
2.2 Assess the implications of data disruption on the organisation	2.2.1	Data-enabled business models
	2.2.2	Data resilience strategies
	2.2.3	Disruption tolerance networks
	2.2.4	System redundancy
2.3 Evaluate international laws and standards which govern data integrity and security	2.3.1	International laws such as: <ul style="list-style-type: none">- UK Data Protection Act- Data Privacy Day (Council of Europe)
		2.3.2 International standards such as: <ul style="list-style-type: none">- ISO/PAS 28000:2007 (Supply Chain Standards)- ISO/IEC 27001:2013 and ISO/IEC 27002:2013 (Manage and protect information)- The Trusted Computing Group- The Payment Card Industry Data Security Standard

Learning outcomes, assessment criteria and indicative content

3.0 Understand the impact of cyber security on procurement and supply		
3.1 Evaluate the term cyber security and its implications	3.1.1	Data security vs. data integrity
	3.1.2	Supply Chain Cyber Security (SCCS)
	3.1.3	Drivers for SCCS such as: <ul style="list-style-type: none">- Cyber-terrorism- Malware- Data theft and the advanced persistent threat (APT)- Illegal access and changes to data- Vulnerabilities in software applications and networks discovered and exploited by malicious hackers- Counterfeit computer hardware
		3.1.4 Typical activities for minimising SCCS risks such as: <ul style="list-style-type: none">- Buying only from trusted vendors- Disconnecting critical machines from outside networks- Educating users on the threats and protective measures they can take
3.2 Assess data security technologies and their usage inthe supply chain	3.2.1	Create a completely secure system using a combination of software and hardware-based security
	3.2.2	Software solutions: <ul style="list-style-type: none">- Encrypt data to protect it from theft- Hackers could corrupt the data in order to make it unrecoverable, making the system unusable
		3.2.3 Hardware solutions: <ul style="list-style-type: none">- Can prevent read and write access to data and offer very strong protection against tampering and unauthorised access- Protects the operating system image and file system privileges from being tampered
	3.2.4	Use strict and secure system administration policies: <ul style="list-style-type: none">- Backups- Data masking- Data erasure



Innovation in Procurement and Supply [L6M8]

6
CREDITS

Module purpose

On completion of this module, learners will be able to evaluate techniques for supplier development and innovation in procurement and supply and appraise the environmental factors which should be considered when applying such methods.

Module aim/s

To support organisational success, procurement and supply has a significant role to play in influencing strategic suppliers to adopt innovative approaches and to continue to develop. Therefore, professional procurement and supply leaders are expected to identify areas that offer the opportunity to improve and innovate and to lead and implement the associated processes. This module is designed for procurement and supply leaders who require clear knowledge of the tools and techniques available to achieve improvement and innovation, as well as an appreciation of the environmental factors that affect such initiatives.

E

Elective module

1.5

Hours exam duration

OR

Objective response exam

60

Hours module learning time

Innovation in Procurement and Supply [L6M8]

Learning outcomes, assessment criteria and indicative content

1.0 Understand techniques for supplier development

1.1 Assess cross-functional working to achieve improvements in the supply chain

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

1.2 Evaluate techniques to promote the development of innovation in procurement and supply

- 1.2.1 Collaboration with suppliers and customers to promote improvements in innovation
- 1.2.2 Early supplier involvement
- 1.2.3 The role of innovation councils
- 1.2.4 Supplier forums and associations
- 1.2.5 The use of technology transfer
- 1.2.6 The use of data analytics to assist planning, forecasting, control and decision-making
- 1.2.7 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

- 1.3.1 Forms of e-procurement
- 1.3.2 E-catalogues
- 1.3.3 E-sourcing
- 1.3.4 E-auctions
- 1.3.5 P2P (purchase to pay) systems
- 1.3.6 Data integrity and integration between organisations in a supply chain
- 1.3.7 XML (extensible markup language) and the use of application programming interfaces (APIs) and other integration tools
- 1.3.8 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

- 1.4.1 The use of joint performance appraisal systems
- 1.4.2 The use of relationship assessment methodologies
- 1.4.3 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	2.1.1	Areas such as: <ul style="list-style-type: none">- 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	2.2.1	Tools such as: <ul style="list-style-type: none">- Total quality approaches- Statistical analysis- Just-in-Time (JIT)- Lean thinking and lean supply- Business Process Re-engineering (BPR)- ERP- Databases
	2.2.2	The use of business continuity planning to mitigate supply chain interruption
2.3 Assess methods to incentivise improvement and innovation	2.3.1	Bidding
	2.3.2	Selection
	2.3.3	Contract award
	2.3.4	Contract management
	2.3.5	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	3.1.1	Lifecycle analysis
	3.1.2	Design for disassembly
	3.1.3	Use environmentally friendly materials
	3.1.4	ISO 14001 – Environmental Standards
	3.1.5	ISO 20400 – Sustainable Procurement Standard
3.2 Assess the impact of green procurement on improvement and innovation	3.2.1	Impact on strategic policy and planning
	3.2.2	Sustainable procurement: <ul style="list-style-type: none">- Low carbon- Low waste- Water efficient- Respect biodiversity- International targets and agreements



Supply Network Design

[L6M9]

6
CREDITS

Module purpose

On completion of this module, learners will be able to evaluate the strategic nature, influence, and contribution of supply network design and operations to the overall business strategy and assess the strategic value of resource planning and control.

Module aim/s

Every organisation is part of a wider interconnected network of other businesses and organisations: this is termed the supply network. At a strategic level, the design and leadership of such networks are crucial to the effectiveness and efficiency of the associated supply chains. It is the operations processes which form a fundamental element of an organisation's strategic advantage. If materials and/or information are to flow smoothly through the supply network and add value as a result, effective resource planning and control are essential to organisational success. This module is designed for procurement and supply leaders who require knowledge and understanding of the concept of the strategic supply network, its configuration and influence and be able to assess the impact of operational strategy and resource planning and control.

E Elective module

1.5 Hours exam duration

OR Objective response exam

60 Hours module learning time

Supply Network Design [L6M9]

Learning outcomes, assessment criteria and indicative content

1.0	Understand the strategic nature and influence of supply network design	
1.1	Assess the meaning of supply network design and the influence that it has on the organisation	<div>1.1.1 What is supply network design</div> <div>1.1.2 Supply network terminology and structures</div> <div>1.1.3 Supply network vs. supply chain</div> <div>1.1.4 Where are operations located in the supply network – logistical impact</div> <div>1.1.5 What influence does capacity and resources have on the supply network</div> <div>1.1.6 Value adding and competitive advantage</div>
1.2	Evaluate how a strategic supply chain network should be configured	<div>1.2.1 Influence of the Internet – ‘disintermediation’</div> <div>1.2.2 The value net and four players - suppliers, customers, competitors and complementors</div> <div>1.2.3 Decisions such as:<div>- Make or buy</div><div>- Insource or outsource</div><div>- Vertical integration</div><div>- Outsourcing and offshoring</div></div>
1.3	Assess the influence of capacity on strategic supply chain design	<div>1.3.1 Optimum capacity</div> <div>1.3.2 Large vs. small capacity – advantages and disadvantages</div> <div>1.3.3 The timing of capacity change</div> <div>1.3.4 Capacity increments:<div>- Capacity leading and lagging strategies</div><div>- Inventory ‘smoothing’</div></div> <div>1.3.5 Break even analysis for capacity expansion</div>



Learning outcomes, assessment criteria and indicative content

2.0 Understand operations strategy and its contribution to overall business success		
2.1 Assess the meaning of operations strategy and the impact that it has on the organisation	2.1.1	What is operations strategy
	2.1.2	How to identify if an organisation has an operations strategy
	2.1.3	Is the operations strategy relevant and aligned to the overall business strategy
	2.1.4	Does the operations strategy align with market requirements and available resources
	2.1.5	The contribution of operations strategy to competitive advantage and added value
2.2 Evaluate the key elements of an operations strategy	2.2.1	Should include key elements such as: <ul style="list-style-type: none">- A clear vision and objectives- The 4 stages model of operations – internal neutrality, external neutrality, internally- Performance objectives – quality, speed, dependability, flexibility and cost- Reconcile strategic decisions to objectives- Capacity and resources vs. timescales and outputs
2.3 Assess the role of improvement in operations strategy	2.3.1	Continuous improvement
	2.3.2	Drivers for effectiveness and efficiency
	2.3.3	Improving operations through trade-offs between performance objectives
	2.3.4	Trade-offs and the efficient frontier
	2.3.5	Improving operational effectiveness by overcoming trade-offs

Learning outcomes, assessment criteria and indicative content

3.0 Assess the strategic value of resource planning and control		
3.1 Evaluate the concept of strategic resource planning and control	3.1.1	What is resource planning and control
	3.1.2	Influences on resource planning such as: <ul style="list-style-type: none">- Translating customer need into operational delivery- Customer expectation and management- Forecasting, capacity, resources, priorities, scheduling, monitoring, control- Information and data gathering and management
3.2 Assess the key elements of a resource strategic planning and control system	3.2.1	Core mechanics of the process such as: <ul style="list-style-type: none">- Loading- Prioritisation and sequencing- Scheduling- Monitoring and control
	3.2.2	Decision mechanism: <ul style="list-style-type: none">- Planning and control staff- Planning and control information system
	3.2.3	Customer interface
	3.2.4	Supply interface
	3.2.5	Other business functions
3.3 Contrast methods of monitoring and controlling the strategic operation	3.3.1	Degree of difficulty in controlling operations
	3.3.2	Consider methods of control such as: <ul style="list-style-type: none">- Push and pull- Theory of constraints (TOC) and drum (bottleneck), buffer stock and rope- MRP and MRP II- Web-integrated and supply network ERP



Global Logistics Strategy

[L6M10]

6
CREDITS

Module purpose

On completion of this module, learners will be able to assess the strategic logistical implications of globalisation and evaluate global governance of the supply chain and the concept of reverse logistics.

Module aim/s

Globalisation generates significant opportunities as well as increased risks for organisations. This means that global logistics strategy, the flow of resources and information between a business or source and the consumer, is regarded as a key element of organisational success. Those responsible for leading and developing global logistics strategy are seen as significant contributors to competitive advantage and overall business success. This module is designed for procurement and supply leaders who are responsible for global logistics strategy and who require knowledge and understanding of the associated challenges, governance and requirements for successful strategic implementation.

E

Elective module

1.5

Hours exam duration

OR

Objective response exam

60

Hours module learning time

Global Logistics Strategy [L6M10]

Learning outcomes, assessment criteria and indicative content

1.0	Understand the strategic logistical implications of globalisation	
1.1	Evaluate the logistics challenges that globalisation presents	<div>1.1.1 Consequences for inventory handling and transport such as:<ul style="list-style-type: none">- Centralised vs. regionalised inventory holdings- International logistics practices – storage and handling practices- Extended transportation pipelines and time to market – obsolesce and inventory holding costs</div> <div>1.1.2 Global consolidation:<ul style="list-style-type: none">- Economies of scale and batching- Price and currency fluctuation- Multiple freight modes and cost</div> <div>1.1.3 Location analysis:<ul style="list-style-type: none">- Trade-offs between responsiveness to local markets and economies of scale</div>
1.2	Assess the structure of a global strategic logistics and supply chain network	<div>1.2.1 Layering and tiering:<ul style="list-style-type: none">- Information flow and coordination- 3 and 4PL- Influence of Original Equipment Manufacturers (OEM)- Time horizons – preparation, finalisation, shipment and delivery</div> <div>1.2.2 Individual plants:<ul style="list-style-type: none">- Changing role of distribution centres- Flexibility to respond to local markets- Response to governmental incentives – adjusting taxes, incentives and infrastructure to favour selection</div> <div>1.2.3 Reconfiguration processes:<ul style="list-style-type: none">- Changing the global pipeline- Local vs. global postponed manufacturing</div>
1.3	Assess the strategic logistical risks of globalisation and the associated responses	<div>1.3.1 Supply chain volatility:<ul style="list-style-type: none">- Geopolitical threats- Transportation and/or pipeline breakdowns- Security threats</div> <div>1.3.2 Responses such as:<ul style="list-style-type: none">- Inventory policies and levels- Transport network redesign- Sole vs. global trading arrangements- Contingency planning and risk protocols</div>



Learning outcomes, assessment criteria and indicative content

2.0 Understand global governance of the supply chain		
2.1 Contrast the strategic influences on globalised supply chain governance	2.1.1	Geographical spread and supply chain/network complexity
	2.1.2	Coordination between units and elements of the supply chain/network
	2.1.3	Embedded teams vs. virtual centralisation
	2.1.4	Decentralised centralisation' - central reporting and working but not centrally co-located
	2.1.5	Incorporating new regions into global governance
	2.1.6	The flow of goods vs. the flow of ownership
2.2 Assess the impact of international legislation on the globalised supply chain	2.2.1	The role of international courts in deciding precedence
	2.2.2	Which legal system is generally accepted by all parties – multiple countries passed through during the course of the trade
	2.2.3	Which court has jurisdiction over form of contract, disputes, underperformance, etc. – exporter, importer or third country
	2.2.4	Legal considerations in global markets, shipment, insurance, handling, clearance, payment and other related matters

Learning outcomes, assessment criteria and indicative content

3.0 Understand the concept of reverse logistics and its impact on global logistics strategy		
3.1 Assess the concept and requirements of reverse logistics	3.1.1	What is reverse logistics: <ul style="list-style-type: none">- Waste reduction- Point of consumption back to point of origin
	3.1.2	Why is the concept becoming more influential: <ul style="list-style-type: none">- Product returns- Repairs and maintenance- Reuse- End-of-life returns and recycling or dismantling
3.2 Assess the strategic factors which influence reverse logistics	3.2.1	Government policy and legislation
	3.2.2	Economic considerations: <ul style="list-style-type: none">- Increasing landfill costs- Increasing cost of disposal vs. profit from recoverable manufacturing
	3.2.3	Environmental considerations: <ul style="list-style-type: none">- Triple bottom line and sustainability- Corporate Social Responsibility- Green logistics
	3.2.4	Buying sets of services E.g. include maintenance contract covering repairs and parts – return of broken products and take back at life-end
3.3 Contrast factors that influence strategic reverse logistics	3.3.1	External factors such as: <ul style="list-style-type: none">- Legislation- Customer demand- Incentives
	3.3.2	Internal factors such as: <ul style="list-style-type: none">- Environmental concerns- Strategic cost/benefits- Volume and quality returns- Resource- Integration and coordination
3.4 Compare factors which affect the implementation of reverse logistics strategy	3.4.1	No infrastructure and insufficient resources
	3.4.2	Difficult to forecast flow and composition
	3.4.3	Not a priority
	3.4.4	Driven by legislation and not identified business value
	3.4.5	Regarded as an additional cost
	3.4.6	Unpopular as regarded as a sign of failure



Environmental, Social and Governance (ESG) Principles [L6M11]

Module purpose

On completion of this module, learners will be able to evaluate the concept of environmental, social and governance principles (ESG), its importance globally, its application within procurement and supply, and the role that organisational culture plays in maintaining effective ESG principles throughout the supply chain.

Module aim/s

Procurement and supply leaders have a significant role in influencing and implementing strategic approaches to environmental, social and governance (ESG) principles. This module is designed for procurement and supply leaders who require a clear knowledge of the tools and techniques available to them to ensure strong ESG principles are embedded throughout the organisation, and procurement and supply chain.

E

Elective module

1.5

Hours exam duration

OR

Objective response exam

60

Hours module learning time



Environmental, Social and Governance (ESG) Principles [L6M11]

Learning outcomes, assessment criteria and indicative content

1.0	Understand the role and importance of developing an environmental, social and governance (ESG) culture in organisations and the impact it has on procurement and supply	
1.1	Evaluate organisational ESG principles and their role within procurement and supply	<div>1.1.1 The role of environmental, social, and governance (ESG) within an organisational context and its impact on procurement and the supply chain</div> <div>1.1.2 Importance of environmental, social and governance (ESG) and stakeholder engagement in developing organisational strategies</div>
1.2	Assess the concept of organisational environmental, social and governance (ESG) culture and how it applies in a procurement and supply context	<div>1.2.1 Strategies and frameworks for fostering an organisational culture that prioritises environmental, social and governance (ESG) values</div> <div>1.2.2 Governance structures to support environmental, social and governance (ESG) objectives</div> <div>1.2.3 Environmental, social and governance (ESG) committees and their purpose</div> <div>1.2.4 Employee training and engagement in environmental, social and governance (ESG) practices to develop appropriate skills and behaviours to support an ESG culture</div>
1.3	Analyse methods that procurement and supply leaders can apply to promote equality, diversity and inclusion (ED&I)	<div>1.3.1 Role of procurement and supply leaders towards influencing equality, diversity and inclusion (ED&I) strategies</div> <div>1.3.2 The role of equality, diversity and inclusion (ED&I) for procurement teams and organisational leaders to support improved decision-making and environmental, social and governance (ESG) objectives</div> <div>1.3.3 Methods to actively promote equality, diversity and inclusion (ED&I) strategies within the procurement and supply function and across the supply chain</div> <div>1.3.4 Use of equality, diversity and inclusion (ED&I) metrics and their impact on organisational environmental, social and governance (ESG) performance</div>



Learning outcomes, assessment criteria and indicative content

2.0	Understand and apply tools and techniques to address the challenges raised by environmental, social and governance (ESG) in supply chains	
2.1	Evaluate approaches to stakeholder engagement and environmental, social and governance (ESG) reputation management	2.1.1 Organisational stakeholders in the context of environmental, social and governance (ESG) and how to engage them
		2.1.2 Purpose of a double materiality assessment
		2.1.3 The influence of different stakeholder groups on shaping organisational environmental, social and governance (ESG) initiatives
2.2	Assess environmental, social and governance (ESG) metrics and methods for reporting	2.2.1 UN Sustainable Development Goals (SDGs) and environmental, social and governance (ESG) reporting frameworks, including Global Reporting Initiative (GRI) and Sustainability Accounting Standard Board (SASB)
		2.2.2 Key performance indicators (KPIs) and metrics for monitoring and improving environmental, social and governance (ESG) performance in procurement and supply
		2.2.3 Importance of transparency and accountability in environmental, social and governance (ESG) reporting
2.3	Evaluate environmental, social and governance (ESG) focused sourcing strategies	2.3.1 Best practice environmental, social and governance (ESG) sourcing strategies for supplier selection
		2.3.2 Best practice environmental, social and governance (ESG) strategies for post-contract supplier management
2.4	Assess environmental, social and governance (ESG) influences on governance improvements for procurement and supply	2.4.1 Role of international organisations, including: <ul style="list-style-type: none">- Conference Of Parties (COP)- United Nations (UN)- World Bank- International Labour Organization (ILO)- Professional bodies- Other organisations
		2.4.2 Factors that influence organisation and sector (public, private and third) environmental, social and governance (ESG) policies
2.5	Assess environmental, social and governance (ESG) risks and mitigation strategies	2.5.1 How environmental, social and governance (ESG) risks might arise in procurement processes and supply chains
		2.5.2 Strategies for assessing and mitigating environmental, social and governance (ESG) -related risks in procurement processes and supply chains

Learning outcomes, assessment criteria and indicative content

3.0	Understand and apply environmental, social and governance (ESG) principles to the procurement and supply chain strategy in organisations	
3.1	Assess the integration of environmental, social and governance (ESG) principles and objectives in procurement and supply	3.1.1 Aligning procurement strategies with broader organisational environmental, social and governance (ESG) goals
		3.1.2 The role of procurement and supply in meeting organisational environmental, social and governance (ESG) objectives
3.2	Analyse methods for achieving effective environmental, social and governance (ESG) collaboration and partnerships	3.2.1 Building partnerships with suppliers, not-for-profit, non-governmental organisations (NGOs) and academic institutions to advance environmental, social and governance (ESG) goals
		3.2.2 Supporting suppliers and the supply chain network to achieve environmental, social and governance (ESG) objectives
		3.2.3 Collaborating with industry groups to share best practices
3.3	Evaluate the role of systems and innovations to support environmental, social and governance (ESG) in procurement and supply	3.3.1 Innovative procurement solutions to support improved organisational environmental, social and governance (ESG) outcomes, including circular economy, renewable resources & digitalisation
		3.3.2 The use of technology to improve supply chain visibility (SCV) to support environmental, social and governance (ESG)
		3.3.3 Role of the procurement function in developing operational initiatives to improve environmental, social and governance (ESG) performance
		3.3.4 Continuous improvement strategies for enhancing environmental, social and governance (ESG) in procurement and supply
3.4	Assess options for leading sustainable environmental improvement for procurement and supply	3.4.1 Measurement of Carbon and Scope 3 emissions in the supply chain
		3.4.2 The role of procurement in developing sustainable environmental specifications
		3.4.3 Identification and relevance of environmental assessment tools
3.5	Assess approaches to achieving social value in procurement and supply	3.5.1 The role of procurement in social value policy development and implementation
		3.5.2 Benefits and challenges of a social value approach
		3.5.3 Target setting and measurement of social value impact



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