

*CIPS Level 4*

*Diploma in  
Procurement  
and Supply*

4

2018 Syllabus

For internal use only



# *Introducing...*

## Level 4 Diploma in Procurement and Supply

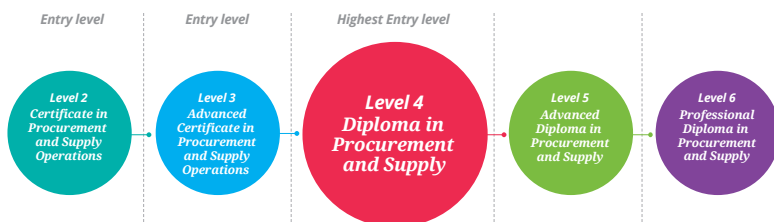
**CIPS qualifications are regulated internationally to ensure we offer a recognised, professional standard in procurement and supply. CIPS Level 4\* Diploma in Procurement and Supply is a vocationally related professional qualification. Formal recognition is included within the regulatory frameworks of an increasing number of countries such as the UK (England, Wales and Northern Ireland), UAE (including Dubai) and Africa (including Zambia). Further information on this recognition and the details of corresponding qualifications levels for other international qualifications frameworks are detailed on our website. CIPS members can have the confidence in our regulated qualifications, which reliably indicate the standard of knowledge, skills and understanding that you, as a learner, are required to demonstrate.**

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A step up from the Level 3 Advanced Certificate in Procurement and Supply Operations, the Level 4 Diploma in Procurement and Supply is a stepping stone to study on the CIPS Level 5 Advanced Diploma in Procurement and Supply. The content has been written using the CIPS Procurement and Supply Cycle as its focus, which presents a cyclical process of key steps faced by those procuring goods or services. The Diploma offers the most common entry route to the profession and should be used by learners to develop a professional 'tool box' which learners can apply in the practical environment and further develop at Levels 5 and 6. In this way successful learners will possess transferable workplace skills, developing their operational and tactical abilities as they strive for managerial roles and responsibilities.

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

This is a vocational qualification that is designed for the individual who is working at or aspiring to the Operational and Managerial levels of the CIPS Global Standard for Procurement and Supply. It is aimed at those in the profession who have procurement and supply activity at the heart of their role. Learners will be expected to provide advice and guidance to key stakeholders on the performance of organisational procedures and processes associated with procurement and supply and will aspire to manage developments in and improvements to the related functions. Transferable skills are those such as communication, teamwork, and planning and completing tasks to high standards, all of which enable the learner to add value to the organisation.



### **Typical tasks**

- Identifying opportunities for demand/sales
- Planning and forecasting of future demand
- Negotiating margins, volumes and standards.
- The creation of forward plans for contract development
- Advice and guidance to internal and external stakeholders on procurement processes
- Identification and control of risks
- Creation and control of specifications
- Construction of KPIs and contract terms
- Understanding supply markets in terms of competition and sources of competitive rivalry
- Selection of appropriate procurement routes and sources of supply
- Interpretation and analysis of financial technical and performance data
- Negotiations with suppliers and stakeholders
- Supplier selection and award
- Contract administration and management
- Financial control of budgets
- Negotiating improvements to supply performance
- Conflict and dispute resolution
- Performance reviews

### **Knowledge and skills**

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Has practical, theoretical or technical knowledge and understanding of procurement and supply and is able to address problems that are well defined but complex and non-routine. Can analyse, interpret and evaluate relevant information and ideas and has an informed awareness of differing perspectives of approaches within the profession. Can review the effectiveness and appropriateness of methods, actions and results.\*

#### **How credits works**

**1 Credit = 10 Learning hours**

**1**

**3 Credits = 30 Learning hours**

**3**

**6 Credits = 60 Learning hours**

**6**

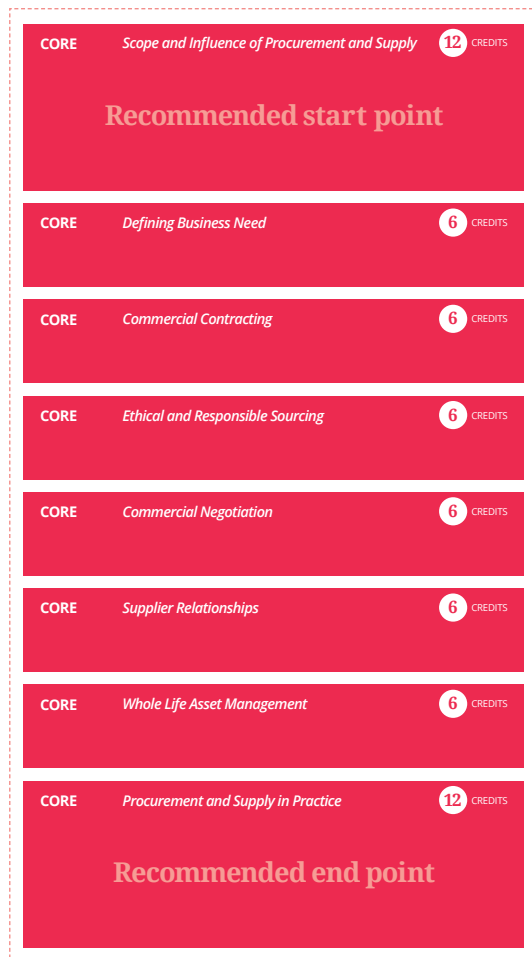
**12 Credits = 120 Learning hours**

**12**

## How to create a programme

CIPS strongly recommend that a student starts with *Scope and Influence of Procurement and Supply* and finishes with *Procurement and Supply in Practice*.

**All content is mandated**



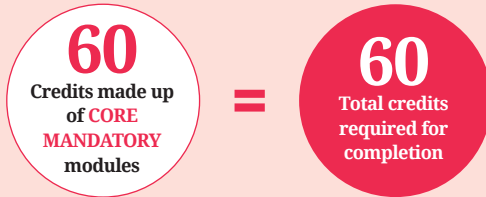
**60**

Total credits required for completion

**60**

Credits made up of CORE MANDATORY modules

## The content



**Eight CORE MANDATORY modules make up the required 60 credits**

### CORE Scope and Influence of Procurement and Supply (L4M1)

#### Recommended start point

**Module aim(s):** In any organisation, a significant proportion of costs are accounted for by the purchases of products and/or services, hence organisations see procurement and supply as a key contributor to their value added strategies. Equally, any organisation will also be managing the supply of products and/or services to their customers, be they internal or those from other external organisations, consumers or the general public. This module is designed using the CIPS Procurement Cycle as its basis. It will provide those who are interested in developing an informed awareness of different perspectives or approaches within the discipline, an overview of the key stages associated with procurement and supply, and will serve as an introduction for those who are expected to address complex well-defined procurement and supply problems that are non-routine in nature.

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**6**

CREDITS

***CORE Defining Business Need (L4M2)***

**Module aim(s):** The development of a business case and the ability to analyse markets are key if an organisation is to successfully source activity from external suppliers. Similarly, the clear definition of specifications for through life contracts is crucial to overall business achievement. This module is designed for those who are expected to analyse, interpret and evaluate information on the different types of markets utilised by procurement and supply. It explores a variety of elements that underpin the development of business cases and specifications and considers the options that should be explored when procurement and supply personnel are involved in defining requirements.

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***CORE Commercial Contracting (L4M3)***

**Module aim(s):** In any organisation, a significant element of the procurement and supply function is based around the contracting process. If they are to be successful, contracts must be clearly defined, be cognisant of legal requirements and contain key clauses and terms. This module is designed for those working in the procurement and supply field, or those who have responsibility for the development of legally binding contracts with suppliers.

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**CORE Ethical and Responsible Sourcing (L4M4)**

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**Module aim(s):** In any organisation, a significant element of procurement and supply activity is based around decisions to internally conduct activity or to source from an external supplier. Hence, the selection of the correct external suppliers is a vital contributor to overall organisational success. This module enables personnel with roles in procurement and supply to formulate selection criteria and sourcing strategies to ensure that the organisation will make the correct choice of external suppliers. It explains the main options for sourcing, and examines the key processes that can be applied to the analysis of potential external suppliers and to ensure the development of ethically and socially responsible sourcing agreements.

**CORE Commercial Negotiation (L4M5)**

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**Module aim(s):** The creation of formalised agreements is a critical part of the success of any organisation. Those involved in procurement and supply activity will therefore be called upon to effectively negotiate with stakeholders and/ or suppliers and to understand the methods associated with preparing for and carrying out commercial negotiations. This module is designed for those who are faced with negotiations. It enables the learner to analyse approaches to the negotiation of agreements made with external parties, how to prepare for them and what techniques are available to ensure successful outcomes.



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***CORE Supplier Relationships (L4M6)***

**Module aim(s):** In any organisation, a significant element of the procurement and supply function is based around decisions to source activity from external suppliers. Once agreements have been established the relationship established with the supplier is paramount to overall success. At its highest level outsourcing can take the form of a partnership or joint venture. This module is designed for those who have responsibility for maintaining and managing relationships with stakeholders and suppliers and for those who may be faced with establishing and developing formal partnerships.

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***CORE Whole Life Asset Management (L4M7)***

**Module aim(s):** Whole life costing takes into account the cost of a product or service over its lifetime, from concept through to disposal including purchase, hire or lease, maintenance, operation, utilities, training and disposal. It is important for those involved in procurement and supply to consider all elements when making decisions and comparing the costs of buying, renting or leasing equipment. In most cases the purchase costs are a small proportion of operating costs, although there are numerous reasons why organisations elect to hold inventory. This module is designed for those who will have responsibility for the whole life management of assets and enables learners to analyse the main methods for inventory movement and control and to analyse the concept of whole life cost.

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**CORE Procurement and Supply in Practice (L4M8)**

**Recommended end point**

**Module aim(s):** Procurement is the business function that ensures identification, sourcing, access and management of external resources that an organisation needs or may need to successfully fulfil its strategic objectives. It exists to explore supply market opportunities and to implement resourcing strategies that deliver the best possible supply outcomes to the organisation, its stakeholders and customers. In today's volatile global trading environments, it is not enough for procurement and supply professionals to simply know the theory behind their profession; they must also be in a position to confidently and effectively apply that knowledge to the benefit of the whole organisation, its stakeholders and customers. This module is designed to test the practical application of procurement and supply concepts and ideas within the practical environments in which professionals are expected to perform.



# About CIPS, the Chartered Institute of Procurement & Supply

## **The professional body**

CIPS, a not-for-profit organisation that exists for the public good, is the voice of the profession, promoting and developing high standards of skill, ability and integrity among procurement and supply chain professionals.

## **Quality guaranteed**

Our qualifications are recognised by OFQUAL in England and regulators in various countries, demonstrating that they meet specific quality standards.

## **The Global Standard**

CIPS Global Standard in Procurement and Supply, which is freely available, sets the benchmark for what good looks like in the profession.

## **A commercial organisation**

CIPS helps governments, development agencies, and businesses around the world to excel in procurement and supply, supporting them to improve and deliver results and raise standards.

## **A global community**

We are the world's largest professional body dedicated to procurement and supply with a global community of over 200,000 professionals in over 150 countries, and offices in Africa, Asia, Australia, the Middle East, Europe and USA.



Global Standard  
freely available



Global network  
of over 200,000



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