

최신L4M1퍼펙트덤프최신문제인증시험덤프문제

질문 # 84

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CIPS L4M1 시험요강:

주제	소개
주제 1	<ul style="list-style-type: none"> Public, private, charity, not-for-profit, manufacturing, retail, construction, financial, agriculture, and service sectors. It also covers analyzing the impact of the public sector on procurement and supply chain activities public sector objectives, regulations, competition, accountability, and value for money. It finally covers the impact of the private sector on procurement or supply chain activities.
주제 2	<ul style="list-style-type: none"> Understand and analyse the need for compliance: This section measures skills of compliance officers and sector-specific procurement managers in understanding different economic and industrial sectors such as
주제 3	<ul style="list-style-type: none"> Understand and analyse the added value through procurement and supply chain management: This section of the exam measures skills of supply chain managers related to identifying added value outcomes in procurement and supply and evaluating cost savings, service improvements, and innovations contributions. It also measures procurement and supply processes that contribute to added value.
주제 4	<ul style="list-style-type: none"> Understand and analyse the key steps when procuring goods or services: This section measures that skills of purchasing managers and procurement officers in identifying and evaluating stages in the sourcing process, planning, supplier selection, and contract management.

최신 CIPS Level 4 Diploma in Procurement and Supply L4M1 무료샘플문제 (Q43-Q48):

질문 # 43

Discuss the importance and role of an organisation's branding in procurement and supply operations (25 marks)

정답:

설명:

See the solution in Explanation part below.

Explanation:

How to approach the question

- This is a very open question so your essay could discuss

o the functions of a brand; e.g. advertising, marketing, creating trust, identity o What is effective branding? Strong image, convincing people to purchase, shared values with customers, offering a solution to a problem

o The impact for procurement and supply chain isn't explained in the study guide so tailor this however you like. The best thing to do would be to think about some companies where branding is important, such as luxury goods, cars, or the brand is synonymous with a particular aspect such as Apple being associated with innovative technology. From there you could argue the importance of selecting the right suppliers to work with in order to keep up the brand image. Another example could be an ethical company needing to ensure their supply chain is 'clean', so as not to damage their branding. Possibilities are endless with this one.

Example Essay

In the contemporary business landscape, the significance of branding extends far beyond marketing and consumer perception. In procurement and supply operations, an organization's brand plays a pivotal role in shaping relationships with suppliers, determining the quality of goods and services that are procured, and influencing overall supply chain efficiency. This essay delves into the importance of branding in procurement and supply, exploring how a strong brand image can drive competitive advantage, foster trust and collaboration, and impact an organization's bottom line.

Building Competitive Advantage Through Brand Reputation:

The reputation of an organization's brand is a key determinant in attracting and retaining high-quality suppliers. A strong brand often correlates with financial stability, market presence, and business ethics, making such organizations more appealing to work with. This advantage is critical in procurement as it can lead to preferential treatment, such as priority access to scarce resources, better payment terms, and opportunities to collaborate on innovative products. For example, a well-regarded technology company might receive early access to cutting-edge components from suppliers eager to be associated with a market leader.

Enhancing Supplier Relationships and Negotiations:

Branding extends into the realms of trust and reliability, essential components in building long-term relationships with suppliers. A well-respected brand often implies a history of fair dealings, prompt payments, and mutual respect, which can make suppliers more willing to negotiate favourable terms. This trust can be particularly vital in times of supply chain disruptions or market volatility. Suppliers are more likely to extend credit or expedite orders for trusted partners, which can be invaluable for maintaining uninterrupted operations.

Influencing Quality and Sustainability Standards:

An organization's brand also communicates its commitment to quality and sustainability, which are increasingly crucial in procurement decisions. Suppliers aligning with brands that emphasize high-quality standards are often more diligent in maintaining these standards in their products and services. Additionally, a strong brand committed to sustainability can drive supply chain practices that align with environmental and social governance (ESG) principles. This commitment can lead to long-term cost savings, risk mitigation, and enhanced brand loyalty among environmentally conscious consumers.

Brand Image and Consumer Perception:

The procurement function directly impacts the final product quality, which in turn affects consumer perception of the brand. An organization's ability to procure high-quality, ethically sourced materials can significantly enhance its brand image and appeal to a broader customer base. For instance, a fashion brand's commitment to ethical sourcing and procurement of sustainable materials can bolster its image as an environmentally responsible brand, appealing to a growing demographic of eco-conscious consumers. The reverse is also true, brands associated with child or forced labour where this is found to be in their supply chains can suffer from loss of customers, revenue and reputation as well as potentially even legal consequences.

Internal Branding and Employee Engagement in Procurement:

Internal branding, the way an organization's values and culture are perceived by its employees, plays a crucial role in procurement. Employees who are proud of their organization's brand are more likely to engage deeply with their work, leading to better performance in procurement roles. This engagement can result in more innovative procurement strategies, improved vendor management, and a greater focus on aligning procurement practices with the organization's overall strategic goals.

Conclusion:

The role of an organization's branding in procurement and supply operations is deeply impactful. A strong brand can create competitive advantages, foster better supplier relationships, influence quality and sustainability standards, enhance consumer perception, and drive employee engagement. In the modern business world, where supply chains are complex and consumer expectations are high, branding is not just a marketing tool but a strategic asset in procurement and supply operations. Organizations that recognize and leverage the power of their brand within these operations are poised to achieve greater efficiency, sustainability, and overall success.

Tutor Notes

- This is a really random section of the study guide and doesn't really relate to the rest of the content. Branding comes up on p.226 - 228. It therefore can come up as a question, but because it's such a small part of the syllabus, don't focus too much effort on this subject.
- If you remember one line from this topic it's this: "branding is not just a marketing tool but a strategic asset in procurement and supply operations"
- This type of question could come up as a scenario / case study. E.g. How does the branding of X Company impact upon their supply chain.

질문 # 44

Examine FIVE ways the Blake Corporation procurement team could add value by improving compliance with procurement policies and procedures.

Blake Corporation

Blake Corporation is a mid-sized manufacturing company that specialises in high-quality consumer electronics. Founded in 2010, it has grown steadily over the years, establishing a solid customer base and a reputation for innovation. Over the past decade, Blake Corporation has expanded its product line to include a wide range of consumer electronics, from smartphones to smart home devices. The company's commitment to quality and innovation has earned it a loyal customer base and a competitive position in the market.

Despite its success, Blake Corporation has faced significant challenges in procurement operations. As the company grew, so did its need for more efficient and effective procurement processes. However, the expansion has outpaced the continual development of formal procurement policies. While some good practices are in place, the approach to compliance has been inconsistent. The board of directors has recognised the significance of procurement and its impact on the bottom line, and it has appointed a new procurement director. The new director wants to implement a long-term procurement strategy to standardise category management and work more proactively with other functions, including production, marketing, finance, and research and development, in the short and longer term.

Due to time pressures, the procurement staff adopt an inconsistent approach to following current procedures, resulting in buyers from different teams purchasing materials at varying prices. The procurement director has also assessed the team's skills and noted that there has been an inconsistent training regime, with some staff entering their roles possessing technical expertise but lacking formal procurement training.

While there are a few categories where early buyer involvement occurs, the vast majority resort to a more transactional approach. Furthermore, the procurement director has observed that newer procurement team members are unaware of the formal processes, and recognises that this poses several compliance risks. Consequently, the new procurement director wants to introduce a more robust compliance regime with an updated vision, strategy, and a set of policies and associated procedures.

정답 :

설명:

See the solution in Explanation part below

Explanation:

Improving compliance with procurement policies and procedures can enable Blake Corporation's procurement team to add significant value. This is particularly important given the current inconsistent practices and lack of formal training within the organisation.

1. Cost Control and Standardisation of Pricing

Currently, buyers are purchasing materials at varying prices due to inconsistent approaches. By improving compliance, all procurement staff would follow agreed procedures such as using approved suppliers and negotiated contracts.

This would help standardise pricing across the organisation and prevent maverick spending.

For example, if all buyers use framework agreements, the company can leverage economies of scale and reduce overall costs.

Value added:

Lower procurement costs

Improved budget control

Better financial performance

2. Reduced Risk and Improved Governance

Non-compliance exposes Blake Corporation to risks such as fraud, unethical sourcing, and legal issues. A robust compliance regime ensures that procurement activities follow ethical standards and legal requirements.

For instance, clear approval processes and audit trails can prevent unauthorised purchases.

Value added:

Reduced legal and financial risks

Improved transparency and accountability

Stronger corporate governance

3. Improved Supplier Management and Relationships

Compliance with procurement procedures ensures that suppliers are selected and managed consistently. This allows the organisation to build strategic relationships rather than relying on ad hoc purchasing.

For example, early supplier involvement (which is currently limited) can be encouraged through policy, improving collaboration with key suppliers.

Value added:

Better supplier performance

Opportunities for innovation

More reliable supply

4. Increased Efficiency and Process Consistency

The current inconsistent approach leads to inefficiencies and duplication of effort. By standardising processes and ensuring all staff follow them, procurement activities become more streamlined.

For example, clear procedures for sourcing and ordering reduce delays and confusion among staff.

Value added:

Faster procurement cycles

Reduced administrative workload

Greater operational efficiency

5. Enhanced Skills and Professionalism

The case highlights inconsistent training and lack of formal procurement knowledge among staff. Improving compliance would require structured training and clear communication of policies.

This helps ensure all team members understand procurement best practices and their responsibilities.

For example, onboarding programmes and continuous professional development (CPD) can improve capability.

Value added:

More competent procurement team

Consistent application of best practices

Increased credibility of the procurement function

Conclusion

By improving compliance with procurement policies and procedures, Blake Corporation can achieve better cost control, reduce risks, enhance supplier relationships, increase efficiency, and develop staff capability. This will support the new procurement director's goal of implementing a strategic and value-adding procurement function.

질문 # 45

What is meant by Stakeholder Mapping? Describe a tool that can be used by a Procurement Professional to map the stakeholders at their organisation (25 points)

정답 :

설명:

See the solution in Explanation part below.

Explanation:

How to approach this question:

- Define stakeholder mapping - completing an analysis of the stakeholders of an organisation and dividing them into categories depending on certain characteristics. This is often represented visually on a graph or matrix.
- Describe a Stakeholder mapping tool - the most common tool is Mendelow's Stakeholder Matrix so I would recommend using this one. It is explained in detail in the study guide. However, the question is open so you could choose to describe another tool such as Edgar's Stakeholder Position Analysis if you so wished. You wouldn't be wrong choosing this, but honestly, I'd just go for Mendelow. You can't go wrong with Mendelow. Because the Matrix has 4 sections you can imagine you'd get 5 points for the definition of stakeholder mapping, and 5 points for each of the quadrants of the matrix.

Essay Plan:

Introduction - The reason why stakeholder mapping is important is because interests and expectations of stakeholder groups will be different and possibly conflicting. Mapping this allows an organisation to see the variety and decide on an appropriate management style for each stakeholder group.

Paragraph 1 - Mendelow's Power / Interest Matrix maps stakeholders based on their influencing power and the strength of their motivation to use that power. It uses a 2x2 grid and defines power as high or low and interest as high or low. It then provides four strategies for managing the stakeholders based on which quadrant of the grid the stakeholder falls into. These 4 categories are:

Paragraph 2 - Keep satisfied - high power but low interest. If the stakeholder becomes dissatisfied or concerned their interest may peak. Examples include regulatory bodies, shareholders, senior management.

The best approach is to keep them up to date so they are informed of what is going on, but do not burden them with information they do not need.

Paragraph 3 - Manage Closely - AKA Key players - includes major customers, key suppliers, partners, senior management. These stakeholders need to know everything that is going on and approve of what is going on.

The recommended strategy is early involvement and participation, and integrating their goals with yours. This group requires regular communication and meetings. You should take their opinions on board.

Paragraph 4 - Monitor - minimum effort required - this is the low priority group as they have low power and low interest. Includes small volume suppliers and other organisational functions with no direct interest in your activities. This group does not need to receive regular communication.

Paragraph 5 - Keep informed - high interest, but low power. If they're not kept in the loop and understand the need for decisions, they may lobby together to protect their interest if they feel threatened. Employee groups, suppliers and community groups may be in this category. This group should receive regular communication.

Conclusion - Mendelow created the matrix in 1991 and it is still used today. It is a popular management tool due to its simplicity. It's important to note that stakeholders can move through the matrix- it isn't stagnant.

For example, at the beginning of a project a manager in another department may be classed as 'low priority' because they are seen to have no interest and no power in the project. However, as the project progresses the manager may become interested. They will then transfer into the keep informed category. Therefore, the matrix should be redone regularly throughout the lifetime of a project to capture any movements. The matrix should also be redone for each individual project - it cannot be assumed that a stakeholder who had interest in one project would be interested in another.

Tutor Notes

- The above essay plan is basically the entire essay, I got carried away. The only thing you'd need to add into that is an example of a stakeholder for each of the sections! (e.g. the CEO is high power, but low interest stakeholder for the procurement department. He/She doesn't care about the day to day operations but should be kept informed of any big news). For your examples you could use your own place of work.

- At level 4 you don't have to analyse the model, you just have to be able to memorise it and repeat it.

Mendelow comes up again at Level 5 and 6 in a bit more detail. If you want to score super bonus points you could mention in your conclusion that the main disadvantage of Mendelow's Matrix is that it doesn't take into consideration the stakeholder's position on the project - whether they're for it or against it. Therefore, it doesn't provide the full picture or provide much help on how to manage stakeholders. E.g. two stakeholders might both be in 'manage closely' section, but one is for the project and the other against - they'd need to be handled very differently!

- Study guide p. 65

질문 # 46

Explain the following terms: outsourced procurement, shared service unit (SSU) and consortium procurement. What are the advantages and disadvantages of each approach to procurement? (25 points)

정답 :

설명:

See the solution in Explanation part below

Explanation:

How to approach this question:

- There are 3 terms and an advantage and disadvantage for each you need to talk about. So that's 9 things. Out of 25 points you can see you'll probably only get 1-2 points for each aspect of the question. That shows you the level of detail you need to include - not that much!

- In terms of structure feel free to use headings and bullet points for this one Example Essay Outsourced procurement, shared service units (SSUs), and consortium procurement are distinct approaches to managing procurement activities within organizations. Each method carries its own set of advantages and disadvantages, catering to different organizational needs and circumstances. Outsourced Procurement: Outsourced procurement involves engaging a procurement consultant or an external organization to provide advice or handle the entire procurement process on behalf of the company. The advantages of outsourced procurement are that it frees up internal resources, allowing them to focus on other tasks. The expertise and skills brought by external consultants can also fill gaps in the organization's capabilities. Moreover, this approach is flexible, adapting well to irregular procurement needs. However, drawbacks include a potential loss of control, higher costs, the need for an additional management layer, and the risk of losing intellectual property (IP).

Shared Service Unit (SSU): A Shared Service Unit is an internal procurement support function within an organization that various divisions can access for assistance, resembling the outsourcing concept but within the organizational structure. The advantages of SSUs lie in potential cost savings, the ability to aggregate demand, and the establishment of common standards and processes across the company. The expertise utilized is internal, providing a sense of familiarity. The disadvantage is that measuring the success of an SSU can be challenging, and there is a risk of stifling innovation. The unit may also be perceived as remote from end users, and procurement processes might be slower due to serving multiple departments.

Consortium Procurement: Consortium procurement involves a collective effort where separate organizations join forces to purchase goods, thereby increasing their bargaining power. The advantages of this approach are in the aggregated demand, resulting in more economical purchases. Pooling knowledge and expertise within the consortium enhances the collective capabilities of its members, providing a sense of safety in numbers. However, disadvantages include a potential loss of individual organizational power, prolonged decision-making processes within the consortium, challenges in responding quickly to demands, and the potential hindrance to small and medium-sized enterprises (SMEs) competing if demand is aggregated.

In conclusion, organizations must carefully consider their specific needs, priorities, and the nature of their procurement requirements when choosing between outsourced procurement, SSUs, or consortium procurement. Each approach offers unique benefits and challenges, and the decision-making process should align with the organization's overall goals and strategies.

Tutor Notes:

- I've named lots of advantages and disadvantages for each of the models. 1-2 advantages and disadvantages of each is all you need to secure you the marks. Remember you only have 35 minutes to write this. A danger with this type of question is spending too long on one aspect of the question and running out of time to answer the rest of it.

- A good idea is to pace yourself and give yourself 10 minutes per term (outsourced, SSU and consortium) then 5 minutes at the end to review and edit your response.

- Some further details you may wish to include:

- Outsourced procurement - this is often used when the organisation doesn't have the expertise to procure the item they need. This often happens for complex / technical procurements or highly regulated industries. An example may be a housing provider who runs a block of flats where the lift has just broken down and cannot be fixed. They need to procure a new lift but have no idea how to write a specification for this as they don't have the technical knowledge of how lifts work. Hiring a consultant who is experienced in tendering for lifts, although expensive, may actually save money by reducing the risk of procuring the wrong thing.

- SSU - a Shared Service Unit acts as a support function for the organisation. This is described in Porter's Value Chain- all other departments can call on the SSU when they require assistance. The SSU is responsible for managing its own costs, employs its own resources and may have contractual agreements with other divisions. The main aim of the SSU is to add value. SSUs are common in large organisations where the core activities don't revolve around procurement (such as finance and service industries).

- Consortium - Consortium buying is encouraged in the public sector in order to maximise value for money. Consortia can create their own Frameworks. There is a risk that large consortia can abuse their dominant market position.

- LO 3.3 p. 161

질문 # 47

Discuss 3 areas of regulation relating to competition that a procurement professional should be aware of (25 points)

정답:**설명:**

See the solution in Explanation part below.

Explanation:

How to approach this question

- This question is very vague. Sometimes CIPS do this. It allows for you to be a bit more free in your response, but can also be quite stressful because you don't 100% know what they're after.
- For this question we're looking at competitions, so full tenders where lots of suppliers are invited to bid for an opportunity. This means the type of things we could be discussing include; IP, cartels, merger controls and monopolies.

Example Essay

Procurement professionals operate within a legal framework that regulates competition, aiming to ensure fair business practices and prevent anti-competitive behaviour. Three critical areas of regulation related to competition that procurement professionals should be aware of include intellectual property, cartels, and merger controls.

Intellectual Property (IP):

Intellectual property encompasses creations of the mind, such as inventions, designs, and brand names, protected by law. In the context of procurement, understanding intellectual property is essential when dealing with suppliers' products, technologies, or services that may involve intellectual property rights.

Procurement professionals must be aware of the intellectual property rights associated with the goods or services they are procuring. This includes respecting patents, trademarks, copyrights, and trade secrets owned by suppliers. Due diligence is crucial to ensure that the products or services being procured do not infringe on the intellectual property rights of others, requiring verification of legal ownership and legitimacy. An example of something procurement should look out for include ensuring goods are authentic and not counterfeit.

Cartels:

Cartels involve agreements between competitors to control prices, manipulate markets, or restrict competition.

For procurement professionals, it is imperative to be vigilant and avoid engaging in or unintentionally supporting cartel activities. Procurement professionals should refrain from participating in anti-competitive behaviour, such as bid-rigging or price-fixing, which are common cartel activities. This involves not colluding with suppliers or competitors to manipulate procurement processes. Maintaining open and fair competition is essential, ensuring that procurement processes remain transparent, competitive, and free from attempts to distort market dynamics, thereby preventing the formation of cartels and promoting a level playing field.

One notable example involved the construction industry in the UK. In 2019, the Competition and Markets Authority (CMA) fined three major suppliers to the construction industry for participating in a cartel. The companies, which supplied concrete drainage products, were found to have coordinated their behaviour to share markets, fix prices, and rig bids. The investigation revealed that these companies had breached competition law by engaging in anti-competitive practices that limited competition and negatively impacted customers. The fines imposed were part of the CMA's efforts to deter and penalize such cartel behaviour, emphasizing the importance of fair competition in procurement. The Directors of the companies have also been banned from undertaking the role of Director of any company for 12 years.

Merger Controls:

Merger controls are regulations overseeing the consolidation of companies, mergers, and acquisitions to prevent monopolistic practices and protect fair competition. Procurement professionals need to be aware of these regulations, especially when dealing with suppliers undergoing mergers or acquisitions.

Staying informed about mergers and acquisitions within the supplier base is crucial. If a key supplier undergoes such changes, it may impact the stability of the supply chain or alter market dynamics. Procurement professionals need to be aware of potential changes in supplier relationships, pricing structures, or product/service availability resulting from mergers. Engaging in proactive risk management and contingency planning is necessary to mitigate any negative impacts on procurement operations.

Mergers are actively watched in the UK by the Competition and Markets Authority, and where rules are broken, the CMA can intervene and even prevent mergers from happening. A notable example of this was the attempted merger between JD Sports and Footasylum - the companies were fined millions of pounds for exchanging information and attempting to collude and distort the marketplace.

In conclusion, procurement professionals play a crucial role in navigating these regulatory landscapes effectively. Understanding intellectual property, avoiding cartel activities, and staying informed about merger controls contribute to fostering fair and transparent competition within the marketplace.

Tutor Notes

- The construction example of a cartel can be found here Supply of precast concrete drainage products: civil investigation - GOV.UK (www.gov.uk) but feel free to use your own!
- The JD/ Footasylum one is here: JD Sports and Footasylum fined £4.7m for competition breach - BBC News. Basically, the CMA got involved because the two firms were sharing private information and having secret meetings, with the intention that they could combine. The CMA thought it was super dodgy and that it would distort the trainer / footwear market in the UK so they fined the companies and told them to stop it.
- The study guide is a bit light on this topic, so I would do a bit of extra research and have an example in your back pocket for if you need it. P. 142 If you want an example of IP issues- Shein is a great company to look at- 'They took my world': fashion giant Shein accused of art theft | Art and design | The Guardian

질문 # 48

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