



KENYA INSTITUTE OF SUPPLIES MANAGEMENT
Promoting Professionalism in Supply Chain Management

The Center Of Excellence For Supply Chain Management Practitioners

STRATEGIC PLAN 2020-2024

Competent and Ethical Supply Chain Management Practitioners



The Centre for Supply Chain Management Excellence

Strategic Plan 2020-2024:

"Competent and Ethical Supply Chain Management Practitioners"



John Karani, MKISM, MCIPS
Chairman, KISM Council

The Kenya Institute of Supplies Management (KISM) Strategic Plan 2020-2024 is launched at a time of great uncertainty in the global supply chains because of disruptions from the COVID-19 pandemic. But it coincides with a period of fresh energy and optimism inspired by new leadership within KISM.

The plan is in line with the strategic aspirations set out in the national development agenda – Kenya Vision 2030, the Third Medium Term Plan (2018 – 2022), the “Big Four” Agenda, the Sustainable Development Goals (SDGs), Africa’s Agenda 2063 and other national and international obligations.

It expresses KISM’s commitment and aspiration to be a customer-focused institute, dedicated to enabling its customers achieve their desired goals in the procurement and supply chain management ecosystem, and restore public confidence in a sector at the heart of social economic development. This strategy must guide KISM through the risks and opportunities embedded in today’s volatile, uncertain,

complex, and ambiguous (VUCA) business world. KISM will empower its customers to commit to ethical conduct to achieve amazing results in their professional practice by providing them with the right knowledge, certification, skills, networking, and professional development opportunities.

It will communicate better and listen keenly to stakeholders. It will also be financially more ambitious and disciplined.

We thank all our partners, other stakeholders and, in a special way, Pamela Steele Associates (PSA), who contributed immensely to the development of this plan.

Baseline: Baseline is an analysis describing the initial state of an indicator before the start of a project/programme, against which progress can be assessed or comparisons made.

Indicator: An indicator is a sign of progress/change that results from a project. It measures a change in a situation or condition and confirms progress towards achievement of a specific result. It is used to measure a project impact, outcomes, outputs, and inputs that are monitored during project implementation to assess progress.

Key Results Areas/Strategic Focus Areas: This is an outline of the organization's areas of focus. It also refers to the general areas of outputs or outcomes for which an organization's role is responsible.

Outcome Indicator: This is a specific, observable, and measurable characteristic or change that will represent achievement of the outcome. Outcome indicators include quantitative and qualitative measures. Examples: Enrolment rates, transition rates, mortality rates etc.

Outcome: Measures the intermediate results generated relative to the objective of the intervention. It describes the actual change in conditions/situation as a result of an intervention output(s) such as changed practices as a result of a programme or project.

Output: Immediate result from conducting an activity i.e. goods and services produced.

Performance Indicator: A measurement that evaluates the success of an organization or of a particular activity (such as projects, programmes, products and other initiatives) in which it engages.

PESTEL Analysis: It is a framework or tool used to analyse and monitor the environmental (external) factors that have an impact on an organization.

Programme: A grouping of similar projects and/or services performed by a Ministry or Department to achieve a specific objective; the programmes must be mapped to strategic objectives.

Project: A project is a set of coordinated activities implemented to meet specific objectives within defined time, cost and performance parameters. Projects aimed at achieving a common goal form a programme.

Stakeholder Analysis: It is a strategic planning framework for identifying stakeholders before the project begins; grouping them according to their levels of participation, interest, and influence in the project; and determining how best to involve and communicate each of these stakeholder groups throughout.

Strategic Planning: It is the process of defining an organization's strategy or direction, and making decisions on allocating its resources to pursue this strategy; it involves setting goals, determining actions to achieve the goals, and mobilizing resources to execute the actions.

Strategic Objectives: These are what the organization commits itself to accomplish in the long term; they establish performance levels to be achieved on priority issues and measures of success in fulfilling critical mission statement elements.

SWOT Analysis: It is used for understanding the strengths and weaknesses (internal factors) of the organization and for identifying both the opportunities open to the organization and the threats it faces (external factors).

Target: A target refers to planned level of an indicator achievement.

VUCA: stands for volatility, uncertainty, complexity, and ambiguity. It describes the situation of constant, unpredictable change that is now the norm in certain industries and areas of the business world.

List of Acronyms

ASCM	Association for Supply Chain Management
BSC	Balanced Scorecard
CIPS	Chartered Institute of Procurement and Supply
FSP	Financial sustainability plan
GDP	Gross domestic product
IGR	Internally generated revenue
KISM	Kenya Institute of Supplies Management
KPI	Key performance indicator
PESTEL	Political, economic, social, technological, environmental, and legal
PSA	Pamela Steele Associates Limited
RACI	Responsibility, accountable, consulted, and informed
SOP	Standard operating procedure
SWOT	Strengths Weakness Opportunities Threats
QMS	Quality Management Systems



Vision:

Competent and Ethical Supply Chain Management Practitioners



Mission:

To Train, Register, License, Discipline & Regulate Supply Chain Management Practitioners



Core Values:

KISM has these values to guide the culture and behaviour of its management and staff

- Integrity
- Fairness
- Transparency
- Accountability
- Professionalism
- Inclusivity
- Innovation



Mandate:

KISM is a public entity established under the “Supplies Practitioners Management Act No.17 of 2007” to promote “learning, development of best practices, and application of the same to the practice of procurement and supply chain management”. It licenses and regulates the procurement and supply chain management (P&SCM) profession in Kenya. Anyone that practises P&SCM in Kenya must be registered by KISM and pay the subscription fees and annual dues

GOVERNANCE STRUCTURE

Competent and Ethical Supply Chain Management Practitioners.

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and regulates the procurement and supply chain management (P&SCM) profession in Kenya. Anyone that practises P&SCM in Kenya must be registered by KISM and pay the subscription fees and annual dues.



John Karani, Chairman of the Council
BA-Economics, MBA, MKISM, MCIPS, C-MILT, AoEC

Seasoned Pan African Supply Chain professional with over 30 years' experience in major blue-chip multinationals among them Coca-Cola Africa, Wrigley's East Africa, Glaxo-Smithkline, Diageo, Kenya Cooperative Creameries and Kenya Meat Commission. Board Member/Chairman of several public & private sector organizations. He is currently a Supply Chain Consultant with several Regional & International Organizations



Grace Murichu-Kariuki, Council Member,
B.Com., MBA, MKISM, MCIPS

Over 25 years' experience in Human Resources and Supply Chain Management, currently serving as Deputy Commissioner Supply Chain Management at the Kenya Revenue Authority. Grace is a Charter Member of the Rotary Club of Langata. She is the Chair of the Finance & Corporate Services Committee.



Nimo Abdullahi Hussein, Council Member
MCIPS, MKISM, Msc. Procurement & Logistics

Is a Supply Chain Specialist boasting an illustrious career spanning over twelve years in the energy and service sectors and winner CFC Stanbic rising stars awards 2015 Energy, Chemical and Construction category. She is the Chair of the Membership and Advocacy committee.



Henock Kirungu, Council Member, Rep DG PPRA
MKISM, BCom, Diploma (Supplies Mgmt), MBA

He has over 25-years' experience in public procurement. Currently, the Acting General Manager/Technical Services of PPRA. Substantively, the Board Secretary of the PPARB. He previously served as the Manager/Policy and Research at the defunct PPOA. He is an alumni of the United States International Visitor Leadership Program on Procurement Operations.



Moses A. Omondi, Council Member
Msc. (Proc.), C-MILT, ITC, MKISM

Over 25 years' experience in SCM, Previously Head of SCM at Intercontinental Hotel & Group Procurement Manager AccessKenya Group, Daystar University and Tibbet & Britten Africa (now DHL SCM). Serves as International Consultant with various development agencies, (past & present) UNCTAD, ESDA, USDA, IGAD, CDE amongst others. Chairs the Registration & Licensing Committee.



Dr. Vincensia Anyango Apopa, Council Member
MKISM, MCIPS, BSC, PhD (Supply Chain)

Over three decades, experience in Supply Chain Management with increasing roles & responsibilities in large and medium sized organizations in the public sector ranging from Agriculture, Social Services, Infrastructure and Currently the Head of Supply Chain at National Construction Authority. Chaired the taskforce developing National Public Procurement and Asset Disposal Policy. She is the chair of Disciplinary Committee.



Director Public Procurement Directorate
representing the Permanent Secretary, National Treasury/Planning



Jeremiah K. Nthusi, Council Member
BCom, MSc Proc & Logistics,
MBA, MCIPS, MKISM

A seasoned SCM practitioner with over 28 years' experience in Financial Management, Procurement & Logistics Management a Certified Trainer of Trainers. Currently Director, SCM at the Judiciary. Pursuing PhD in SCM. He is the Chair, Professional Standards Committee of the KISM Council



Diana Nadzua Mwacharo, Council Member
BCom, MCIPS, MKISM

Over 15 years' experience in Public Procurement from Posta Corporation of Kenya, Independent Electoral and Boundaries Commission (IEBC), Sacco Societies Regulatory Authority (SASRA), and currently Head of Procurement in Salaries and Remuneration Commission (SRC). Passionate about Youth Mentorship, Technology and innovation in Supply Chain and Governance. She is the Chair of the Audit Committee



Dr. Martin Gachukia, Registrar
MKISM, BPhil, MSc, PhD (Supply Chain)

Acting Chief Executive Officer/Secretary to the Council

KISM Strategic Plan 2020-2024 marks a paradigm shift in the way KISM provides services to its customers. Its overall goal is to transform KISM into a high-performing institution that is adaptable to the unpredictability of the operating environment. Before adoption of the new strategy, a number of factors defined the prevailing circumstances:

- Limited sources of funding
- Inadequate capacity of the secretariat
- Poor institutional culture

Despite this, there were a number of notable milestones during the 2015-2019 Strategic Plan:

- Launched the national examinations in procurement and supply chain management in partnership with KASNEB
- With support from KASNEB, rolled out national examinations of the new syllabus with two *sittings* of November and May that attracted over 1,800 candidates in both the Certified Procurement and Supply Professional of Kenya (CPSP-K) and the Associate in Procurement and Supply of Kenya (APS-K).
- Trained an average of 9,000 professionals through the Institute's Continuous Professional Development (CPD) program.
- Continued integration and co-option of professionals in key decision organs to guide the process and develop a database of resources for referrals on any PSCM issues.

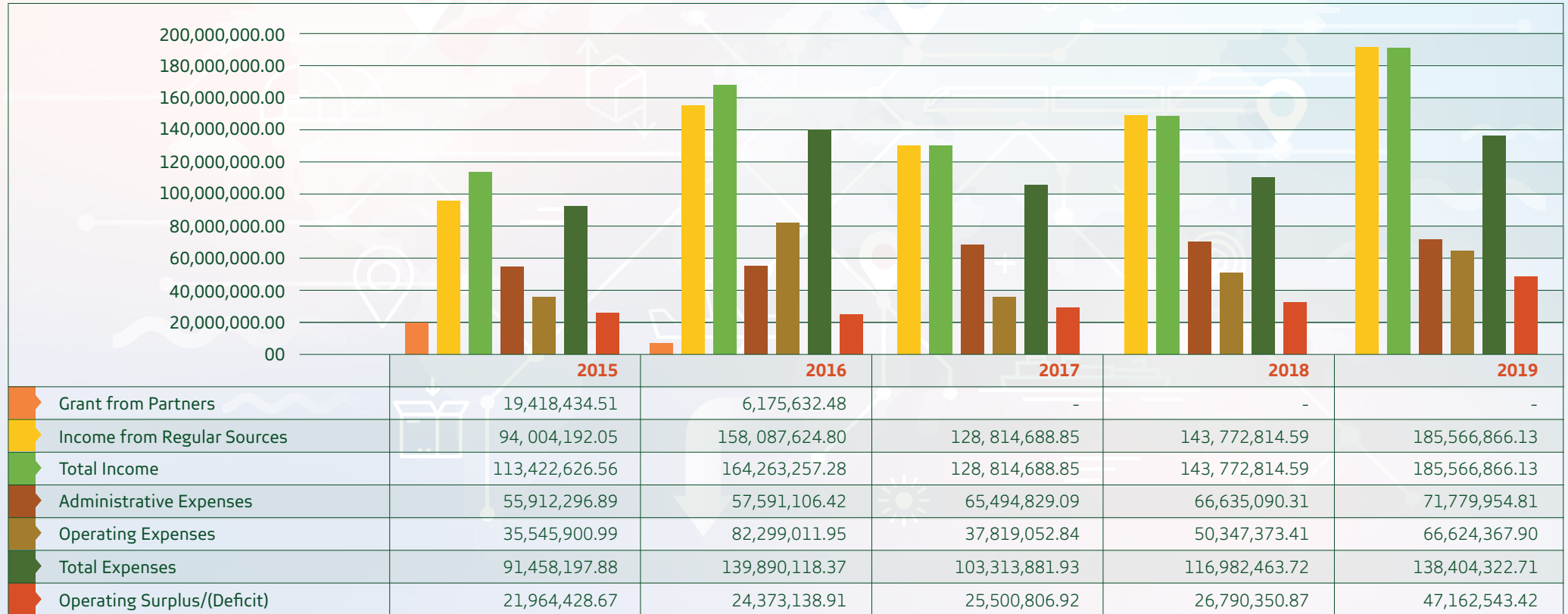
- With the technical support of the Ministry of Public Works and Urban Development, started construction of KISM headquarters with a total cost of Kshs. 1 billion.
- Established certification training programs in procurement and supply with increased enrolment of over 2,000 students annually.
- Supported a review of the PPADA law 2015 and aligned it to the 2010 Constitution.
- Membership grew from approximately 7,996 in 2014 to 16,000 by end of 2019, while total income grew from Kshs. 107.9 million in 2014 to Kshs.185.6 million in 2019 and the operating surplus from Kshs. 27.5 million to Kshs. 47.1 million over the same period.

Some challenges

Prolonged legal battle delayed the annual general meeting and holding of elections;

- Slow increase of annual membership renewals and push the retention rate towards the 100% best practice target;
- How to widen the regular revenue streams to contribute over 80% of annual total income and reduce reliance on grants and external support;
- How to attract and retain optimal, qualified, competent and committed staff;
- Challenge of meeting the needs of members, employers and other key stakeholders in the procurement and supply chain management profession;

KISM Financial Performance 2015 - 2019



This new strategy is organized under seven Key Strategic Focus Areas:

1. Membership Registration & Licensing

- Establishment of a Membership Professional Register, Quality Assurance
- Establishment of a Registration & Licensing Policy, Oath of Office, Compliance Survey
- Validation of Membership Qualifications & Cleaning up of Register
- Automation of Membership Registration: self-service portal

2. Membership Discipline

- Disciplinary Policy
- Disciplinary Procedure Guidelines
- Code of Conduct

3. Membership Welfare and Advocacy

- Recognition and Excellence awards-scheme
- Establishment of formal strategic partnerships
- Repackaging of member benefits portfolio
- Procurement & Supply Chain Management Brand Image and Visibility
- Devolution of the Institute's service to members (KISM Mashinani)
- KISM Mentorship, Coaching and Internship Program [KMCIP]

4. Professional Standards Committee

- Practical CPD Points Training, End-to-End Supply Chain School
- Credible Examinations Body: KISEB operationalization

- Transformation of SCM's Image & How it is Perceived
- Capacity Building, Skills & Competencies, County Government focused training

5. Legislative Review Committee

- SPMA 2007 Review
- PPDA 2015 Review
- Regulations Review

6. Corporate Services

- Strategic Plan Performance Review
- Financial Sustainability
- Human Capital Engagement
- Institutional Strengthening

7. Audit & Risk

- Risk Management
- Governance Structures
- Internal Control Processes,

Effective implementation of the planned strategic initiatives is estimated to cost about **Kshs 2.7 billion** spread over five years.

KISM Internal and External Health

The table below lists the strengths that KISM will leverage and opportunities it will capitalise on. It also identifies some of the key weaknesses and threats it must contend with.

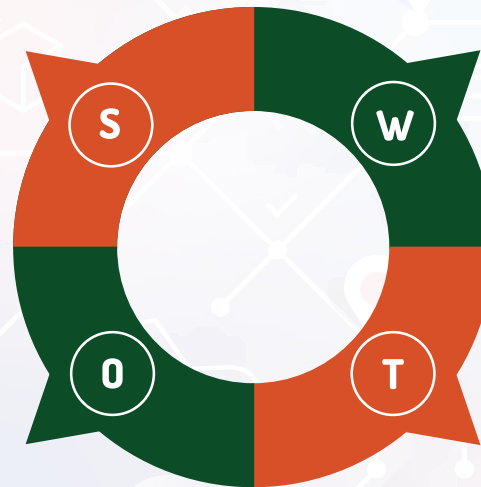
STRENGTHS (+)

- Core mandate for professionalization of P&SCM profession
- Statutory body enacted by the SPMA, 2007
- Examine and certify practitioners through its examination board
- Ownership of assets
- Ability to develop training content and execute training
- Enjoys credibility from Government and Public
- Elected Council
- KISM is a strong brand
- Strong and diverse membership
- Leadership to KISEB

OPPORTUNITIES (+)

- Emergence of supply management needs in all businesses
- Large latent membership
- Expanded mandate
- Technology
- Donor funding
- Partnerships with like-minded professional bodies, training institutions, and organizations
- Growing membership and regional chapters
- Increasing relevance of P&SCM to drive supply chain excellence in both public and private sectors
- Income from KISEB

INTERNAL FACTORS



EXTERNAL FACTORS

WEAKNESSES (-)

- Inadequate internal capacity to execute key programs
- Weak monitoring and evaluation system
- Policy gaps
- Lack of work plans
- Poor communication
- Ethical issues from the perceived actions of practitioners
- Poor public relations
- Poor organizational culture and lack of strategy
- Lack of standardized processes and SOPs due to non-adoption of ISO standards
- Poor customer service and membership experience
- Limited networking and mentorship opportunities
- Limited financial resources
- Manual systems

THREATS (-)

- Political and Government interference
- Victimization of practitioners and the Institute
- Rigid public sector operating procedures
- Covid-19 pandemic
- Sluggish economy
- Rogue supplies practitioners
- Managerial inadequacies
- Poor practice standards
- Corruption
- The Act backing the Institute is outdated
- Competition from global professional bodies
- Poor brand image and public perception of the profession
- Competition from other professional bodies

The PESTEL (Political, Economic, Social, Technological, Environmental and Legal) analysis identified external factors that would influence KISM's behaviour, responses and actions.

PESTEL Analysis of KISM

POLITICAL

FACTORS



- National Treasury
- Political interest in procurement
- Political engagement and networking
- KISM elections conducted every 3 years
- KISM is a public entity
- P&SCM is a key pillar in economic development of the country
- Weak economy and global economic recession from the effects of Covid-19

OPPORTUNITIES



- Regulatory stick
- Lobby for increased funding for projects
- Improve public perception to drive KISM agenda
- Electing credible and visionary leadership
- Take lead in the fight against corrupt practices in P&SCM
- Create efficient SC systems for economic growth and development
- Process improvement, build local capacity by thinking global and acting local

THREATS



- Control
- Political pressure and vested interests in procurement awards
- Negative political interferences that affects objective decisions/judgement
- Disruption of programmes
- Delay in amending SCM laws and applicable regulations
- Corruption in P&SCM activities
- Poor uptake of KISM's programs, financial challenges, and limited funds

PESTEL Analysis of KISM

ECONOMIC

FACTORS



- Taxation burden and effect on income of practitioners – low disposable income
- Low income affecting the membership base
- Limited funding to drive activities of KISM
- Entrenched culture that is resistant to change
- Poor public perception of P&SCM practice

OPPORTUNITIES



- Revenue increase, increased membership, and improved employment conditions
- Improved linkages and collaborations with private sector organizations
- KISM Towers as a revenue stream and diversification of multiple revenue streams
- Cultural transformation
- Robust communication with stakeholders and adoption of technology of processes

THREATS



- Expensive training, reduced enrolment, and lack of job opportunities
- Slow registration of new and affiliate members which affects KISM's revenue
- Covid-19 affecting the leasing/renting of spaces in KISM's Towers & training
- Resistant and change
- Stereotyping of the P&SCM profession and the membership of KISM

PESTEL Analysis of KISM

SOCIO-CULTURAL

FACTORS



- Low moral values/ lack of trust of the management by the leadership/governance
- Corruption and lack of morals, beliefs and taboos
- P&SCM has impact in ensuring the appropriate use of tax payers funds

OPPORTUNITIES



- Prudent management of resources and value driven processes
- Mindset change of P&SCM practitioners and improved access to quality education
- Carry out CSR activities and build the P&SCM capacity of public institutions

THREATS



- Lost resources due to mismanagement
- Resistance to change, hinders performance, few job opportunities
- Negative image on the P&SCM profession

PESTEL Analysis of KISM

TECHNOLOGICAL

FACTORS



- SCM drives innovation by creating efficiency in systems and processes
- Technological advancement
- Social media
- Underutilization of infrastructure and lack of staff capacity on ICT
- Manual systems

OPPORTUNITIES



- Availability of technology solutions that can be adopted by KISM
- Process automation, improved access to members, and networking opportunities
- Wide outreach, low cost, used for training, networking and sensitization
- Set automation of all the Institute's process and services as a legacy project

THREATS



- Lack of funds to procure or develop the right technology
- Hacking, expensive to keep abreast with tech. changes, obsolescence, etc.
- Hacking, risk of losing the practical aspects of group trainings
- Lack of resources

PESTEL Analysis of KISM

LEGAL

FACTORS



- Outdated laws that are difficult to change
- Government legislative act that gives the Institute its mandate

OPPORTUNITIES



- Formation of internal systems
- Parliamentary caucus
- Anchoring the Institute in strong legal position

THREATS



- Other professional groups have the support of stronger caucuses
- Interference by the political class for selfish reasons

ENVIRONMENTAL

- The membership database
- Member

- Enhance marketing to improve knowledge and skills

COMPETITIVE ANALYSIS

KISM operates in the global knowledge industry and is prone to the actions, products, and services of its competitors in the region, Africa, and globally. It is a strategic planning process of identifying your competitors and evaluating their strategies to determine their strengths and weaknesses relative to those of your own product or service. A competitive analysis is a critical part of the Institute's marketing plan. With this evaluation, the Institute establishes what makes its product or service unique and the attributes it needs to improve to attract its target market to its unique offerings. The table below illustrates the competitive landscape in which KISM operates.

	KISM	CIPS	ASCM	CILT	CSCMP	SAPICS
Certifications	Provides training for the CIPS Diploma Program, In-house training, and CPD program	CIPS provides professional certifications and trainings in procurement and supply, including CIPS Level 2 - 7 diplomas and CIPS accredited degrees	Provides professionals with APICS certifications and trainings, including CIPM, CSCP, CLTD, SCOR-P, DDPP, and DDLP certifications	Provides international professional qualification in transport and logistics, including certifications in Logistics and Transport	CSCMP provides SCPro certifications (Level One to Three) subject to renewal every three years	SAPICS do not currently have their own certifications but are Authorized Education Partners for certifying bodies such as ASCM, DDI, IBF, and ISCEA
Short Courses	Yes. Webinars and workshops such as procurement reporting, public procurement and asset disposal regulations, developing purchase specifications and bid evaluation criteria, etc. are available for a fee.	Yes. Category management, contract management, CSR, Developing and managing contracts, eSourcing, Negotiation, etc. are available on demand for a fee.	Yes. Basic courses in distribution and logistics, manufacturing management, inventory management, and managing operations are available for a fee.	Yes. CILT accredit training organizations, consultancies and education providers to deliver CILT certifications, modules or short courses.	Yes. Demand management, Financial fundamentals, Inventory management, Materials requirements planning, Operations environment, Performance measurements, etc. are available on demand.	Yes. Basics of Stores and Control, Principles of Production and inventory management, and basics of manufacturing and operations management
Membership	Individual membership (associates, student, MKISM, and FKISM) and Corporate membership for a fee and minimum requirements	Individual membership (Student, MCIPS, FCIPS, and Chartered) and group membership for a fee and minimum requirements	Individual membership (Core North America, Plus North America, Core International, and Plus International) and Corporate membership	Individual membership (Associate, Student, member MILT, Chartered CMILT, and Chartered FCILT) and Corporate/ Organizational membership	Membership (Student, Professional, Academic, Military, Digital, Young professional, and Corporate)	Individual membership, Joint SAPICS/ASCM membership, Young professional, and student, and Corporate membership
Membership benefits	Discounts on pricing for workshops and webinars	Individual membership - Access to professional and knowledge resources, Networking and virtual collaboration opportunities, support membership in continuous professional development, discount on all training courses, workshops and seminars. Corporate membership- professional development opportunities for staff through CIPS Learning. Insights, knowledge, guidance, tools, and best practices for businesses. Procurement excellence recognition awards, etc.	Individual membership - Access to career opportunities, networking and virtual collaboration opportunities, certifications and conferences discounts, and access to knowledge, best practices, and emerging trends. Corporate membership - Plus membership for company employees, access to a personalized company portal with unique URL, priority customer service, discounts on pricing for knowledge resources and trainings.	Individual membership - access to career opportunities, mentoring and other support for professional and career development, access to library for both electronic and hard-copy books, best practice and interest groups focused different sectors and industries. Corporate membership - Raise public awareness of the organization through CILT platforms, CPD for your employees, expand business networks	Member-to-member relationship building and networking, access to global network, resources, career center, hands-on learning, mentorship programmes, and professional development	Individual membership - Free access to all SAPICS professional development events, discounted member and events registration fees, and discounted ASCM knowledge resources. Corporate membership - Networking opportunities, access to global research and innovative thought leadership, access to APICS body of knowledge, and CPD for employees.
Partners	The National Treasury, International Federation of Purchasing & Supply, Kasneb, Public Procurement Regulatory Authority, Chartered Institute for Procurement & Supply, and Pamela Steele Associates Limited	BMGF, Celonis, Fusion21, GEP, Hays Procurement & Supply, RS, and TWS Partners	BMGF, CIPS, Accenture, Deloitte, PwC, and Demand Driven Institute	Knowledge Centre, Institute of Operations Management, PTRC Education and Research Services, Transaid, Human Logistics Association, and Aspire	Penske Logistics, Blujay Solution, FreightWaves, IBM Watson Supply Chain, Transplace, and The Wall Street Journal	ASCM, African Resource Centre, Demand Driven Institute, FAPICS, The International Association of Public Health Logisticians (IAPHL), The Institute of Business Forecasting & Planning (IBFP), People that Deliver, South African Institute for Industrial Engineering (SAIE), and the Lean Institute Africa (LIA)

Stakeholders or the different audiences and groups that KISM interacts with are critical owing to the fact that, the way it handles their different interests defines the kind of organisation that it is. In the 2020-2024 strategy, KISM promises to be a customer-

focused organisation. The Institute's stakeholders and interactions envisaged from each of them are shown below.



MEMBERS

STAKEHOLDER EXPECTATION FROM KISM



- Customer-centric i.e. Value-adding member driven institute
- Rebuild KISM brand and profession to address issue of poor public perception
- Sense of belonging
- Focal point/ point of reference in SCM
- Credible learning opportunities and partnerships with regional/international institutions to improve standards of SCM
- Devolvement to regional chapters to take SCM to the grassroots

KISM EXPECTATION FROM THE STAKEHOLDER



- Registration
- Regular payment of dues
- Source training needs from KISM
- Maintain ethical code of conduct in their practice
- Vote for credible leadership of the Institute

GOVERNMENT

- Enforce KISM membership ethical code of conduct to curb corruption perpetrated by P&SCM practitioners
- Support government's development efforts to ensure efficiency and effectiveness in procurement awards

- Policy formulation/ direction
- Funding
- Review and amendment of the practitioner's act in line with current realities

COUNTY GOVERNMENT

STAKEHOLDER EXPECTATION FROM KISM



- Support county government's development efforts to ensure transparency, accountability, efficiency and effectiveness in procurement awards

KISM EXPECTATION FROM THE STAKEHOLDER



- Support the activities of KISM to regulate the P&SCM profession and ensure transparency, accountability, efficiency, and effectiveness in procurement awards

EMPLOYERS

- Providing opportunities for capacity building of practitioners with up-to-date knowledge and best practices in P&SCM
- Enforce KISM membership ethical code of conduct to curb the corruption perpetrated by P&SCM practitioners

- Nomination of PSCM in county Boards
- Register as corporate members
- Support the Institute in fundraising

PARTNERS

STAKEHOLDER EXPECTATION FROM KISM



- Transparent and accountable
- Meet contractual obligations
- Make payments for procured items in line with order/contracts

KISM EXPECTATION FROM THE STAKEHOLDER



- Support the institute in its transformation journey
- Deliver quality items and services in line with order/contract specifications
- Support the Institute's programs

SUPPLIERS

- Efficiently and effectively make use of investments for the growth of the P&SCM profession

- Support the Institute with funds to enable it carry out its transformative activities

FINANCIERS

STAKEHOLDER EXPECTATION FROM KISM



- Meet the obligations of any funding agreement

KISM EXPECTATION FROM THE STAKEHOLDER



- Support the Institute with funds to enable it carry out its transformative activities

ACADEMIA

- Support in the development of higher education curriculum in P&SCM

- Partner with the Institute through consultancy opportunities

PUBLIC

STAKEHOLDER EXPECTATION FROM KISM



- Be a noble profession that promotes and practices efficient and effective management of public funds

KISM EXPECTATION FROM THE STAKEHOLDER



- Support KISM to develop P& SCM curriculum, standards and knowledge resource pool for the profession
- Support KISM in the fight against corruption through feedback, constructive criticisms, whistleblowing on corrupt practices in procurement processes, among others.

MEDIA

- Be transparent and accountable
- Be responsive to any enquiries

- Accurate reporting of the Institute and practitioners
- Support awareness campaigns of KISM

STAFF

STAKEHOLDER EXPECTATION FROM KISM



- Prompt payment of salaries and allowances
- Capacity building and professional development opportunities
- Career advancement opportunities
- Safe working conditions
- Workplace culture that encourages trust, constructive feedback, and psychological safety

KISM EXPECTATION FROM THE STAKEHOLDER



- Reliable and dedicated
- Punctual to duty and tasks
- Willing to learn and adopt continuous improvement approach in their responsibilities
- Professional conduct and maintain appropriate dress code

KISM has adopted the Playing to Win and Balanced Scored frameworks for its strategy framework. This framework, developed by A.G Lafley and Roger Martin, enabled the Institute to make five choices when developing the strategy and strategic plan: (1) Articulate a winning aspiration; (2) Determine where to play; (3) Know how to win in your chosen location; (4) Develop the core capabilities required to win; and (5) Implement the management systems that support success. An analysis of how this could apply to KISM is illustrated below.

Playing-to-win Strategy Framework

Strategic issues

Why do we need a new strategy?

We need a new strategy as a new normal business environment and a digital world beckons, and we face an uncertain future – posing challenging times for member-driven models professional associations.

- Limited sources of funding
- Inadequate capacity of the secretariat
- Poor institutional culture

1. Winning Aspiration

What bold and measurable outcomes define our strategic ambition? What defines winning with customers? Against top competitors?

Empowering practitioners and organizations to attain excellence in procurement and supply chain management.

To be successful means focusing on the customer - individual and corporate members, partner organizations and clients - to have the right knowledge, industry best practices,

and enabling environment to attain excellence in the procurement and supply chain management.

2. Where to Play

What should be our playing field? In what spaces will we compete? What current spaces should be changed? Where will we NOT focus?

- Established by the Supplies Practitioners Management Act, No. 17 2007 of Kenya; our immediate target market is the procurement and supply chain management practitioners and organizations in Kenya while exploring partnership opportunities with global institutes such as the Chartered Institute of Procurement & Supply, to enhance the knowledge and practice of procurement and supply chain management in East Africa and Africa
- Our products and services include:
 - a) Membership for procurement and supply chain management practitioners
 - b) Examinations for procurement and supply chain management practitioners' certification

- c) Grants with local and international non-governmental organizations as well as bilateral and multilateral organizations
- d) Consultancy and advisory services
- e) Centre/ venue for training, conferences, examination/ tests for local, regional, African, and global certifying bodies
- f) Training courses

3. How To Win

What are the sources of our sustainable competitive advantage? What key offerings differentiate us and provide superior value?

Sources of our sustainable competitive advantage are:

- Customer Experience – This is a key result area. Our goal is to rank first among our peers in Kenya
- Operational Efficiency - Deliver quality services, and innovative solutions to our network of members, partners, clients, and optimization of resources
- Human Capital Optimization (Employee Engagement) - Design and deploy modern, effective, and progressive approaches to human capital management
- Financial Sustainability - Embed best practice governance structures that ensure revenue growth, cost management and surplus. Financial Sustainability, KISM Towers lease, KISEB income
- Corporate Social Responsibility – Develop and implement KISM community engagement strategy to drive positive perception across all communities

4. Capabilities Needed

What critical skills and core activities must be performed at the highest level to achieve the advantage in each of our chosen spaces?

- Membership Registration
- Membership Discipline
- Regulation of Practitioners
- Membership Welfare
- Training & Capacity Building
- Secretariat

5. Systems Required

What key management systems, processes, and structures must we have in order to sustain our competitive capabilities and support our strategic choices?

- Organizational strategy and implementation
- Metrics that will drive impact, value, and quality
- Building staff and organizational capability
- Use of technology to support blended learning approaches
- Roadmap for achieving ISO certification
- Partnerships with global and renowned procurement and supply institutes.

Alan G. Lafley and Roger Martin, Playing to Win: How Strategy Really Works (Boston: Harvard Business School Publishing, 2013)



In the next five years, KISM will focus on its winning aspiration - empowering practitioners and organizations to attain excellence in procurement and supply chain management. This is the thrust of the strategic plan as captured in the vision and mission of the Institute.

1.0 Focus Area 1: Membership Registration and Licensing

1.1 Develop & implement a seamless process for onboarding members

This entails the creation of efficient processes to facilitate registration and licensing of members. Some specific activities include:

- Constitute and establish the Registration Committee by 2020
- Develop a Membership Register by Q4 2021
- Generate membership registration and licensing policy by Q4 2021
- Automate member application and onboarding by Q2 of 2021

1.2 Undertake member database cleanup and member compliance audit

- Validation of membership qualifications by Q4 of 2021
- Leverage technology to update member register by Q2 of 2021
- Update and audit members register annually

1.3 Enhance member registration and achieve 95% retention rate annually

- Register at least 95% of CPSP finalists by 2022
- Gazette all active members and licenses by 2021
- License all members of the Institute by 2022
- Establish robust member recruitment initiatives on quarterly basis

2.0 Focus Area 2: Membership Discipline

2.1 Enforce compliance to Disciplinary Policy, Code of Ethics, Regulations Guidelines and Standards of Professional Practice through the following initiatives:

- Constitute and establish the Disciplinary Committee by 2020
- Develop and enforce Disciplinary Policy, Code of Ethics and disciplinary procedures by 2021
- Continuously sensitize members on the SPMA, and other rules, laws and regulations applicable to members

3.0 Focus Area 3: Regulation of Practitioners

3.1 To entrench effective Regulation and Standards of Practice for Procurement professionals to safeguard the reputation of the profession.

- Align the SPMA 2007 and the supporting Regulations to the 2010 Constitution 2010 by December 2022
- Conduct a comprehensive assessment of procurement professionals in the public sector in partnership with the National Treasury
- Formulate standards of practice for supply chain practitioners by 2022
- Conduct an extensive corporate and member compliance by 2023
- Conduct a perception survey on procurement professionals by 2022

4.0 Focus Area 4: Membership Welfare and Advocacy

Ensure a fully functioning Membership Welfare body that advocates for members' needs.

4.1 Recognition and Excellence award schemes

- Launch the KISM Annual PSCM Awards from 2020
- Increase level of awareness of KISM activities, member services and benefits
- Enhance membership benefit portfolio with a view to repackage member value addition
- Recognize and appreciate annually member's exceptional contribution to the profession and the economy

4.2 Establish formal strategic partnerships

- Create a segmentation matrix for key stakeholders
- Create a suite of personalized products and services
- Create engagement forums for partners, students, corporate
- Create mentorship and internships for PSCM professionals by June 2021
- Publish and circulate quarterly newsletters
- Publish, print and distribute one annual magazine

4.3 Repackage member benefit portfolio

- Transform the plastic membership cards to e-wallets with inbuilt benefits

- Negotiate discounts for members by 2022 (Motor vehicle, Indemnity, benevolence, loyalty clubs, financial institutions)
- Partner with KSSCM on discounted school fees to members and dependents by 2022

4.4 Enhance brand and visibility of procurement and supply chain management

The Procurement & Supply Chain Profession has been blamed for all manner of accusations and especially for corrupt practices during procurement of goods and services. There's urgent need to change this negative narrative.

- Engage a PR agency to enhance publicity of the Institute by 2021
- Partner with reputable media houses to change the PSCM narrative and amplify the good work being done by many PSCM Professionals
- Entrench the Disciplinary Policy which will ensure a self-regulating profession

4.5 Devolution of the Institute services to members (KISM *Mashinani*)

KISM will develop regional chapters starting with the original eight (8) provincial administrative structures and growing them into regional hubs.

- Create policy and operational instruments to guide formation of regional chapters by 2020
- Set up Regional Chapter-teams and leads by end 2021
- Progressively establish chapters in all 47 counties by 2024

5.0 Focus Area 5: Financial Sustainability

5.1 Diversify revenue generation streams

- Increase annual income from member subscriptions through member recruitment and retention drives
- Increase annual income from CPD events (workshop, forums)
- Grow income from KISEB in line with the 30% legal requirement
- Grow income from KSSCM by 10% annually
- Lobby for increased grants from GoK in line with our regulatory mandate
- Lobby with development partners and donors for funding
- Ensure 100% occupancy uptake and leasing of the KISM Towers by 2022
- Increase annual income from the research and consultancy hub by 2022

5.2 Control costs and reduce wastage

- Review and enhance financial planning, procurement and control systems
- Sustain a healthy ratio between expenses and income
- Proactively identify and manage risks
- Support value for money procurements

5.3 Entrench Governance and Risk Management Frameworks

- Develop and implement a risk management framework
- Institutionalise appropriate corporate governance strategies
- Develop and implement proper internal controls framework

6.0 Focus Area 6: Institutional Strengthening

6.1 Create a customer centric institution to enhance member experience

- Develop and utilize a comprehensive customer segmentation and research matrix by 2021
- Create a suite of personalized products and services for members
- Implement the Customer Experience Product & Services Plan by 2022
- Attain a 75%-member satisfaction index by 2022

6.2 Institute a corporate governance culture in the organization

- Conduct a legal and governance audit (Review of policies, governance and related operating manuals by December 2021)
- Review and implement a comprehensive corporate governance structure
- Develop capacity of the Council for enhanced service delivery
- Review performance of the Council & Council Committees annually
- Benchmark operations of the Institute with leading like-minded institutes
- Develop and implement a business continuity plan by December 2022
- Obtain ISO certification by December 2023

6.3 Leverage technology, innovation & best practices to develop appropriate tools to measure, forecast, and execute enterprise operational efficiencies

- Implement a project lifecycle management system and new processes that integrate the planning, design, operational functions
- Establish an enterprise level data capability with analytical tools to allow employees to make data-driven decisions

- Implement business partner process management systems and processes
- Identify drivers of on-time performance and make strategic investments in infrastructure and equipment
- Strategically invest to improve training and accreditation

6.4 Equip office with modern infrastructural facilities

- Ensure the institutes' offices and conference rooms are fully resourced and facilitated with modern equipment and furniture
- Upgrade ICT systems, PABX to enhance communication
- Create an interactive e-learning platform to enhance virtual tuition

6.5 Develop and implement KISM community engagement strategy to drive positive public perception

- Develop and implement sustainable and transformative initiatives to benefit communities
- Embed sustainability and social responsibility principles in KISM planning processes
- Create a process to identify, assess and select organizations and programs with which KISM should partner and support

6.6 Ensure that the workforce is diverse, engaged, productive

- Develop and implement policies that drive employee engagement and productivity
- Implement an action plan for diversity and inclusion

- Sensitize employees on the strategic plan
- Align employee goals and initiatives to the strategic plan
- Create work life balance programs

6.7 Develop a culture of continuous improvement

- Create a learning institution by promoting and enhancing competence and personal development initiatives
- Recruit and retain employees with relevant skills
- Establish minimum annual training requirements for all employees
- Ensure employees have access to learning options to enrich their professional growth through live classes and online learning experiences
- Implement and leverage innovative ideas generated by employees
- Continuously undertake employee satisfaction and work environment surveys

6.8 Develop sustainable leadership capabilities

- Develop leadership gene pool to ensure business sustainability and continuity
- Analyze the talent base on annual basis
- Develop a managerial skills assessment process for external and internal candidates
- Plan for succession
- Create opportunities and programs for high-potential employees (HPE)

6.9 Review of policies, governance and related operating manuals to support strategy

- Review of policies, governance and related operating manuals to support strategy implementation by December 2021
- Align organizational structure with new Strategic Plan by December 2021

6.10 Create desired mix of ambience, technology, and integration to deliver a consistent experience in line with changing customer needs

- Define ambience and facility standards in the Premises Plan
- Implement a Customer Engagement Management technology platform and develop processes to establish personal relationships with customers
- Complete study of consumers' use of digital products and expectations and implement a Digital Products' Strategy

7.1 Focus Area 7: Training and Professional Capacity Development

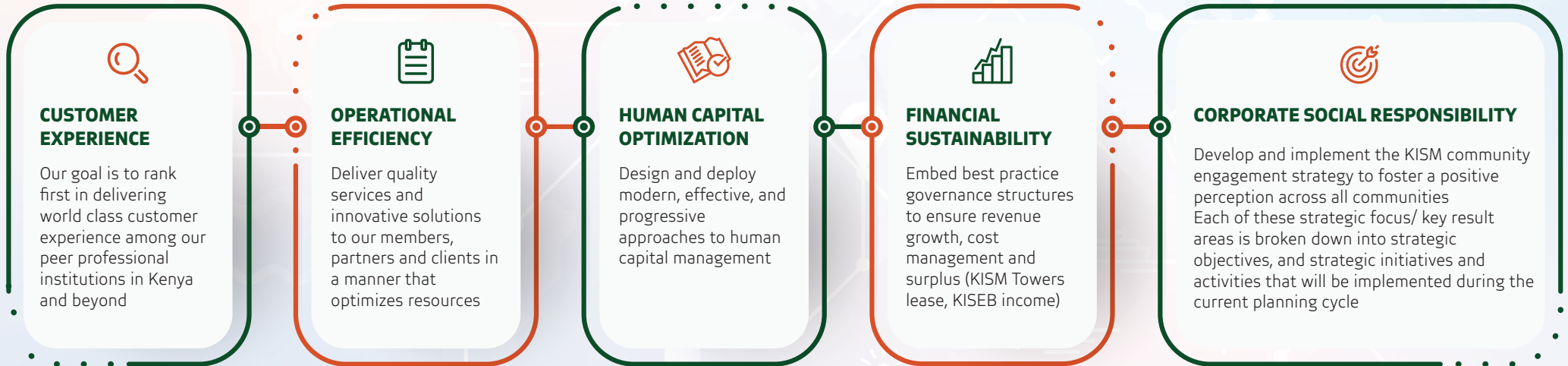
7.1 Repackage CPD program to respond to emerging issues in PSCM profession

- Benchmark KISM CPD program with national and global best practice in CPD delivery annually
- Develop and administer market driven CPD program by May of each year
- Organize at least 2 annual specialized workshops (July/November) addressing emerging issues
- Continuously review the CPD policy

7.2 Form at least 3 capacity building partnerships in the global market by 2023

- Update and expand KISM regional and international marketing database by June 2021
- Profile potential regional and international professional bodies and engage with at least one in joint activities annually
- Identify drivers of on-time performance and make strategic investments in infrastructure and equipment
- Incorporate KSSCM to offer PSCM and related programs and qualifications
- Transform KSSCM into a Centre of Excellence
- Increase enrolment in PSCM and other related qualifications

To achieve our Key Strategic Focus Areas (Pillars) outlined above, we have developed 5 Key Strategic Drivers:

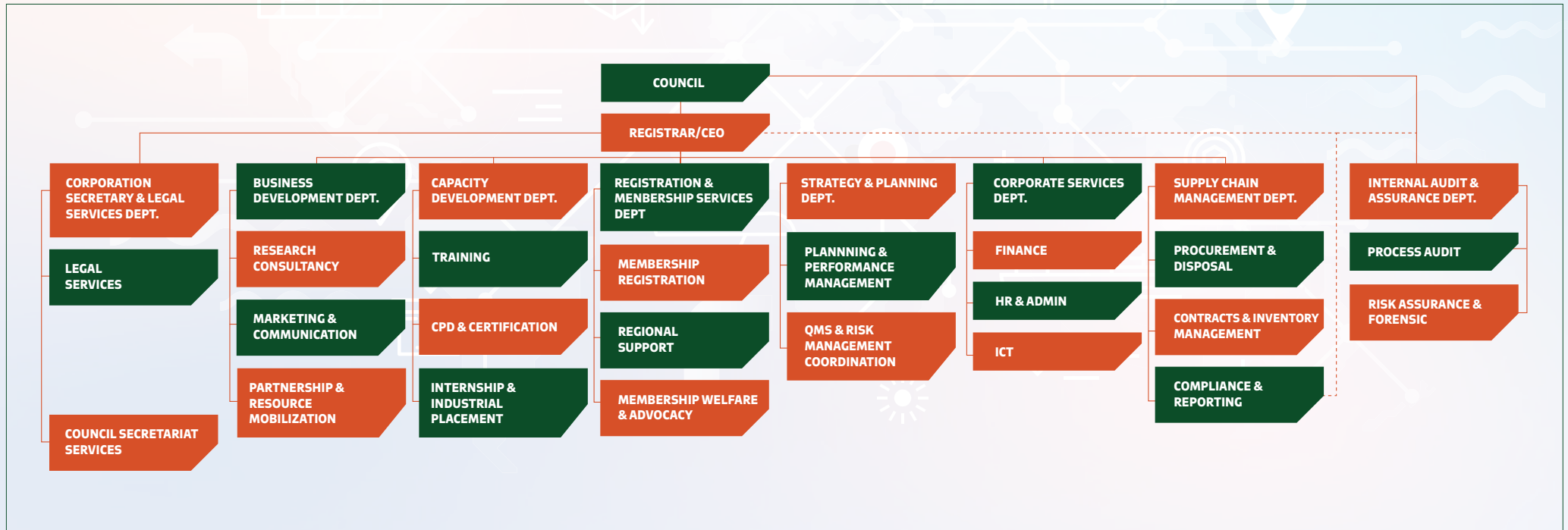


IMPLEMENTATION & COORDINATION FRAMEWORK

Competent and Ethical Supply Chain Management Practitioners.

The implementation of the strategy will be done to drive execution through performance management; adhere to prudent financial management to ensure positive cash flow; encourage individual and collective responsibility; ensure consistency in action, planning and budgeting. Resource allocation should reflect agenda 2024's strategic priorities and objectives.

The Council shall assume overall responsibility for the implementation and monitoring. Each team leader and departmental head shall prepare monthly status reports. Rewards and sanctions will be determined by the performance management system.



The main assumption is that the activities outlined in the Strategic Plan will be carried out within a favourable environment. It is expected that prevailing conditions at any time will not vary significantly from what is known and projected at the start of the plan period. And if they do vary, it is generally assumed that the severity will not be such that they undermine implementation of the Plan. It is therefore assumed that the strategy implementation process will be successful under the following conditions:

- Institutionalise service delivery and the enactment of the new legal regime not later than December 2022;
- Key stakeholders will support the plan implementation processes;
- Necessary organization policy formulation and adoption will be undertaken in time;
- Resources required for the implementation of this strategic plan will be availed in time;
- Staffing levels in the Institute will be improved and optimally maintained over time;
- Continued legal and constitutional changes will not substantially undermine the social-economic dynamics of the country in a negative manner;
- The effect of COVID-19 will not substantially impact the macroeconomic environment to the degree that priorities shift to uncorrelated areas of the economy.

Any substantial deviations from these assumptions constitutes risks. It is important to determine other risks that may arise during implementation. They include adverse changes in the business environment, negative political influence, financial deficits, adverse changes in Government policy, structures and regulatory framework, public apathy, resistance to change, among others.



Annual implementation plans will be prepared to guide the operationalization of the KISM strategic plan. The plans will outline how the strategic focus areas, strategic objectives and strategic initiatives will be realized by indicating through a RACI (Responsible Accountable Consulted Informed) chart on what will be done, by whom, when, and how. The chart will serve as a checklist that is regularly updated, monitored, and shared among the stakeholders. The plans will also help to coordinate and integrate planned actions, support coordinated and collaborated efforts, minimize duplication, and promote synergies.

The implementation of this strategy will be carried out by KISM under the leadership of the Chief Executive Officer and the Change Management Team with collaboration of the relevant stakeholders. The Planning Unit will be responsible for harnessing synergies, ensuring a holistic and sequenced approach to implementation of the strategic interventions, and facilitate the coordination of cross-cutting issues.

Specifically, the responsibilities of the Planning Unit will entail the following:

- Ensuring congruence of institutional, department, project, and other work plans with the strategic plan
- Ensuring that a sound framework for effective coordination of strategy implementation is adhered to at all levels
- Establishing mechanisms to coordinate intra-departmental and inter-agency linkages in implementing cross-cutting interventions

- Periodically organizing strategy performance review meetings to ensure that the strategy is being implemented as planned
- Developing guidelines and reporting formats and databases to support MEAL initiatives
- Advising senior management on the investment of available resources on prioritized quick wins and high impact intervention areas



Effective implementation of the planned strategic initiatives is estimated to cost about **Kshs. 2.7 billion** spread over the next five years as tabulated below:



Resource Mobilization Strategies

The Institute will adopt the following tactics to mobilize resources:

- Lobby the National Treasury and development partners for grants and financial support;
- Strengthen partnerships with practising members, key private and development sector players to upscale their participation in KISM programmes;
- Enforce continuous professional development requirements among KISM members to inculcate best practices and position the Institute and the country as a reference point in professionalism;
- Enhance operational efficiency through cost leadership; appropriate pricing policies; proper expense management, strengthening internal control systems and utilization of appropriate technologies.

KISM FINANCIAL PERFORMANCE SUMMARY 2020-2024

Competent and Ethical Supply Chain Management Practitioners.

Year	2020		2021		2022		2023		2024		Total	
	Kshs	%TI	Kshs	%TI	Kshs	%TI	Kshs	%TI	Kshs	%TI	Kshs	%TI
Grants from Partners	655,000,000	72%	115,000,000	23%	115,000,000	20%	115,000,000	17%	115,000,000	16%	1,115,000,000	33%
Income from Regular Sources	250,025,000	28%	374,675,000	77%	462,950,000	80%	547,175,000	83%	611,600,000	84%	2,246,425,000	67%
% Growth	25%											
Total Income (TI)	905,025,000		489,675,000		577,950,000		662,175,000		726,600,000		3,361,425,000	
Administrative Expenses	99,013,509	11%	113,865,535	23%	130,945,366	23%	150,587,170	23%	173,175,246	24%	667,586,826	20%
Operating Expenses	140,217,277	16%	180,896,596	37%	231,464,495	40%	292,424,368	44%	362,127,335	50%	1,207,130,071	36%
Property plan and Equipment	589,050,000	65%	14,325,000	3%	5,775,000.00	1%	16,125,000	2%	4,675,000	1%	629,950,000	19%
Strategic Focus Area 1	600,000	0%	17,005,000	4%	8,280,000	1%	10,440,000	2%	9,455,000	1%	45,780,000	1%
Strategic Focus Area 2	0	0%	9,810,000	2%	7,210,000.00	1%	7,285,000.00	1%	7,760,000	1%	32,065,000	1%
Strategic Focus Area 3	1,850,000	0%	19,154,400	4%	13,904,400	2%	14,854,400	2%	14,154,400	2%	63,917,600	2%
Strategic Focus Area 4	0	0%	3,225,000	1%	1,900,000	0%	2,225,000	0%	1,775,000	0%	9,125,000	0%
Strategic Focus Area 5	9,290,600	1%	15,590,600	3%	13,090,600	2%	10,590,600	2%	12,490,600	2%	61,053,000	2%
Total Expenses	840,021,386	93%	373,872,131	76%	412,569,861	71%	504,531,538	76%	585,612,581	80%	2,716,607,497	81%
Operating Surplus/(TI-TE)	65,003,615	7%	115,802,869	24%	165,380,140	29%	157,643,461	24%	140,987,418	19%	644,817,503	19%
% Growth	21%											



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