

TLIR1407A**Manage suppliers****Unit Descriptor**

This unit involves the skills and knowledge required to manage suppliers. It includes assessing suppliers and building a productive relationship with them; evaluating delivery of goods/services; negotiating arrangements and resolving disagreements with suppliers; and reviewing supplier performance.

Employability Skills

The required outcomes described in this unit of competency contain applicable facets of Employability Skills. The Employability Skills Summary of the qualification in which this competency is packaged will assist in identifying employability skill requirements.

Application of the Unit

Work may be undertaken in various contexts within the transport and distribution industry.

The unit generally applies to those who provide leadership of others individually or in teams.

This unit is normally packaged at AQF V or above.

Competency Field

R – Contract Procurement

ELEMENT

Elements describe the essential outcomes of a unit of competency.

1 Assess suppliers and build productive relationship

PERFORMANCE CRITERIA

Performance criteria describe the required performance needed to demonstrate achievement of the element. Assessment of performance is to be consistent with the evidence guide.

1.1 Criteria to enable an effective evaluation of supplier services are developed and documented

1.2 Existing suppliers are assessed against criteria

1.3 Availability and suitability of alternate suppliers who can meet the service support requirements within legislative requirements are identified

1.4 Terms and conditions of suppliers to achieve service requirements are established and communicated

1.5 Cooperative relationships are developed with supplier according to organisational policies and procedures

2 Evaluate delivery of goods and/or services against agreements

2.1 The quality of goods and services supplied is assessed against criteria

2.2 Non-compliance is identified, documented and corrective action is implemented within the terms of contractual arrangements

2.3 Contingency plans are developed in the event of supplier failure to deliver

2.4 Relationships with suppliers are managed to support effective delivery

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| 3 Negotiate arrangements with suppliers | <p>3.1 Arrangements with suppliers are negotiated and implemented according to organisational policies and procedures</p> <p>3.2 Market factors that may affect the supply of goods and services are identified and communicated to relevant personnel</p> <p>3.3 Immediate corrective action is taken in consultation with the supplier where potential or actual problems are indicated</p> |
| 4 Resolve disagreements with suppliers | <p>4.1 Disagreements with suppliers are investigated to identify validity and causes</p> <p>4.2 Disagreements are negotiated and resolved</p> <p>4.3 Amendments to agreements as a consequence of the resolution of disagreements are documented</p> <p>4.4 Approval is sought and obtained for amendments</p> <p>4.5 Approved amendments are communicated to suppliers and relevant personnel</p> |
| 5 Review performance of suppliers | <p>5.1 Suppliers are continuously reviewed in regard to quality, profitability, service, delivery status and other relevant performance indicators</p> <p>5.2 Supplier performance is evaluated against the requirements of purchasing agreements</p> <p>5.3 Suppliers are informed of evaluation outcomes as required</p> <p>5.4 Recommendations about future use of suppliers are made to relevant personnel</p> <p>5.5 Suppliers are deleted from supplier shortlist according to criteria</p> |

REQUIRED KNOWLEDGE AND SKILLS

This describes the essential knowledge and skills and their level required for this unit.

Required knowledge:

- Relevant sections of national and state or territory regulatory requirements and codes of practice related to procurement
- Relevant OH&S and environmental procedures and regulations
- Organisational policies, procedures, plans, guidelines and code of conduct relevant to procurement and supply contracts
- Procurement approval procedures
- Procedures for receipt and payment of goods and services
- Organisational procedures for monitoring the performance of suppliers
- Contract performance and dispute policies and procedures
- Procedures for operating electronic communications equipment
- Suppliers in the marketplace

- Common use arrangements
- Financial accountability requirements
- Operation of recording, reporting and statistical analysis systems and resources
- Requirements for completing relevant documentation
- Steps involved in planning the work activities
- Code of practice for working collaboratively with others
- Probity requirements and ethical issues

Required skills:

- Communicate effectively with others when managing suppliers
- Read and interpret instructions, procedures, information and signs relevant to the management of suppliers
- Interpret and follow operational instructions and prioritise work
- Complete documentation related to work activities
- Operate electronic communication equipment to required protocol
- Work collaboratively with others
- Adapt appropriately to cultural differences in the workplace, including modes of behaviour and interactions with others
- Promptly report and/or rectify any identified problems, faults or malfunctions in accordance with regulatory requirements and workplace procedures
- Implement contingency plans for unplanned events
- Apply precautions and required action to minimise, control or eliminate hazards that may exist during work activities
- Modify activities depending on differing operational contingencies, risk situations and environments
- Mo t Mk MC u r t o u s t v o e F F v i y g u F o F g F r n o u n t v y t e g

Consultative processes may involve:

- other employees and supervisors
- suppliers of equipment
- relevant authorities and institutions
- management and union representatives
- industrial relations and OH&S specialists

Communication in the work area may include:

- phone
- electronic data interchange (EDI)
- fax
- email
- internet
- RF systems
- oral, aural or signed communications

Depending on the organisation concerned, workplace procedures may be called:

- standard operating procedures (SOPs)
- company procedures
- enterprise procedures
- organisational procedures
- established procedures

Documentation and records may include:

- organisation's policies, procedures, strategies, methods and instructions relevant to procurement and supplier management
- relevant OH&S and environmental protection regulations
- lists of approved suppliers and relevant personnel to consult
- proformas and instructions used when evaluating suppliers and their performance
- quality assurance procedures
- technical instructions
- relevant Australian Standards

Applicable legislation and regulations may include:

- relevant sections of national and state or territory regulatory requirements and codes of practice related to procurement
- relevant state/territory OH&S and environmental protection legislation
- workplace relations regulations

EVIDENCE GUIDE

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required knowledge and skills, the range statement and the assessment guidelines for this Training Package.

Critical aspects for assessment and evidence required to demonstrate competency in this unit

- The evidence required to demonstrate competency in this unit must be relevant to and satisfy all of the requirements of the elements and performance criteria of this unit and include demonstration of applying:
 - the underpinning knowledge and skills
 - relevant legislation and workplace procedures
 - other relevant aspects of the range statement

Context of and specific resources for assessment

- Performance is demonstrated consistently over a period of time and in a suitable range of contexts
- Resources for assessment include:
 - a range of relevant exercises, case studies and other simulated practical and knowledge assessment, and/or
 - access to an appropriate range of relevant operational situations in the workplace
- In both real and simulated environments, access is required to:
 - relevant and appropriate materials and/or equipment, and/or
 - applicable documentation including workplace procedures, regulations, codes of practice and operation manuals

Method of assessment

- Assessment of this unit must be undertaken by a registered training organisation
- As a minimum, assessment of knowledge must be conducted through appropriate written/oral tests
- Practical assessment must occur:
 - through appropriately simulated activities at the registered training organisation, and/or
 - in an appropriate range of situations in the workplace