



Australian Government

Department of Education, Employment and Workplace Relations

BSBEBUS510A Manage e-business outsourcing

Release: 1

Modification History

Not Available

INTRODUCTION

Unit Descriptor This unit covers establishing strategies for managing outsourcing and communication with service providers, performance management, monitoring and review of contractual arrangements.

This unit is related to BSBEBUS607A Develop e-business outsourcing policy and guidelines. Consider co-assessment with BSBEBUS509A Implement e-business outsourcing arrangements and BSBEBUS516A Manage online purchasing.

Competency Field e-business

Element

Performance Criteria

- | | |
|---------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Establish a management strategy for e-business outsourcing | 1.1 Contractual arrangements are re-confirmed with all parties to ensure a common understanding of responsibilities and planned outcomes 1.2 Agreed technology and information exchange requirements are checked and an electronic communication strategy negotiated in accordance with contractual obligations 1.3 Start-up or transition arrangements are agreed and implemented in accordance with contractual obligations 1.4 A strategy for day to day and contingency management of e-business outsourcing is negotiated and documented in accordance with organisational requirements 1.5 A contract review strategy is agreed for e-business outsourcing in accordance with organisational requirements |
| 2. Maintain and monitor outsourcing performance | 2.1 Relationship with outsourcing service provider is managed in accordance with e-business outsourcing policy and guidelines 2.2 Outsourcing service quality and performance is monitored against forecasts, customer service requirements and budgets for early identification of problems and to ensure contractual obligations are met 2.3 Obligations of the business to the e-business service provider are met and any negotiation of issues occurs in accordance with contractual obligations 2.4 Emerging or potential risks are managed in accordance with |

- the organisation's risk management strategy
- 2.5 Management and communication strategies are monitored for effectiveness and adapted as necessary during the life of the contract in accordance with organisational requirements and level of authority
 - 2.6 Business records for e-business outsourcing are maintained in accordance with organisational requirements to allow management reporting / decision-making
3. Review and renegotiate or finalise e-business outsourcing arrangements
- 3.1 Contract review strategy is implemented, including customer review, and performance data related to contract management, customer and service provider satisfaction, profitability and value adding, analysed
 - 3.2 Contract review information is used to report on service level agreements, provider performance and outcomes, and to adapt e-business outsourcing policy and guidelines
 - 3.3 Where contractual obligations have not been met in full, variances are documented, explained and remedied
 - 3.4 Contract is finalised or renegotiated based on review outcomes in accordance with contractual obligations
 - 3.5 Close-out, renewal of the contract or transition to a new contract are managed in accordance with organisational requirements and contractual obligations

RANGE STATEMENT

The Range Statement provides advice to interpret the scope and context of this unit of competency, allowing for differences between enterprises and workplaces. It relates to the unit as a whole and facilitates holistic assessment. The following variables may be present for this particular unit:

| | |
|----------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Legislation, codes and national standards relevant to the workplace may include: | <ul style="list-style-type: none">• award and enterprise agreements• national, State/Territory legislative requirements especially in regard to Occupational Health and Safety• industry codes of practice• OECD International Guidelines for Consumer Protection in E-Commerce• copyright laws• privacy legislation• intellectual property, confidentiality requirements• legal and regulatory policies affecting e-business• Trade Practices Act |
| Contractual arrangements may include: | <ul style="list-style-type: none">• collaborative agreement• partnership• licence• contract• letter of intent• memorandum of agreement• management reporting criteria including vendor reporting and service level agreement compliance |
| e-business is: | <ul style="list-style-type: none">• every type of business transaction in which the participants (ie suppliers, end users etc) prepare or transact business or conduct their trade in goods or services electronically (Definition of e-commerce in E-competent Australia, ANTA, May 2000) |
| e-business outsourcing may include: | <ul style="list-style-type: none">• website setup, maintenance and management• online catalogue setup and maintenance• technology maintenance• authentication services• ordering• production• e-marketing |

- inventory management
- labelling
- distribution
- invoicing
- credit card facilities
- accounting

Negotiation of issues may include:

- resolving disputes
- dealing with complaints
- dealing with non-compliance
- consequences of defaulting
- contract variations
- continuous improvement
- innovations

EVIDENCE GUIDE

The Evidence Guide identifies the critical aspects, underpinning knowledge and skills to be demonstrated to confirm competence for this unit. This is an integral part of the assessment of competence and should be read in conjunction with the Range Statement.

Critical Aspects of Evidence

- Integrated demonstration of all elements of competency and their performance criteria
- Negotiation of issues arising /management of contingencies
- mutually beneficial e-business outsourcing arrangements

Underpinning Knowledge*

* Required knowledge/skills is to be limited to that which is sufficient to perform the particular workplace competency

- Relevant legislation from all levels of government that affects business operation, especially in regard to Occupational Health and Safety and environmental issues, equal opportunity, industrial relations and anti-discrimination
- Outsourcing policy and procedures
- Legal and ethical issues related managing contracts
- Legal issues related to collaboration or partnerships (intellectual property, copyright, confidentiality etc)
- relevant aspects of trade practices, commercial and contract law

Underpinning Skills

- Literacy skills to read contractual agreements, and document contract management strategies and contract variations
- Numeracy skills to determine profitability, value adding
- Communication skills to deal with contingencies and re-negotiate contract or partnership arrangements
- Oral skills to present reports to stakeholders on outsourcing
- Computer technology skills
- Ability to relate to stakeholders from a range of social, cultural and ethnic backgrounds and physical and mental abilities

Resource Implications

The learner and trainer should have access to appropriate documentation and resources normally used in the workplace

Consistency of Performance

In order to achieve consistency of performance, evidence should be collected over a set period of time which is sufficient to include dealings with an appropriate range and variety of situations

Context/s of Assessment

- Competency is demonstrated by performance of all stated criteria, including paying particular attention to the critical aspects and the knowledge and skills elaborated in the Evidence Guide, and within the scope as defined by the Range Statement
- Assessment must take account of the endorsed assessment guidelines in the Business Services Training Package
- Assessment of performance requirements in this unit should be undertaken in an actual workplace or simulated environment
- Assessment should reinforce the integration of the key competencies and the business services common competencies for the particular AQF level. Refer to the Key Competency Levels at the end of this unit

KEY COMPETENCY LEVELS

NB: These levels do not relate to the Australian Qualifications Framework. They relate to the seven areas of generic competency that underpin effective workplace practices.

| Collect, analyse and organise information | Communicate ideas and information | Plan and organise activities | Work with others and in teams | Use mathematical ideas and techniques | Solve problems | Use technology |
|-------------------------------------------|-----------------------------------|------------------------------|-------------------------------|---------------------------------------|----------------|----------------|
| Level 3 | Level 3 | Level 3 | Level 3 | Level 2 | Level 3 | Level 2 |

Three levels of performance denote level of competency required to perform a task.

1. Perform
2. Administer
3. Design
 - Collecting, analysing and organising information – to determine project specifications , establish processes, review specifications and contracts and outsourcing arrangements
 - Communicating ideas and information – to confirm outsourcing arrangements and to negotiate issues relating to outsourcing arrangements
 - Planning and organising activities – to co-ordinate the requirements and information necessary to implement the contract brief, to make decisions on outsourcing arrangements and to manage contingencies
 - Working with teams and others – to develop relationships with business partners and negotiate contractual arrangements to minimise risks associated with outsourcing
 - Using mathematical ideas and techniques – to analyse cost effectiveness of outsourcing arrangements
 - Solving problems – to implement specifications and contracts, to co-ordinate the project brief and to deal with disputes or complaints
 - Using technology – to manage e-business outsourcing

Please refer to the Assessment Guidelines for advice on how to use the Key Competencies