



Australian Government

BSBPRC502 Manage supplier relationships

Release: 1

BSBPRC502 Manage supplier relationships

Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 3.0.

Application

This unit describes the skills and knowledge required to manage relationships with suppliers of larger or multiple smaller procurement activities, where the relationship is of some significance to the organisation. It covers managing procurement agreements, resolving disagreements with suppliers, finalising agreements, and reviewing the performance of suppliers.

It applies to individuals who manage relationships with an organisation's suppliers, and is typically undertaken by a senior procurement officer or procurement manager.

No licensing, legislative, regulatory or certification requirements apply to this unit at the time of publication.

Unit Sector

Administration – Procurement and Contracting

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Manage supplier agreements	1.1 Monitor supplier performance throughout the duration of agreements in accordance with organisational policies and procedures 1.2 Identify, monitor and manage risks in risk management plans throughout the duration of agreements 1.3 Identify and address potential and actual performance issues 1.4 Negotiate and resolve amendments to agreements as a consequence of addressing performance issues 1.5 Seek and obtain approval for amendments from organisational

ELEMENT	PERFORMANCE CRITERIA
	management 1.6 Communicate approved amendments to suppliers and relevant personnel
2. Resolve disagreements with suppliers	2.1 Identify and investigate causes of disagreements with suppliers and assess their validity 2.2 Negotiate and resolve disagreements 2.3 Establish transparent and trust with supplier to support relationship 2.3 Document amendments to agreements as a consequence of the resolution of disagreements in accordance with organisational policies and procedures 2.4 Seek and obtain approval for amendments from organisational management 2.5 Communicate approved amendments to suppliers and relevant personnel
3. Finalise agreements	3.1 Confirm all supplier obligations as having been met prior to agreements being finalised 3.2 Finalise procurement agreements on completion of contract 3.3 Document arrangements to finalise agreements in accordance to organisational policies and procedures
4. Review performance of suppliers	4.1 Evaluate supplier performance against the requirements of procurement agreements 4.2 Inform suppliers of evaluation outcomes as required 4.3 Make recommendations about future use of suppliers to relevant personnel

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

Skill	Description
Reading	Interprets textual information from a range of sources and determines how content may be applied to organisational requirements

Writing	- Documents amendments to agreements - Develops documentation according to organisational formats
Oral Communication	- Communicates verbally using clear language and appropriate features to provide information to a variety of individuals - Uses active listening and questioning techniques to convey and clarify information
Numeracy	Interprets financial information within procurement agreements
Navigate the world of work	Understands legal and organisational obligations that underpin agreements and contracts with suppliers
Interact with others	- Liaises with suppliers and relevant personnel to gain agreement on required performance levels - Selects the appropriate form, channel and mode of communication for a specific purpose relevant to own role
Get the work done	- Plans and implements tasks required to manage agreements, including negotiating and coordinating input from others - Uses analytical processes to decide on a course of action, establishing criteria for deciding between options, and seeking input and advice from others - Uses systematic, analytical processes to identify and solve performance problems

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
BSBPRC502 Manage supplier relationships Release 1	BSBPUR502 Manage supplier relationships Release 1	Updates to elements and performance criteria, performance evidence and knowledge evidence.	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=11ef6853-ceed-4ba7-9d87-4da407e23c10>