



**Australian Government**

# **BSBPUR502 Manage supplier relationships**

**Release: 1**

## BSBPUR502 Manage supplier relationships

### Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 1.0.

### Application

This unit describes the skills and knowledge required to manage relationships with suppliers of larger purchases or multiple smaller purchases, where the relationship is of some significance to the organisation. It covers managing purchasing 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 purchasing officer or purchasing manager.

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

### Unit Sector

Administration – Purchasing 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 purchasing agreements	1.1 Monitor supplier performance throughout the duration of agreements 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 1.6 Communicate approved amendments to suppliers and relevant

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

## Foundation Skills

*This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.*

Skill	Performance Criteria	Description
Reading	1.1, 1.2, 1.4, 2.1, 2.5, 3.1-3.3, 4.1	<ul style="list-style-type: none"> <li>Interprets textual information from a range of sources and determines how content may be applied to organisational requirements</li> </ul>
Writing	1.5, 1.6, 2.3-2.5, 3.3, 4.1, 4.2, 4.3	<ul style="list-style-type: none"> <li>Documents amendments to agreements</li> <li>Develops documentation according to organisational formats</li> </ul>
Oral Communication	1.4-1.6, 2.1, 2.2, 2.5, 3.1, 4.2, 4.3	<ul style="list-style-type: none"> <li>Communicates verbally using clear language and appropriate features to provide information to a variety of individuals</li> <li>Uses active listening and questioning techniques to</li> </ul>

		convey and clarify information
Numeracy	3.2	<ul style="list-style-type: none"> <li>Interprets financial information within purchasing agreements</li> </ul>
Navigate the world of work	3.2, 4.1	<ul style="list-style-type: none"> <li>Understands legal and organisational obligations that underpin agreements and contracts</li> </ul>
Interact with others	1.4-1.6, 2.1, 2.2, 2.4, 2.5, 3.1, 4.2, 4.3	<ul style="list-style-type: none"> <li>Liaises with suppliers and relevant personnel to gain agreement on required performance levels</li> <li>Selects the appropriate form, channel and mode of communication for a specific purpose relevant to own role</li> </ul>
Get the work done	1.1-1.3, 2.1, 2.3, 4.1-4.3	<ul style="list-style-type: none"> <li>Plans and implements tasks required to manage agreements, including negotiating and coordinating input from others</li> <li>Uses analytical processes to decide on a course of action, establishing criteria for deciding between options, and seeking input and advice from others</li> <li>Uses systematic, analytical processes to identify and solve performance problems</li> </ul>

## Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
BSBPUR502 Manage supplier relationships	BSBPUR502B Manage supplier relationships	Updated to meet Standards for Training Packages	Equivalent unit

## Links

Companion Volume implementation guides are found in VETNet -

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