Australian Government

Department of Education, Employment and Workplace Relations

ICAI5088B Evaluate and negotiate vendor offerings

Release: 1

ICAI5088B Evaluate and negotiate vendor offerings

Modification History

Not Applicable

Unit Descriptor

Unit descriptor	This unit defines the competency required to research, evaluate and recommend a vendor to supply components and to negotiate with the vendor for supply. The following unit is linked and forms an appropriate cluster: • ICAA5150C Evaluate vendor products and equipment

Application of the Unit

Application of the unit	

Licensing/Regulatory Information

Not Applicable

Pre-Requisites

Prerequisite units		
	ICAA5150C	Evaluate vendor products and equipment

Employability Skills Information

Employability skills	This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Select method to be used for identifying suitable vendor	1.1. Evaluate organisational purchasing policy as a means of identifying vendors and document outcomes 1.2. Consider and undertake other means of identifying suitable vendors and document outcomes 1.3. Recommend preferred method of vendor selection to **client** 1.4. Plan and document selection process
2. Review vendor offerings	2.1. Notify vendors of organisation's requirements 2.2. Undertake evaluation process by comparing offers against organisational requirements 2.3. Organise vendor demonstrations and performance benchmark tests 2.4. Select vendor based on specific technical criteria, servicing, warranty and after-sales service
3. Prepare contracts and delivery requirements	3.1. Prepare contracts for review by **appropriate person** 3.2. Identify and document delivery arrangements with suppliers 3.3. Clarify installation responsibilities with suppliers 3.4. Review warranty and support requirements with suppliers and service-level agreement 3.5. Confirm details with **client**

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE
This section describes the skills and knowledge required for this unit.
Required skills
• Problem solving skills for a defined range of unpredictable problems involving participation in the development of strategic initiatives (e.g. options such as tender, invitation, etc. are considered, and recommendations on preferred method are made) • Plain English literacy and communication skills in relation to analysis, evaluation and presentation of information (e.g. when contracts are reviewed and prepared for review by appropriate person)

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REQUIRED SKILLS AND KNOWLEDGE

- Teamwork skills involving the contribution to solutions and goals of a non-routine or contingency nature (e.g. when delivery arrangements are identified with suppliers and are confirmed with client, and installation responsibilities are clarified with suppliers against implementation plan)
- Facilitation and presentation skills in relation to transferring and collecting information and gaining consensus on concepts (e.g. when evaluation and selection based on the vendor's ability to meet specific technical criteria is participated in)
- Negotiation skills in relation to other team members and applied to a defined range of predictable problems (e.g. when vendor demonstrations and performance benchmark tests are organised)
- General financial analysis skills (e.g. when vendor demonstrations and performance benchmark tests are organised, and when evaluation process is undertaken by comparing vendor offerings against company requirements)

Required knowledge

- Broad knowledge of the client business domain (e.g. when selecting methodology to be used for sourcing vendors and reviewing vendor offerings)
- Current industry-accepted hardware and software products, with broad knowledge of general features and capabilities
- Broad knowledge of vendor product trends
- Broad knowledge of quality assurance practices
- Broad knowledge of information gathering techniques
- Broad knowledge of change management systems
- Broad knowledge of risk management
- Broad knowledge of financial management and leasing arrangements
- Broad knowledge of benchmarking methodologies
- Broad knowledge of contracts

Evidence Guide

EVIDENCE GUIDE	
The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	Evidence of the following is essential: • Assessment must confirm the ability to identify an appropriate vendor to supply components according to organisational requirements. • The acquisition approach should be consistent with technical and business requirements. • The acquisition approach should involve clear identification and specification of the business and technical requirements and identification of the selection criteria, and seek to identify the qualifications of vendors invited to submit proposals. The selection of a tender should be made against identified benchmarks. To demonstrate competency in this unit the person will require access to: • Current business and IT strategic plans • User requirements • Service levels
Context of and specific resources for assessment	The competency reflects the workplace by providing for several approaches and an emphasis on researching and analysing alternative options in dealing with vendors when acquiring IT components. It covers testing, comparisons and evaluations based on the abovementioned elements, plus consideration of such other factors as after-sales service and reliability. The breadth, depth and complexity covering planning and initiation of alternative approaches to skills or knowledge applications across a broad range of technical and/or management requirements, evaluation and coordination would be characteristic.

EVIDENCE GUIDE	
	Assessment must ensure: • The demonstration of competency may also require self-directed application of knowledge and skills, with substantial depth in some areas where judgement is required in planning and selecting appropriate equipment, services and techniques for self and others. • Applications involve participation in development of strategic initiatives as well as personal responsibility and autonomy in performing complex technical operations or organising others. It may include participation in teams including teams concerned with planning and evaluation functions. Group or team coordination may also be involved.
Method of assessment	The purpose of this unit is to define the standard of performance to be achieved in the workplace. In undertaking training and assessment activities related to this unit, consideration should be given to the implementation of appropriate diversity and accessibility practices in order to accommodate people who may have special needs. Additional guidance on these and related matters is provided in ICA05 Section 1. • Competency in this unit should be assessed using summative assessment to ensure consistency of performance in a range of contexts. This unit can be assessed either in the workplace or in a simulated environment. However, simulated activities must closely reflect the workplace to enable full demonstration of competency. • Assessment will usually include observation of real or simulated work processes and procedures and/or performance in a project context as well as questioning on underpinning knowledge and skills. The questioning of team members, supervisors, subordinates, peers and clients where appropriate may provide valuable input to the assessment process. The interdependence of units for assessment purposes may vary with the particular project or scenario.

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EVIDENCE GUIDE	
Guidance information for assessment	Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended for example:
	• ICAA5150C Evaluate vendor products and equipment
	An individual demonstrating this competency would be able to:
	• Demonstrate understanding of a broad knowledge base incorporating theoretical concepts, with substantial depth in some areas
	• Analyse and plan approaches to technical problems or management requirements
	• Transfer and apply theoretical concepts and/or technical or creative skills to a range of situations
	• Evaluate information, using it to forecast for planning or research purposes
	• Take responsibility for own outputs in relation to broad quantity and quality parameters
	• Take some responsibility for the achievement of group outcomes
	• Maintain knowledge of industry products and services

Range Statement

RANGE STATEMENT	
The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.	
Method of vendor selection may include:	• registration of interest (ROI)
	• request for information (RFI)
	• request for proposal (RFP)
	• by tender or invitation

RANGE STATEMENT	
Appropriate person may include:	• supervisor • teacher • authorised business representative • client
Client may include but is not limited to:	• internal departments • external organisations • individual people • internal employees

Unit Sector(s)

Unit sector	Implement

Co-requisite units

Co-requisite units		

Competency field

Competency field	

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