SITXINV009 Establish stock purchasing and control systems

Release: 1

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Modification History

Not applicable.

Application

This unit describes the performance outcomes, skills and knowledge required to establish and implement stock control and cost-effective stock purchasing and supply systems for a business.

The unit applies to all tourism, travel, hospitality and event industry sectors. The unit is relevant to organisations where stock management is an integral and essential part of business operations, and where there are complex purchasing and control issues to be considered. The unit is not appropriate for situations where stock management is very simple, such as controlling stationery supplies in a small office.

This unit applies to senior managers who operate with significant autonomy and who are responsible for making a range of strategic management decisions.

The skills in this unit must be applied in accordance with Commonwealth and State/Territory legislation, Australian/New Zealand standards and industry codes of practice.

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

Pre-requisite Unit

Nil

Competency Field

Inventory

Unit Sector

Cross-Sector

Elements and Performance Criteria

ELEMENTS	PERFORMANCE CRITERIA
Elements describe the essential outcomes	*Performance criteria describe the performance needed to demonstrate achievement of the element.*
1. Determine stock requirements.	1.1. Use business data, forecasting methods and standard measures to calculate required stock levels.
	1.2. Determine stock requirements for standard business periods,

	peak seasons and special events.
	1.3. Establish cost-effective purchase quantities based on business information and supplier advice.
2. Establish optimum supply arrangements.	2.1. Evaluate quality of supply based on feedback from colleagues and customers.
	2.2. Source and review potential suppliers.
	2.3. Develop appropriate and accurate purchase specifications.
	2.4. Assess suppliers against purchase specifications, considering all relevant factors.
	2.5. Assess terms of purchase, and negotiate with suppliers to achieve optimum supply arrangements.
	2.6. Adjust sources of supply and make accurate records of agreements.
3. Develop and implement stock control systems.	3.1. Develop stock control systems and communicate to relevant staff.
	3.2. Develop special control systems for stock with high wastage or loss.
	3.3. Monitor workplace systems and make adjustments according to feedback and operational experience.
	3.4. Initiate training of staff to minimise stock wastage.

Foundation Skills

Foundation skills essential to performance in this unit, but not explicit in the performance criteria are listed here, along with a brief context statement.

SKILLS	DESCRIPTION
Reading skills to:	• interpret complex supplier cost sheets, specific terms of purchase and supplier contracts
	• sort and analyse information to make decisions on supply arrangements.
Writing skills to:	• prepare complex and accurate purchase specifications and stock control system documents.
Numeracy skills to:	• work with budgets
	• interpret complex stock performance, wastage and stocktake reports
	• interpret supply costs and calculate cost-effective quantities for purchase.
Problem-solving skills to:	• monitor the quality and cost of supply, identify deficiencies and adjust purchasing arrangements.
Initiative and enterprise	• negotiate cost-effective supply and maximise profitability.

skills to:

Planning and organising skills to:	• plan, establish and monitor stock control systems.
Technology skills to:	• use a computer, keyboard and stock control software.

Unit Mapping Information

Supersedes and is equivalent to SITXINV005 Establish stock and purchasing and control systems.

Links

Companion Volume implementation guides are found in VETNet - https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=68c40a93-e51d-4e0f-bc06-899dff092694