



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **TLIR4010A Plan purchasing**

**Release: 1**

## **TLIR4010A Plan purchasing**

### **Modification History**

Not Applicable

### **Unit Descriptor**

#### **Unit Descriptor**

This unit involves the skills and knowledge required to plan purchasing, including preparing invitations to offer, identifying suppliers, issuing invitations to offer, and preparing purchase recommendations. Licensing, legislative, regulatory or certification requirements are applicable to this unit.

### **Application of the Unit**

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Work may be undertaken in various contexts within the transport and distribution industry.

The unit generally applies to those who provide leadership of others individually or in teams.

This unit is normally packaged at AQF IV or above.

### **Licensing/Regulatory Information**

Refer to Unit Descriptor

### **Pre-Requisites**

Not Applicable

## **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 required performance needed to demonstrate achievement of the element. Assessment of performance is to be consistent with the evidence guide.

## Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<b>1 Prepare invitations to offer</b>	1.1 Specifications for goods and services to be purchased are obtained from relevant personnel and clarified as required 1.2 Purchasing methods most appropriate to particular purchases are selected 1.3 Invitations to offer are prepared 1.4 Approval of invitations to offer is obtained
<b>2 Identify suppliers</b>	2.1 Organisation's records are reviewed for potential suppliers 2.2 Sources of supply are identified 2.3 Invitations to suppliers are made 2.4 Sources of supply are evaluated against requirements of purchasing strategies
<b>3 Issue invitations to offer</b>	3.1 Invitations to offer are distributed 3.2 Briefings are conducted as required 3.3 Clarification of issues arising is made with suppliers in line with purchasing strategies
<b>4 Prepare recommendations to purchase</b>	4.1 Offer documents are received from suppliers 4.2 Offer documents are assessed against requirements of purchasing strategies 4.3 Further information is sought from suppliers as required 4.4 Specialist expertise is obtained to assist with evaluation as required 4.5 Offers are evaluated against requirements of purchasing strategies 4.6 Shortlists of suppliers that make offers and who meet purchasing criteria are prepared 4.7 Preferred offers are selected 4.8 Recommendations about preferred offers are made for approval by relevant personnel 4.9 Approval is obtained for recommended offers

## Required Skills and Knowledge

### REQUIRED KNOWLEDGE AND SKILLS

This describes the essential knowledge and skills and their level required for this unit.

#### Required knowledge:

## REQUIRED KNOWLEDGE AND SKILLS

- Relevant legislation, codes of practice and national standards related to procurement, for example Trade Practices Act, contract law, sale of goods legislation, consumer protection legislation and legislation related to the import of goods and services, where relevant
- Relevant OH&S and environmental procedures and regulations
- All details of the organisation's purchasing strategies
- Product knowledge about the goods and services being supplied
- Procedures for operating electronic communications equipment
- Requirements for completing relevant documentation
- Code of practice for working collaboratively with others
- Steps involved in planning the work activities

### Required skills:

- Communicate effectively with others, including verbal skills to negotiate and liaise with potential suppliers and relevant personnel, and written skills including report writing
- Read and interpret instructions, procedures, information and signs relevant to the planning of purchasing
- Interpret and follow operational instructions and prioritise work
- Complete documentation related to work activities
- Operate electronic communication equipment to required protocol
- Work collaboratively with others
- Adapt appropriately to cultural differences in the workplace, including modes of behaviour and interactions with others
- Work systematically with required attention to detail
- Promptly report and/or rectify any identified problems in accordance with regulatory requirements and workplace procedures
- Implement contingency plans for unplanned events
- Apply precautions and required action to minimise, control or eliminate hazards that may exist
- Modify activities depending on differing operational contingencies, risk situations and environments
- Monitor work activities in terms of planned schedule
- Apply and use software appropriately
- Behave ethically and with probity in all aspects of work activities and adhere to industry and organisational codes of conduct

## Evidence Guide

## EVIDENCE GUIDE

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required knowledge and skills, the range statement and the assessment guidelines for this Training Package.

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|---|---|
| <b>Critical aspects for assessment and evidence required to demonstrate competency in this unit</b> | <ul style="list-style-type: none"> <li>• The evidence required to demonstrate competency in this unit must be relevant to and satisfy all of the requirements of the elements and performance criteria of this unit and include demonstration of applying:           <ul style="list-style-type: none"> <li>• the underpinning knowledge and skills</li> <li>• relevant legislation and workplace procedures</li> <li>• other relevant aspects of the range statement</li> </ul> </li> </ul>  |
| <b>Context of and specific resources for assessment</b>   | <ul style="list-style-type: none"> <li>• Performance is demonstrated consistently over a period of time and in a suitable range of contexts</li> <li>• Resources for assessment include:           <ul style="list-style-type: none"> <li>• a range of relevant exercises, case studies and/or other simulated practical and knowledge assessment, and/or</li> <li>• access to an appropriate range of relevant operational situations in the workplace</li> </ul> </li> <li>• In both real and simulated environments, access is required to:           <ul style="list-style-type: none"> <li>• relevant and appropriate materials and equipment, and</li> <li>• applicable documentation including workplace procedures, regulations, codes of practice and operation manuals</li> </ul> </li> </ul> |
| <b>Method of assessment</b>   | <ul style="list-style-type: none"> <li>• Assessment of this unit must be undertaken by a registered training organisation</li> <li>• As a minimum, assessment of knowledge must be conducted through appropriate written/oral tests</li> <li>• Practical assessment must occur:           <ul style="list-style-type: none"> <li>• through activities in an appropriately simulated environment at the registered training organisation, and/or</li> <li>• in an appropriate range of situations in the workplace</li> </ul> </li> </ul>  |

## Range Statement

### 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.

- Relevant personnel may include:
- internal users of purchased goods and services
  - owner and Board
  - CEO, managers, leaders, coordinators, supervisors and other persons authorised to commit the organisation to purchases
  - specialist personnel involved in purchasing, asset maintenance and finance
- Purchasing methods may include:
- written quotations
  - invitation of open or select tenders
  - direct purchases using supply agreements
  - electronic trading
  - direct negotiations
- Invitations to offer may include:
- specifications of goods and/or services required
  - criteria for selection of suppliers from offers received
  - draft contracts and agreements
  - delivery schedules
  - requirements for off-site storage and warehousing
  - required supplier capacity
  - quality requirements
- Purchasing strategies include:
- the organisation's documented strategies for purchasing, covering policies, procedures, guidelines and documentation formats for purchasing from suppliers including entities owned by the organisation, partners, alliance members and local and distant suppliers
  - criteria for evaluating purchasing performance
  - methodology for evaluating purchasing performance
  - different policies, procedures and strategies for different dollar values of purchases
  - limits of authority to approve purchases
  - requirements for fairness and transparency in purchasing
  - organisational and industry codes of conduct and ethics
  - requests for further information about specifications not responded to, misinterpretations of specifications and supplementary/add on products or services
- Clarification of issues may include:
- requests about specifications not responded to, misinterpretations of specifications and supplementary/add on products or services
- Further information may include:
- requests about specifications not responded to, misinterpretations of specifications and supplementary/add on products or services
  - supplier briefings and presentations

## RANGE STATEMENT

Consultative processes may involve:

- other employees and supervisors
- relevant authorities and institutions
- management and union representatives
- industrial relations and OH&S specialists

Communication in the work area may include:

- phone
- electronic data interchange (EDI)
- fax
- email
- internet
- RF systems
- oral, aural or signed communications

Depending on the organisation concerned, workplace procedures may be called:

- standard operating procedures (SOPs)
- company procedures
- enterprise procedures
- organisational procedures
- established procedures

Documentation and records may include:

- organisation's policies, procedures, strategies, methods and instructions relevant to procurement
- lists of relevant personnel to consult
- proformas and instructions used when preparing invitations to offer
- quality assurance procedures
- technical instructions

Applicable legislation and regulations may include:

- relevant legislation, codes of practice and national standards related to procurement, for example Trade Practices Act, contract law, sale of goods legislation, consumer protection legislation and legislation related to the import of goods and services, where relevant
- relevant industry codes of practice
- Australian and international regulations and codes of practice for the transport of dangerous goods and hazardous substances
- relevant state/territory OH&S and environmental protection legislation
- award and enterprise agreements and relevant industrial instruments
- workplace relations regulations

## Unit Sector(s)



Not Applicable

## **Competency Field**

**Competency Field**                      R - Contract Procurement