



Australian Government

AHCBUS514 Negotiate and monitor contracts

Release: 1

AHCBUS514 Negotiate and monitor contracts

Modification History

Release	Comments
Release 1	This version released with AHC Agriculture, Horticulture, Conservation and Land Management Training Package Version 4.0.

Application

This unit of competency describes the skills and knowledge required to negotiate and monitor contracts with sources external to the enterprise.

This unit applies to individuals who take personal responsibility and exercise autonomy in undertaking complex work. At this level, workers analyse information and exercise judgement to complete a range of advanced skilled activities especially in relation to the negotiation and monitoring of contracts.

All work must be carried out to comply with organisational requirements, work health and safety legislation and codes and in consultation with the management team.

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

Pre-requisite Unit

Nil

Unit Sector

Business (BUS)

Elements and Performance Criteria

Elements	Performance Criteria
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Define agreements with external parties to the business for service provision	1.1 Identify and define the enterprise requirements of a business relationship with external sources 1.2 Establish the ranges of acceptable outcomes from a negotiation 1.3 Make contact with individuals, bodies or corporations and discuss

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	requirements of an agreement 1.4 Clarify communication channels between all parties 1.5 Check references where applicable 1.6 Implement good practice procedures for business meetings and document discussions and agreements
2. Complete the formal agreement	2.1 Check and confirm negotiations conform to established enterprise requirements and relevant legislation 2.2 Document requirements of the contract 2.3 Clarify and resolve areas of ambiguity or concern 2.4 Gain consensus between parties in relation to conditions for service or supply including the key performance indicators 2.5 Undertake alternative processes where agreement is unable to be reached 2.6 Confirm the agreement based on mutually acceptable terms 2.7 Incorporate penalties or redress for non-performance 2.8 Sign and exchange contract documentation between the relevant parties
3. Monitor the performance of contracts	3.1 Identify the rights and obligations of parties to a contract and implement appropriate methods of addressing non-performance 3.2 Identify and consult professional and regulatory bodies available to support commercial grievance processes 3.3 Monitor completion of contract against key performance indicators 3.4 Advise parties of any non-compliance in writing

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential for performance in this unit of competency but are not explicit in the performance criteria.

Skill	Description
Writing	Prepare legal contracts that clearly express expectations, payments, timelines and penalties for non-conformance

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
AHCBUS514 Negotiate and monitor contracts	AHCBUS503 Negotiate and monitor contracts	Performance criteria clarified Foundation skills added Assessment requirements updated	Equivalent unit

Links

Companion Volumes, including Implementation Guides, are available at VETNet: -
<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c6399549-9c62-4a5e-bf1a-524b2322cf72>

Assessment Requirements for AHCBUS514 Negotiate and monitor contracts

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Performance Evidence

An individual demonstrating competency must satisfy all of the elements and performance criteria in this unit. There must be evidence that the individual has negotiated and monitored at least one contract with a person or entity external to the enterprise, including:

- established agreed terms and conditions with the person or entity
- negotiated to obtain fair outcomes
- documented the contract
- monitored the performance of the contract.

Knowledge Evidence

An individual must be able to demonstrate the knowledge required to perform the tasks outlined in the elements and performance criteria of this unit. This includes knowledge of:

- contract and commercial law applicable to the type of agreement
- types of contracts used within the enterprise, including employment contracts and services contracts
- typical considerations taken into account when developing a contract, including:
 - current state/territory and Commonwealth legislation for employment and taxation
 - work health and safety in terms of duties of employers, employees, suppliers and contractors
 - hazardous substances and dangerous goods
 - environment protection
 - equal opportunity
 - equal employment opportunity
 - affirmative action standards
 - certification requirements
 - license, patent or copyright arrangements
 - quality assurance procedures
 - emergency procedures

- processes of formulation and negotiation of contracts
- enterprise business policies and procedures for maintenance of confidentiality.

Assessment Conditions

Assessment of skills must take place under the following conditions:

- physical conditions:
 - skills must be demonstrated in a workplace setting or an environment that accurately represents workplace conditions
- resources, equipment and materials:
 - access to information about contracts and relevant contract/employment legislation.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

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