



Australian Government

BSBPRC505 Manage ethical procurement strategy

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 3.0.

Application

This unit describes the skills and knowledge required to employ ethical procurement processes and policies to identify suppliers' contribution to improve the ethics of that specific supply chain, such as waste, water, emissions, materials, service and innovation.

It applies to individuals who manage the ethical procurement of goods and/ or services from a variety of sources. While an individual may work closely with other staff members in the organisation, they have individual responsibility and autonomy to identify ethical procurement risks, develop management programmes and evaluate suppliers against organisation ethical procurement policies and procedures.

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

Unit Sector

Procurement - 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. Identify vulnerability and risk associated with procurement	1.1 Research and identify ethical procurement policies and procedures and their alignment to organisational objectives 1.2 Determine specifications of goods and/ or services to be procured 1.3 Assess ethical vulnerabilities and risks associated with procurement of goods and/ or services in accordance with organisational policies and procedures 1.4 Document and report ethical procurement vulnerabilities and

ELEMENT	PERFORMANCE CRITERIA
	risks to stakeholders
2. Develop ethical procurement strategy	2.1 Develop organisational ethical procurement strategy in accordance with organisational policies and procedures 2.2 Assign responsibility to relevant personnel for the monitoring of ethical procurement strategy 2.3 Seek endorsement of ethical procurement strategy from organisational management
3. Evaluate suppliers and offers	3.1 Engage suppliers in ethical procurement objectives 3.2 Analyse supplier ethical procurement against key performance indicators 3.3 Evaluate and select suppliers with negative ethical procurement impacts 3.4 Confirm and agree chosen supplier with organisational management
4. Create contract and performance indicators	4.1 Establish contract documentation in accordance with ethical procurement strategies and organisational policies and procedures 4.2 Communicate the contents of the contract, emphasising ethical procurement requirements 4.3 Determine arrangements for delivery of goods and/ or services to be satisfactory to both organisation and supplier 4.4 Implement relevant ethical procurement key performance indicators to measure supplier against organisational objectives 4.5 Establish ongoing dialogue with supplier to facilitate transparency and accountability
5. Evaluate and update ethical procurement strategy	5.1 Evaluate supplier against ethical procurement performance indicators 5.2 Undertake gap analysis between desired and actual performance, and establish new goals 5.3 Embed recognition and reward for good supplier practice 5.4 Consult with stakeholders to confirm revised ethical procurement strategy

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

Skill	Description
Reading	Analyses, matches and interprets information, paying attention to detail to identify errors
Writing	Records information accurately using correct spelling, grammar and terminology
Oral Communication	Uses questioning and active listening to convey and clarify information and instructions
Numeracy	Performs mathematical analysis to verify financial information
Navigate the world of work	Follows legislative requirements, and organisational protocols, policy and procedures relevant to own role
Interact with others	Uses correct communication practices and protocols to obtain strategy approval from stakeholders
Get the work done	- Plans, organises and implements tasks according to organisational requirements - Responds to problems by implementing standard or logical solutions

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
BSBPRC505 Manage ethical procurement strategy Release 1	Not applicable	New unit	No equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

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

Assessment Requirements for BSBPRC505 Manage ethical procurement strategy

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Performance Evidence

Evidence of the ability to:

- develop ethical procurement strategies for an organisation, including:
 - researching and documenting ethical procurement vulnerabilities and risks
 - evaluating suppliers through ethical procurement performance indicators
- liaise with stakeholders and suppliers to effectively facilitate ethical procurement
- evaluate and implement improvements to procurement strategies in an organisation.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

The candidate must be able to demonstrate the following knowledge to effectively complete the tasks outlined in the elements and performance criteria of this unit, and to manage tasks and reasonably foreseeable contingencies in the context of the work role:

- key provisions of relevant legislation that affect procurement and contracting
- key indicators to evaluate ethical procurement supplier performance
- key ethical procurement vulnerabilities and risks
- organisational policies and procedures related to:
 - ethical business terms and conditions for procurement
 - contracting and tendering
 - supply chain management
 - procurement.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the administration – procurement and contracting field of work and include access to:

- organisation policies and procedures
- procurement strategies and relevant procurement records
- office equipment and supplies
- case studies and, where possible, real situations.

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

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