



Australian Government

Department of Education, Employment and Workplace Relations

BSBPUR504B Manage a supply chain

Revision Number: 1

BSBPUR504B Manage a supply chain

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit specifies the outcomes required to manage a supply chain, including the relationships between an organisation and its supply and demand partners along the chain. It covers implementing a demand driven supply chain management strategy, managing the supply chain, and evaluating and improving supply chain effectiveness. No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.
------------------------	---

Application of the Unit

Application of the unit	This unit applies to individuals who are responsible for managing a supply chain in an organisation. These individuals develop and implement relevant supply chain management strategies, and manage and review the implementation of improvements to international purchasing strategies. Individuals undertaking this unit support the work of other employees carrying out supply chain management functions.
--------------------------------	--

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

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. Implement demand driven supply chain management strategy	1.1. Assign responsibility for supply chain management within the organisation in accordance with supply chain management strategy 1.2. Access and operationalise technology and software for implementation of the supply chain management system within the requirements of the strategy and budgetary allocation 1.3. Design policies and procedures to guide business relations and operations in accordance with the strategy 1.4. Design or re-design supporting business processes to support implementation of the strategy 1.5. Provide support to staff, customers and supply chain to assist in implementation of the supply chain management strategy
2. Manage supply chain	2.1. Manage communication and information exchange with strategic partners and suppliers in accordance with the supply chain management strategy 2.2. Facilitate and collaborate with supply chain organisations to determine demand at each level of the supply chain in accordance with the supply chain management strategy 2.3. Manage sales and payments in accordance with supply chain and risk management strategies, and legal and ethical requirements 2.4. Implement actions to build trust and foster a supply chain culture in accordance with the supply chain management strategy 2.5. Identify opportunities to adjust policies and procedures to respond to the changing needs of customers, supply chain and the organisation
3. Evaluate and improve supply chain effectiveness	3.1. Monitor demand chain management and supply chain management in accordance with the supply chain management strategy 3.2. Review and identify improvements in the effectiveness of the supply chain with each level of the supply chain, including staff and customers 3.3. Compare business data and reports to outcomes, budgets, timelines and forecasts to actual performance 3.4. Review technology performance and make

ELEMENT	PERFORMANCE CRITERIA
	recommendations for improvements to hardware, software and/or their use in accordance with strategy and budget 3.5. Use feedback and evaluation results to plan and improve future supply chain management strategies

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- culturally appropriate communication skills to relate to people from diverse backgrounds and people with diverse abilities
- communication and interpersonal skills to establish working relationships with customers, supply chain members and internal colleagues
- literacy skills to document policies and procedures for supply chain management and to write reports containing complex concepts
- leadership skills to coordinate supply chain management policy development and successfully implement those policies
- technology skills to use software applicable to managing a supply chain.

Required knowledge

- identification and overview knowledge of key provisions of relevant legislation from all levels of government that affects business operations, codes of practice and national standards, such as:
 - consumer protection legislation
 - contract law
 - import of goods and services, where relevant
 - sale of goods legislation
 - Trade Practices Act
- organisation policies and procedures related to:
 - business terms and conditions for purchasing, tendering and contracting
 - contracting and tendering
 - ethical behaviour
 - purchasing
 - supply chain management
- product knowledge related to goods and services required by the organisation
- techniques to establish collaborative relationships.

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:

- implementation of a supply chain management strategy
- successful management of a supply chain
- evaluation and formulation of recommendations for improvement to supply chain management strategy.

Context of and specific resources for assessment

Assessment must ensure:

- access to an actual workplace or simulated environment
- access to office equipment and resources
- organisation's purchasing strategies and relevant purchasing records.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:

- analysis of responses to case studies and scenarios
- assessment of documented supply chain management strategies
- direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate
- oral or written questioning to assess knowledge
- review testimony from team members, colleagues, supervisors or managers
- review of authenticated documents from the workplace or training environment.

Guidance information for assessment

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example:

- other purchasing units.

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.

<i>Supply chain management</i> refers to:	management of the entire cycle from raw materials to producers, component suppliers, manufacturers, wholesalers, third party service providers, retailers, customers and recyclers, plus freight, distribution and cash flow
<i>Supporting business processes</i> may include:	- accounting - administration - data input - delivering and receiving - ordering - payments - online and other technological inventory management or supply chain integration software
<i>Support</i> may include:	- intranet site information - mentoring and coaching arrangements - policies, procedures and guidelines - provision of a help-desk or contact persons - workshops, briefings and training programs - written documentation in the form of manuals, help books, protocols, etc
<i>Demand chain management</i> is:	a collaborative process that involves determining how much product needs to be produced at each level of the supply chain through to the end consumer
<i>Improvements in the supply chain</i> may include:	- the role of 'middlemen' or other middle supply chain elements being reduced or made redundant as newer more efficient supply chain methodologies and technologies are implemented - new value being created between producers and consumers

Unit Sector(s)

Unit sector	
--------------------	--

Competency field

Competency field	Administration - Purchasing and Contracting
-------------------------	---

Co-requisite units

Co-requisite units		