



**Australian Government**

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

# **PMC563081C Carry out stock control**

**Revision Number: 1**

## PMC563081C Carry out stock control

### Modification History

Not applicable.

### Unit Descriptor

|                        |                                                                                                                                                                                                                                                                  |
|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Unit descriptor</b> | This unit of competency covers monitoring and reordering of stock to effectively control the purchase of stock for production. It involves maintaining stock levels, reporting stock variations, liaising with suppliers and facilitating stock control changes. |
|------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### Application of the Unit

|                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Application of the unit</b> | In a typical scenario, a senior operator, or supervisor in a large plant looks after the monitoring and reordering of stock. This is likely to be as part of their broader role and may be done by an individual working alone or as part of a work team. Stock levels may be monitored visually (e.g. stock on a shelf/on the floor) or may be via a computer which is updated as stock is used, or other means. Stock may be in a store, warehouse or locally in the plant. |
|--------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

### Licensing/Regulatory Information

Not applicable.

### Pre-Requisites

|                           |  |  |
|---------------------------|--|--|
| <b>Prerequisite units</b> |  |  |
|                           |  |  |
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## Employability Skills Information

|                             |                                          |
|-----------------------------|------------------------------------------|
| <b>Employability skills</b> | 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. Monitor stock reordering                  | <ul style="list-style-type: none"><li>1.1. Monitor stock levels and maintain them at optimum levels</li><li>1.2. Adjust stock reorder levels as required in response to customer demand</li><li>1.3. Report to suppliers variations to quality and quantity of delivered goods</li><li>1.4. Identify alternative suppliers which meet required quality and safety standards and utilise them when required</li><li>1.5. Reorder stock in compliance with procedures</li></ul>                                                            |
| 2. Maintain inventory records systems        | <ul style="list-style-type: none"><li>2.1. Maintain accurate records of the storage and the movement of stock</li><li>2.2. Identify, and act upon, stock discrepancies</li><li>2.3. Ensure minimum inconvenience to customers resulting from stock movements</li></ul>                                                                                                                                                                                                                                                                   |
| 3. Undertake stocktaking and cyclical counts | <ul style="list-style-type: none"><li>3.1. Coordinate stocktaking and cyclical counts as required</li><li>3.2. Interpret inventory data and confirm it matches stock</li><li>3.3. Reconcile inventory data with actual stock on hand</li><li>3.4. Report stock variations or shortages</li><li>3.5. Identify missing or damaged stock and report as required by procedures</li></ul>                                                                                                                                                     |
| 4. Control hazards                           | <ul style="list-style-type: none"><li>4.1. Identify hazards in the work area</li><li>4.2. Assess the risks arising from those hazards</li><li>4.3. Implement measures to control those risks in line with procedures and duty of care</li></ul>                                                                                                                                                                                                                                                                                          |
| 5. Respond to problems                       | <ul style="list-style-type: none"><li>5.1. Identify possible problems in stock levels, storage, quantity and quality if stock, timeliness of supplies and production issues</li><li>5.2. Determine problems needing action</li><li>5.3. Determine possible fault causes</li><li>5.4. Rectify problem using appropriate solution within area of responsibility</li><li>5.5. Follow through items initiated until final resolution has occurred</li><li>5.6. Report problems outside area of responsibility to designated person</li></ul> |

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

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

#### Required skills

Required skills include:

- maintaining accurate stock levels
- acting upon discrepancies
- ensuring stock availability for meeting production needs
- implementing enterprise's standard procedures and work instructions and relevant regulatory requirements within an appropriate timeframe and in a manner relevant to a smooth work flow and production requirements
- reading and numeracy to interpret workplace documents and technical information

#### Required knowledge

Required knowledge includes:

- production requirements and stock availability
- effective inventory management techniques to meet production requirements
- accuracy of inventory
- supplier contractual requirements
- stock control techniques
- stock optimum levels and relationship with cost
- relevant enterprise information systems in the reordering and monitoring of stock control
- methods of rectification for variations to quality and quantity of delivered goods
- method for sourcing alternative suppliers

## 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

The unit will be assessed in as holistic a manner as is practical and may be integrated with the assessment of other relevant units of competency.

#### Critical aspects for assessment and evidence required to demonstrate competency in this unit

It is essential that the system be understood and that the importance of inventory management in relation to effective production planning is known. Competence must be demonstrated in the ability to recognise and analyse potential situations requiring action and then in implementing appropriate corrective action.

Consistent performance should be demonstrated. In particular look to see that:

- stock levels are accurate, discrepancies are acted upon and stock levels are maintained
- variations to quality and quantity of delivered goods are rectified
- alternative suppliers can be sourced on request
- stock is on hand to ensure efficient production.

#### Context of and specific resources for assessment

Assessment will require access to an operating plant over an extended period of time, or a suitable method of gathering evidence of operating ability over a range of situations.

Assessment will occur over a range of situations which will include disruptions to normal, smooth operation.

Simulation or case studies/scenarios may be required to allow for timely assessment of parts of this unit of competency. Simulation should be based on the actual plant and will include 'walk-throughs' of the relevant competency components. A bank of scenarios/case studies/what ifs and questions will be required to probe the reasoning behind observable actions.

#### Method of assessment

In all plants it may be appropriate to assess this unit concurrently with relevant teamwork and communication units.

Individual enterprises may choose to add prerequisites and co-requisites relevant to their processes.

**EVIDENCE GUIDE****Guidance information for  
assessment**

Assessment processes and techniques must be culturally appropriate and appropriate to the language and literacy capacity of the candidate and the work being performed.

## 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.

|                                             |                                                                                                                                                                                                                                                                                                                                                                                                          |
|---------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Procedures</b>                           | All operations are performed in accordance with standard procedures and work instructions                                                                                                                                                                                                                                                                                                                |
| <b>Equipment and unit operations</b>        | <p>This unit of competency includes all such items of equipment and unit operations which form part of the stock control system. These may include:</p> <ul style="list-style-type: none"> <li>• enterprise inventory system, which may be paper or computer based</li> <li>• scanners</li> <li>• enterprise inventory practices and procedures</li> <li>• production planning and scheduling</li> </ul> |
| <b>Typical problems</b>                     | <p>Typical problems may include:</p> <ul style="list-style-type: none"> <li>• stock discrepancies between inventory system and actual stock on hand</li> <li>• deviations from supplier contracts/performance agreements</li> <li>• stock control and production planning discrepancies</li> <li>• stock quality and/or quantity does not meet production standards</li> </ul>                           |
| <b>Occupational health and safety (OHS)</b> | The identification and control of hazards and the application of OHS are to be in accordance with current, applicable legislation and regulations, and company procedures                                                                                                                                                                                                                                |

## Unit Sector(s)

|                    |         |
|--------------------|---------|
| <b>Unit sector</b> | Support |
|--------------------|---------|

## Competency field

|                  |  |
|------------------|--|
| Competency field |  |
|------------------|--|

## Co-requisite units

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| Co-requisite units |  |  |
|                    |  |  |
|                    |  |  |