



Australian Government

Department of Education, Employment and Workplace Relations

SIRXPRO005A Manage distribution processes

Revision Number: 2

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Modification History

The version details of this endorsed unit are in the table below. The latest information is at the top.

Release	Comments
Second Release	Editorial updates

Unit Descriptor

This unit describes the performance outcomes, skills and knowledge required to manage distribution relationships to ensure supply from a retail or wholesale business meets operational and customer requirements.

Application of the Unit

This unit applies to personnel who manage the distribution process for supply. It includes consideration of purchasing arrangements, monitoring and reviewing supplier relationships and agreements together with the quality control of supply and distribution.

Licensing/Regulatory Information

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

Pre-Requisites

Nil

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements and Performance Criteria

Elements	Performance Criteria
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.
1. Manage purchasing agreements with business customers.	1.1. Review <i>distribution and supply agreements</i> with business customers to ensure they are legally enforceable. 1.2. Amend existing supply and distribution agreements to meet agreed <i>business customer and end consumer needs</i> . 1.3. Negotiate new supply and distribution agreements according to <i>business policy and procedures</i> and <i>legal requirements</i> . 1.4. Implement supply and distribution agreements to achieve agreed <i>business and customer objectives</i> . 1.5. Communicate supply and distribution licences and agreements to <i>relevant personnel</i> .
2. Monitor supply arrangements with business customers.	2.1. Set measures and determinants of effective supplier relationships between the retail or wholesale business and <i>customers</i> . 2.2. Monitor ability of retail or wholesale business to meet obligations under supply and distribution agreements. 2.3. Determine satisfaction of customers with supply and distribution of retail or wholesale products and services. 2.4. Investigate customer complaints or reported problems with supply and distribution systems. 2.5. Resolve reported problems or customer complaints with supply and distribution systems and remove root causes.
3. Introduce product range.	3.1. Inform <i>managers and staff</i> of new product ranges and advise of preferred location of merchandise. 3.2. Implement staff <i>training</i> in product knowledge to introduce product range. 3.3. Demonstrate or display new product ranges to staff according to business <i>merchandising plan</i> .
4. Monitor quality control of supply and distribution.	4.1. Establish merchandise quality standards with <i>suppliers</i> according to legal requirements, customer requirements and business policy. 4.2. Monitor and ensure quality of merchandise during supply, manufacture and delivery processes. 4.3. Record stock return figures and analyse against target figures.

Required Skills and Knowledge

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

Required skill

- planning and management skills to develop, implement and monitor contracts and agreements
- literacy and numeracy skills to:
 - collect and organise information
 - interpret a range of workplace documentation
 - access and interpret supply and distribution information
 - generate reports
 - maintain distribution records and information
- analytical skills to evaluate information
- interpersonal skills to:
 - negotiate supply and distribution agreements
 - report and resolve customer complaints
 - inform managers and staff of new products and how best to promote them through clear and direct communication
 - ask questions to identify and confirm requirements
 - share information
 - give instructions
 - use language and concepts appropriate to cultural differences
 - use and interpret non-verbal communication

Required knowledge

- business purchasing and distribution practices and procedures
- legal considerations
- range decisions and practices
- existing supply and distribution agreements
- quality standards relating to:
 - merchandising
 - supply
 - products
 - customer service
- ethical practices affecting purchasing agreements
- risk management
- principles and techniques in analysis, assessment, development and implementation
- Work Health and Safety (WHS) aspects of job
- relevant commercial law and legislation

Evidence Guide

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

Critical aspects for assessment and evidence required to demonstrate competency in this unit Evidence of the following is essential:

- negotiates and executes supply and distribution agreements according to business policy and legal requirements
- ensures distribution processes comply with obligations under distribution and license agreements and relevant legislation
- responds to customer complaints and supply and distribution problems promptly according to business policy and procedures
- reviews distribution processes and supply agreements to ensure continuous improvement.

Context of and specific resources for assessment

Assessment must ensure access to:

- a retail or wholesale work environment
- relevant sources of product information
- relevant information and documentation, including:
 - business policy and procedures
 - relevant legislation and statutory requirements
 - industry codes of practice
 - supply and distribution data
- business customers with a range of supply and distribution needs.

Methods of assessment

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

- observation of performance in the workplace
- third-party reports from a supervisor
- written or verbal questioning to assess knowledge and understanding
- review of portfolios of evidence and third-party workplace reports of on-the-job performance.

Guidance information for assessment

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

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 in the performance criteria is detailed below.

Distribution and supply agreements may include:

- delivery of products
- provision of services
- maintenance and support agreements
- leasing agreements and consultancies
- research and development.

Business customer and end consumer needs may vary according to:

- demographics
- economics
- competition
- social and cultural factors
- political influences
- legal factors
- natural factors
- technology.

Business policy and procedures may relate to:

- supply and distribution of merchandise
- interacting with customers
- approval processes
- negotiating supply and distribution agreements.

Legal requirements may include:

- industry codes of practice
- transport, storage and handling of goods
- contract law
- Trade Practices and Fair Trading Acts
- pricing procedures, including inclusion or exclusion of GST.

Business and customer objectives may relate to:

- time management
- standards of work
- quality
- quantity
- observance of policy and procedures
- meeting legislative requirements
- financial control
- inventory control
- risk management
- loss prevention.

Relevant personnel may include:

- manager or supervisor

- colleagues
 - business or area manager
 - internal or external logistics personnel
 - business customer contacts
 - end consumers.
- Customers** may include:
- new or repeat contacts
 - internal or external contacts
 - customers with routine or special requests
 - local, regional, interstate or international customers
 - people from a range of social, cultural and ethnic backgrounds and with varying physical and mental abilities.
- Managers and staff** may include:
- full-time, part-time or casual or contract staff
 - staff under contract
 - people with varying degrees of language and literacy
 - people from a range of cultural, social and ethnic backgrounds
 - people with a range of responsibilities and job descriptions.
- Training** may include:
- formal or informal training
 - coaching or mentoring
 - informational seminars
 - written information.
- Merchandising plan** may relate to:
- business culture
 - current market position
 - merchandise and product range
 - pricing, labelling and packaging requirements.
- Suppliers** may be:
- local or overseas
 - existing or new contacts
 - internal or external.

Unit Sector(s)

Cross-Sector

Competency field

Product Management