



Australian Government

TLIA0025 Assess and monitor optimum stock levels

Release: 1

TLIA0025 Assess and monitor optimum stock levels

Modification History

Release 1. This is the first release of this unit of competency in the TLI Transport and Logistics Training Package.

Application

This unit involves the skills and knowledge required to assess and monitor optimum stock levels.

It includes assessing projected demand, assessing variables impacting on optimum stock levels, and determining and monitoring optimum inventory levels.

Work is performed in accordance with workplace requirements and relevant regulations. There is the need to exercise discretion and judgement for self and others in planning and using resources, services and processes to achieve required outcomes.

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

Pre-requisite Unit

Not applicable.

Competency Field

A – Handling Cargo/Stock.

Unit Sector

Not applicable.

Elements and Performance Criteria

Elements describe the essential outcomes.

Performance criteria describe the performance needed to demonstrate achievement of the element.

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|----------------------------------|---|
| 1 Assess projected demand | 1.1 Current inventory levels are monitored and recorded following workplace procedures and regulatory requirements |
| | 1.2 Immediate inbound and outbound inventory levels are considered in analysis |

- 1.3 Information and data from sales plan and stock movement history are analysed, as required
 - 1.4 Projected high and low volume periods are determined from the analysis of sales plan and historical stock movement data, as required
 - 1.5 Seasonal nature of stock demand is determined from the analysis of sales plan and stock movement data
 - 1.6 Required inventory levels are determined from the analysis of production and vendor supply cycle stages
- 2 Assess variables that impact on optimum stock levels**
 - 2.1 Stock supply and consignment delivery lead times are determined
 - 2.2 Internal processing and distribution times are determined
 - 2.3 Spoilage, obsolescence times and shelf life are calculated, as required
 - 2.4 Maximum stock carrying capacity is assessed
 - 2.5 Physical and human resources are assessed in relation to projected stock requirements
 - 2.6 Contingencies are developed for abnormal distribution disruptions to supply chain
- 3 Determine optimum inventory levels**
 - 3.1 Supply and distribution lead times are considered
 - 3.2 Optimum stock levels are calculated, and risk assessed against business activities
 - 3.3 Optimum inventory levels are confirmed with appropriate personnel and outcomes of previous analysis
- 4 Monitor optimum inventory levels**
 - 4.1 Inventory benchmarks are continually compared to current and future sales and turnover requirements
 - 4.2 Adjustments to inventory levels are undertaken in consultation with relevant personnel, workplace processes and within scope of authority
 - 4.3 Changes and requests for adjustments to inventory levels are documented in accordance with workplace procedures
 - 4.4 Physical and human resources are identified and used to maintain and monitor optimum inventory levels

Foundation Skills

Foundation skills essential to performance are explicit in the performance criteria of this unit of competency.

Range of Conditions

Range is restricted to essential operating conditions and any other variables essential to the work environment.

Non-essential conditions can be found in the TLI Transport and Logistics Training Package Companion Volume Implementation Guide.

Unit Mapping Information

This unit replaces and is equivalent to TLIA4028 Assess and monitor optimum stock levels.

Links

Companion Volume Implementation Guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=df441c6e-213d-43e3-874c-0b3f7036d851>

Assessment Requirements for TLIA0025 Assess and monitor optimum stock levels

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Performance Evidence

Evidence required to demonstrate competence in this unit must be relevant to and satisfy all the requirements of the elements and performance criteria on at least one occasion and include:

- applying relevant legislation and workplace procedures
- assessing and modifying activities depending on operational contingencies, risk situations and environments
- communicating and working effectively with others
- completing relevant documentation utilising workplace systems and procedures
- considering projected demand, contingencies and stock level variables, including:
 - cultural
 - external storage capacity
 - seasonal
 - supplier activity
- determining and monitoring optimum inventory levels and adjustments
- interpreting and following relevant instructions, procedures and policies
- planning and organising resource availability, including the competencies of individuals in a team or group
- reporting and/or rectifying identified problems, faults or malfunctions promptly in accordance with regulatory requirements and workplace procedures
- selecting and applying relevant data analysis using available technology
- working systematically with required attention to detail without injury to self or others, or damage to goods or equipment.

Knowledge Evidence

Evidence required to demonstrate competence in this unit must be relevant to and satisfy all the requirements of the elements and performance criteria and include knowledge of:

- data and documentation requirements when assessing and monitoring optimum stock levels
- impact of failing to maintain optimum stock levels on the business
- national codes and regulations, business policies, plans and workplace procedures for

maintaining stock levels

- problems when assessing and monitoring optimum stock levels and appropriate solutions
- purpose and use of key information required when optimising stock levels
- supply arrangements, resources, management and workplace operating systems to optimise stock levels
- worksite layout and organisational structure.

Assessment Conditions

Assessors must hold credentials specified within the Standards for Registered Training Organisations current at the time of assessment.

Assessment must satisfy the Principles of Assessment and Rules of Evidence and all regulatory requirements included within the Standards for Registered Training Organisations current at the time of assessment.

Assessment must occur in workplace operational situations where it is appropriate to do so; where this is not appropriate, assessment must occur in simulated workplace operational situations that replicate workplace conditions.

Assessment processes and techniques must be appropriate to the language, literacy and numeracy requirements of the work being performed and the needs of the candidate.

Resources for assessment must include access to:

- a range of relevant exercises, case studies and/or simulations
- relevant and appropriate materials, tools, equipment and personal protective equipment currently (PPE) used in industry
- applicable documentation, including legislation, regulations, codes of practice, workplace procedures and operation manuals.

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