



Australian Government

TLIR0002 Conduct purchasing

Release: 1

TLIR0002 Conduct purchasing

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 conduct purchasing.

It includes identifying purchasing requirements, sourcing potential suppliers, preparing invitations to offer for goods, evaluating offers received, preparing recommendations in response to offers and actioning successful offers. It also includes arranging delivery of goods and finalising payments and contracts.

The unit generally applies to those who under the supervision of a purchasing professional will lead individuals or teams.

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

Pre-requisite Unit

Not applicable.

Competency Field

R – Contract Procurement.

Unit Sector

Not applicable.

Elements and Performance Criteria

ELEMENTS

Elements describe the essential outcomes.

1 Identify purchasing requirements

PERFORMANCE CRITERIA

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

1.1 Goods or services to be purchased are identified from orders and instructions in accordance with workplace policies and procedures

- 1.2 Stakeholders are consulted to determine whether viable alternatives are acceptable, and database is checked for previous history
- 1.3 Quantities, quality, financial limits and delivery requirements are identified for goods
- 1.4 Item is reviewed to determine if it is a single or repeat multiple purchase
- 1.5 Scope of service requirements, duration, location and limiting factors is confirmed
- 1.6 Approval for purchase activity is confirmed

2 Source suppliers

- 2.1 Goods to be purchased are identified
- 2.2 Potential sources of supply are researched using internal data and other relevant domestic and international information sources
- 2.3 Market structures for proposed purchases are examined
- 2.4 Regulations governing international in relation to domestic purchasing is determined
- 2.5 Communication methods and standards are identified
- 2.6 Assistance and clarification are sought to identify suppliers' ability to meet required quality standards
- 2.7 Incoterms and regulations governing international purchasing of specified goods are understood

3 Prepare invitations to offer for goods

- 3.1 Final specifications of goods or services are approved from relevant personnel and clarified, as required
- 3.2 Purchasing strategy for proposed purchase is selected
- 3.3 Invitations to offer are developed and documented for ensuring quality assurance, packing standards, delivery schedule, payment terms and dispute resolution
- 3.4 Offer documents are checked for regulatory compliance and with workplace policies and procedures
- 3.5 Criteria for evaluation is developed and approval is sought in accordance with workplace policies and procedures
- 3.6 Approval is sought for issuance of invitations to offer prior to

- issuance to prospective suppliers
- 3.7** Evaluation panel membership is identified to assess offers, if required
- 4 Prepare recommendations in response to offers**
- 4.1** Offer documents are received from suppliers and handled in accordance with workplace policies and procedures
- 4.2** Offer documents are assessed against documented criteria and purchasing strategy requirements
- 4.3** Further information is sought from suppliers, as required, to clarify offers
- 4.4** Offers are evaluated by expert panel against purchasing criteria
- 4.5** Preferred offer is selected and recommendation made for approval by relevant personnel
- 4.6** Approval is obtained for recommended offers
- 5 Action successful offers**
- 5.1** Legal expertise is accessed to ensure legality of contract agreements
- 5.2** Contract with successful supplier is finalised
- 5.3** Contract is issued in accordance with approval received
- 5.4** Unsuccessful offers are informed of outcome of evaluation process
- 6 Arrange delivery of goods**
- 6.1** Transport of goods from point of origin to final destination is in accordance with final contract and confirmed
- 6.2** Relevant insurance cover is arranged
- 6.3** Agents are sourced, if required, to arrange inspection, packing, transport, importation, customs clearance and delivery of goods into store
- 6.4** Statutory and regulatory requirements, including fumigation and export/import controls, if required, are satisfied
- 6.5** Supply and logistics channels are managed to ensure delivery of goods is achieved satisfactorily and within designated timelines
- 7 Finalise payment and contract**
- 7.1** Payments are made in accordance with contract terms and workplace policy

7.2 Payments are authorised at appropriate times

7.3 Actions are taken to ensure any non-compliance with contractual conditions and specifications is rectified

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 not equivalent to TLIR4012 Conduct international purchasing.

This unit replaces and is not equivalent to TLIR4010 Plan purchasing.

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 TLIR0002 Conduct purchasing

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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 managing risks as appropriate to work tasks
- communicating and consulting effectively with stakeholders and in accordance with agreed methods
- completing relevant documentation
- managing tasks with consideration of cultural and geographic backgrounds
- monitoring and prioritising work activities in terms of planned schedule
- reading, interpreting and following relevant instructions, procedures and signs
- working collaboratively with others to ensure document control and quality assurance are maintained to meet contract deadlines
- working systematically to timelines and with required attention to detail and accuracy.

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:

- agencies involved in importation arrangements such as customs brokers, freight forwarders, logistics and transport companies and consultants
- methods of payment applicable to international purchasing
- relevant insurance brokers and available types of policies to cover identified risks
- relevant legislation, codes of practice and national standards, for example, Australian Customs Act, Trade Practices Act, law of contracts, quarantine legislation, national and international legislation relating to restrictions and prohibitions on imports
- requirements for completing relevant documentation
- requirements for purchasing goods and services
- sources of information and assistance external to organisation, for example, relevant regulatory authorities, customs brokers, Austrade, state/territory government departments or agencies, and chambers of commerce
- sources of information on differences in equipment and related standard operating and

- servicing procedures
- workplace policies and procedures for international purchasing.

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 (PPE) currently used in industry
- applicable documentation, including legislation, regulations, codes of practice, workplace procedures and operation manuals.

Links

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