



Australian Government

TLIR0004 Negotiate a contract

Release: 1

TLIR0004 Negotiate a contract

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 negotiate a contract.

It includes negotiating contract specifics with contractors, completing contract negotiations and completing enterprise contract requirements.

The unit generally applies to those with procurement responsibilities.

Work is under general guidance on progress and outcomes. It requires 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

R – Contract Procurement.

Unit Sector

Not applicable.

Elements and Performance Criteria

ELEMENTS

Elements describe the essential outcomes.

1 Negotiate contract specifics with

PERFORMANCE CRITERIA

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

1.1 Preferred suppliers are verified prior to contract negotiations through a prequalification process

contractor	1.2 Requirements of the contract are clearly documented and agreed to by the relevant parties
	1.3 Areas of ambiguity or concern are clarified and resolved
	1.4 Contract negotiations are conducted in accordance with relevant legislation and workplace policies and procedures
	1.5 Conditions for service and/or supply of goods/services are agreed between the enterprise and the contractor, including the determination of key performance indicators (KPIs)
2 Complete contract negotiations	2.1 Contract documentation is drafted in accordance with relevant legislation, workplace policies and procedures and negotiated conditions of service and supply
	2.2 Technical and legal support in drafting contracts is accessed, as required
	2.3 Contract documentation is signed and exchanged between relevant parties
3 Complete enterprise contract requirements	3.1 Documentation systems are established to ensure that the contractual terms and KPIs are met
	3.2 Quality assurance procedures for supplied goods/services are initiated
	3.3 Workplace systems that require interaction with contractors are identified and actioned
	3.4 Contract and ancillary documentation are completed and stored, as required, in accordance with workplace policies, procedures and regulatory requirements

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 TLIR4003 Negotiate a contract.

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 TLIR0004 Negotiate a contract

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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 policies and procedures
- communicating and working collaboratively and effectively with others when negotiating a contract
- completing documentation related to negotiating a contract
- modifying a contract to cater for variations in service and/or supply of goods/services
- monitoring compliance with agreed key performance indicators (KPIs)
- reading and interpreting procedures and regulatory requirements relevant to negotiating a contract.

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 on at least one occasion and include:

- key principles of contracts, including:
 - key legal requirements for the acquisition of service and/or supply of goods/services
 - workplace policies, procedures and relevant documentation for contract negotiation
- key provisions of relevant legislation, codes of practice and national standards that affect contracts for the service and/or supply of goods/services
- knowledge of the service and/or supply of goods/services being supplied
- prequalification processes, including work health and safety (WHS)/occupational health and safety (OHS) and chain of responsibility compliance
- techniques for negotiation.

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.

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