



Australian Government

Department of Education, Employment and Workplace Relations

TLIA4062A Implement safety stock systems

Release: 1

TLIA4062A Implement safety stock systems

Modification History

Not Applicable

Unit Descriptor

Unit Descriptor

This unit involves the skills and knowledge required to implement safety stock systems. It includes planning and preparing safety stock levels; maintaining safety stock levels; and reviewing the safety stock system. Licensing, legislative, regulatory or certification requirements are applicable to this unit.

Application of the Unit

Application of the Unit

Work may be undertaken in various contexts within the transport and distribution industry but has particular application in a storage facility such as a warehouse.

The unit generally applies to those who provide leadership of others individually or in teams.

This unit is normally packaged at AQF IV or above.

Licensing/Regulatory Information

Refer to Unit Descriptor

Pre-Requisites

Not Applicable

Employability Skills Information

Employability Skills

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 required performance needed to demonstrate achievement of the element. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1 Plan and prepare safety stock levels	1.1 Determined optimum safety stock levels are maintained to ensure constant productivity 1.2 Purchase, receipt, storage and issue of stock is undertaken when required 1.3 Safety stock is valued using the nominated valuation method, if required 1.4 Safety stock rotation procedures are implemented
2 Maintain safety stock levels	2.1 Records are checked against stock and continuously adjusted and updated when required 2.2 Safety stock levels are maintained according to organisation policy and procedures and safety stock plan 2.3 Records are stored for future access 2.4 Safety stock levels are reconciled with paperwork and any discrepancies are rectified or reported to nominated person/section within designated timelines
3 Review safety stock system	3.1 Safety stock records are reviewed for discrepancies regarding target outcomes 3.2 Improvements of safety stock system reviewed with all variables affecting discrepancies identified 3.3 Required improvements are reported according to organisation's policy and procedures

Required Skills and Knowledge

REQUIRED KNOWLEDGE AND SKILLS

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

Required knowledge:

- Relevant sections of national and state or territory regulatory requirements and codes of practice
- Definitions of commonly used terminology such as lead time, lead time demand, forecast, demand history, order cycle
- Procedures for operating electronic communications equipment
- Requirements for completing relevant documentation including commonly used methods to estimate required safety stock levels
- Code of practice for working collaboratively with others
- Typical problems that can occur and related action that should be taken

REQUIRED KNOWLEDGE AND SKILLS

- Procedures for identifying any problems with the safety stock system in use
- Principles, purpose and location of controls, monitoring devices, and systems
- Steps involved in planning the work activities

Required skills:

- Communicate effectively with others when completing work activities
- Read and interpret instructions, procedures, information and signs relevant to work activities
- Interpret and follow operational instructions and prioritise work
- Complete documentation related to work activities
- Operate electronic communication equipment to required protocol
- Work collaboratively with others
- Adapt appropriately to cultural differences in the workplace, including modes of behaviour and interactions with others
- Implement contingency plans for unplanned events
- Apply precautions and required action to minimise, control or eliminate hazards that may exist during work activities
- Modify activities depending on differing operational contingencies, risk situations and environments
- Monitor work activities in terms of planned schedule

Evidence Guide

EVIDENCE GUIDE

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

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

- The evidence required to demonstrate competency in this unit must be relevant to and satisfy all of the requirements of the elements and performance criteria of this unit and include demonstration of applying:
 - the underpinning knowledge and skills
 - relevant legislation and workplace procedures
 - other relevant aspects of the range statement

Context of and specific resources for assessment

- Performance is demonstrated consistently over a period of time and in a suitable range of contexts

EVIDENCE GUIDE

- Resources for assessment include:
 - a range of relevant exercises, case studies and/or other simulated practical and knowledge assessment, and/or
 - access to an appropriate range of relevant operational situations in the workplace
- In both real and simulated environments, access is required to:
 - relevant and appropriate materials and equipment, and
 - applicable documentation including workplace procedures, regulations, codes of practice and operation manuals

Method of assessment

- Assessment of this unit must be undertaken by a registered training organisation
- As a minimum, assessment of knowledge must be conducted through appropriate written/oral tests
- Practical assessment must occur:
 - through activities in an appropriately simulated environment at the registered training organisation, and/or
 - in an appropriate range of situations in the workplace

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.

Rectifying discrepancies may include:

- updating records to show correct amount
- adjusting financial accounting records
- adjusting stock records
- informing supervisor or appropriate person

Stock discrepancies may include:

- theft or pilferage
- breakage or other damage
- deterioration of the product
- error in recording
- failure to check incoming stock against delivery docket
- obsolescence resulting in stock having to be discarded

RANGE STATEMENT

Depending on the organisation concerned, workplace procedures may be called:

- standard operating procedures (SOPs)
- company procedures
- enterprise procedures
- organisational procedures
- established procedures

Communication in the work area may include:

- phone
- electronic data interchange (EDI)
- fax
- email
- internet
- RF systems
- oral, aural or signed communications

Consultative processes may involve:

- other employees and supervisors
- suppliers of storage equipment
- relevant authorities and institutions
- management and union representatives
- industrial relations and OH&S specialists

Documentation and records may include:

- relevant regulations and codes of practice, including ADG code and safeworking and local authority regulations and procedures
- relevant OH&S and environmental protection regulations
- workplace policies and procedures related safety stock systems
- quality assurance procedures
- operations manuals, job specifications and induction documentation
- manufacturers specifications for equipment
- technical instructions
- dangerous goods declarations and material safety data sheets, where applicable
- stock records
- relevant Australian Standards and certification requirements

Applicable legislation and regulations may include:

- Australian and international regulations and codes of practice for the storage and or transport of dangerous goods and hazardous substances
- relevant state/territory OH&S and environmental protection legislation

Unit Sector(s)

Not Applicable

Competency Field

Competency Field A - Handling Cargo/Stock