



# **Assessment Guidance for the SVQs in Supply Chain Management at levels 2, 3, 4 and 5**

## **Part 2: Optional Units**

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# Contents

About this guide

Structure of the SVQ

S4	Commission Projects to Develop the Supply Chain (DX51 04)
S5	Plan the Flow of Supplies Through the Supply Chain (DX6R 04)
S6	Plan the Procurement of Supplies (DX6T 04)
S7	Plan the Storage of Supplies in the Supply Chain (DX6V 04)
S8	Plan the Distribution of Supplies (DX6N 04)
S9	Plan the Transportation of Supplies (DX6W 04)
S10	Plan the Export and Import of Supplies (DX6P 04)
T4	Monitor the Achievement of Project Tasks (DX63 04)
T5	Control Supplies at Storage Locations and Facilities (DX56 04)
T6	Complete Export Procedures and Requirements (DX52 04)
T7	Complete Import Procedures and Requirements (DX53 04)
T8	Administer Contracts (DX4V 04)
T9	Analyse Information of the Procurement of Supplies in the Supply Chain (DX4W 04)
T10	Verify the Capability to Meet Supply Specifications (DX7E 04)
T11	Analyse the Performance of Suppliers (DX4Y 04)
T12	Identify Potential Suppliers for the Supply Chain (DX5P 04)
T13	Place Orders with Suppliers (DX6L 04)
T14	Monitor and Progress the Delivery of Orders (DX61 04)
T15	Monitor the Flow of Supplies in the Supply Chain (DX67 04)
T16	Obtain Information of Storage Locations and Facilities (DX6G 04)
T17	Obtain Information of Distribution Requirements (DX6F 04)
T18	Monitor the Distribution of Supplies (DX65 04)
T19	Monitor the Flow of Returned Supplies (DX69 04)
T20	Monitor the Transportation of Supplies (DX6D 04)
MSC D3	Recruit, Select and Keep Colleagues (DR7K 04)
MSC D4	Plan the Workforce (DR6M 04)
MSC E2	Manage Finance in Your Area of Responsibility (DR5T 04)
MSC F9	Build Your Organisation's Understanding of its Market and Customers (DR41 04)
M5	Plan Projects to Develop the Supply Chain (DX6M 04)
M6	Manage Projects to Develop the Supply Chain (DX60 04)
M7	Negotiate for Supplies (DX6E 04)
M8	Contract with other Organisations (DX54 04)
M9	Review the Outcomes of Contracts (DX70 04)
M10	Evaluate Information on the Procurement of Supplies in the Supply Chain (DX5F 04)
M11	Select Suppliers for the Supply Chain (DX79 04)
M12	Produce Specifications for Suppliers (DX6X 04)
M13	Evaluate the Capability of Suppliers to Meet Supply Specifications (DX5K 04)
M14	Schedule and Approve the Placing of Orders (DX71 04)
M15	Evaluate the Performance of Suppliers (DX5M 04)
M16	Schedule the Flow of Supplies in the Supply Chain (DX72 04)
M17	Specify the Requirements for the Storage of Supplies (DX7D 04)
M18	Select Locations and Facilities for Storing Supplies (DX75 04)
M19	Evaluate Information On the Storage of Supplies (DX5E 04)
M20	Specify the Requirements for the Distribution of Supplies (DX7C 04)
M21	Select Distribution Methods for Supplies (DX74 04)
M22	Schedule the Distribution of Supplies (DX7W 04)
M23	Select Methods to Receive Returned Supplies (DX78 04)
M24	Select Transportation Methods for Supplies (DX7A 04)
M25	Schedule the Transportation of Supplies (DX73 04)
M26	Select Methods for Exporting Supplies (DX76 04)
M27	Select Methods for Importing Supplies (DX77 04)

# About this guide

This guide provides some practical examples of how to assess your candidates for the **SVQs in Supply Chain Management at levels 2, 3, 4 and 5**. You may be able to think of other ways of assessing your candidates and recording your decisions about their competence.

Using assessments based on these examples does not guarantee successful verification — it is still your responsibility to ensure that internal quality assurance procedures are followed.

# Structure of the SVQs

This section lists the Units which form the SVQs in Supply Chain Management.

## SVQ in Supply Chain Management at level 2 (G881 22)

**Total number of Units that the candidate needs to achieve for the qualification is 5.**

### Mandatory Units

SQA Ref	SSC Ref	Title
DX55 04	Unit T21	Contribute to Operational Relationships within the Supply Chain
DX6K 04	Unit T22	Obtain Information on the Supply Chain

### Optional Units: Any 3 Units from 9 have to be achieved

DX5P 04	Unit T12	Identify Potential Suppliers for the Supply Chain
DX6L 04	Unit T13	Place Orders with Suppliers
DX61 04	Unit T14	Monitor and Progress the Delivery of Orders
DX67 04	Unit T15	Monitor the Flow of Supplies in the Supply Chain
DX6G 04	Unit T16	Obtain Information of Storage Locations and Facilities
DX6F 04	Unit T17	Obtain Information of Distribution Requirements
DX65 04	Unit T18	Monitor the Distribution on Supplies
DX69 04	Unit T19	Monitor the Flow of Returned Supplies
DX6D 04	Unit T20	Monitor the Transportation of Supplies

## SVQ in Supply Chain Management at level 3 (G882 23)

Total number of Units that the candidate needs to achieve for the qualification is 9.

### Mandatory Units

SQA Ref	SSC Ref	Title
DX5Y 04	Unit T1	Maintain Operational Relationships within the Supply Chain
DX4X 04	Unit T2	Analyse Information on the Supply Chain
DX50 04	Unit T3	Apply Improvements to the Supply Chain

### Optional Units: Any 6 Units from 17 have to be achieved

DX63 04	Unit T4	Monitor the Achievement of Project Tasks
DX56 04	Unit T5	Control Supplies at Storage Locations and Facilities
DX52 04	Unit T6	Complete Export Procedures and Requirements
DX53 04	Unit T7	Complete Import Procedures and Requirements
DX4V 04	Unit T8	Administer Contracts
DX4W 04	Unit T9	Analyse Information on the Procurement of Supplies in the Supply Chain
DX7E 04	Unit T10	Verify the Capability of Suppliers to Meet Supply Specifications
DX4Y 04	Unit T11	Analyse the Performance of Suppliers
DX5P 04	Unit T12	Identify Potential Suppliers for the Supply Chain
DX6L 04	Unit T13	Place Orders with Suppliers
DX61 04	Unit T14	Monitor and Progress the Delivery of Orders
DX67 04	Unit T15	Monitor the Flow of Supplies in the Supply Chain
DX6G 04	Unit T16	Obtain Information on Storage Locations and Facilities
DX6F 04	Unit T17	Obtain Information on Distribution Requirements
DX65 04	Unit T18	Monitor the Distribution of Supplies
DX69 04	Unit T19	Monitor the Flow of Returned Supplies
DX6D 04	Unit T20	Monitor the Transportation of Supplies

## SVQ in Supply Chain Management Level 4 (G883 24)

Total number of Units that the candidate needs to achieve for the qualification is 10.

### Mandatory Units

SQA Ref	SSC Ref	Title
DX59 04	Unit M1	Develop Operational Relationships within the Supply Chain
DX5H 04	Unit M2	Evaluate Information on the Supply Chain
DX6Y 04	Unit M3	Propose Improvements to the Supply Chain
DX5W 04	Unit M4	Introduce Improvements to the Supply Chain
DR75 04	MSC B6	Provide Leadership in Your Area of Responsibility

### Optional Units: Any 5 Units from 26 have to be achieved

DR7K 04	MSC D3	Recruit, Select and Keep Colleagues
DR5T 04	MSC E2	Manage Finance for Your Area of Responsibility
DR41 04	MSC F9	Build Your Organisation's Understanding of Its Market and Customers
DX6M 04	Unit M5	Plan Projects to Develop the Supply Chain
DX60 04	Unit M6	Manage Projects to Develop the Supply Chain
DX6E 04	Unit M7	Negotiate for Supplies
DX54 04	Unit M8	Contract with other Organisations
DX70 04	Unit M9	Review the Outcomes of Contracts
DX5F 04	Unit M10	Evaluate Information on the Procurement of Supplies in the Supply Chain
DX79 04	Unit M11	Select Suppliers for the Supply Chain
DX6X 04	Unit M12	Produce Specifications for Suppliers
DX5K 04	Unit M13	Evaluate the Capability of Suppliers to Meet Supply Specifications
DX71 04	Unit M14	Schedule and Approve the Placing of Orders
DX5M 04	Unit M15	Evaluate the Performance of Suppliers
DX72 04	Unit M16	Schedule the Flow of Supplies in the Supply Chain
DX7D 04	Unit M17	Specify the Requirements for the Storage of Supplies
DX75 04	Unit M18	Select Locations and Facilities for Storing Supplies
DX5E 04	Unit M19	Evaluate Information on the Storage of Supplies
DX7C 04	Unit M20	Specify the Requirements for the Distribution of Supplies
DX74 04	Unit M21	Select Distribution Methods for Supplies
DX7W 04	Unit M22	Schedule the Distribution of Supplies
DX78 04	Unit M23	Select Methods to Receive Returned Supplies
DX7A 04	Unit M24	Select the Transportation Methods for Supplies
DX73 04	Unit M25	Schedule the Transportation of Supplies
DX76 04	Unit M26	Select Methods for Exporting Supplies
DX77 04	Unit M27	Select Methods for Importing Supplies

## SVQ in Supply Chain Management at Level 5 (G885 25)

Total number of Units that the candidate needs to achieve for the qualification is 8.

### Mandatory Units

SQA Ref	SSC Ref	Title
DX57 04	Unit S1	Develop a Supply Chain Strategy for the Organisation
DX5A 04	Unit S2	Establish Strategic Relationships within the Supply Chain
DX5T 04	Unit S3	Improve the Performance of the Supply Chain
DR70 04	MSC B7	Provide Leadership for Your Organisation

**Optional Units: 4 Units in total have to be achieved from the optional Units: either 3 Units from Group 1 and 1 Unit from Group 2; Or 2 Units from Group 1 and 2 Units from Group 2.**

### Option Group 1: Choose 2 or 3 Units from this group

DX51 04	Unit S4	Commission Projects to Develop the Supply Chain
DX6R 04	Unit S5	Plan the Flow of Supplies Through the Supply Chain
DX6T 04	Unit S6	Plan the Procurement of Supplies
DX6V 04	Unit S7	Plan the Storage of Supplies in the Supply Chain
DX6N 04	Unit S8	Plan the Distribution of Supplies
DX6W 04	Unit S9	Plan the Transportation of Supplies
DX6P 04	Unit S10	Plan the Export and Import of Supplies

### Option Group 2: Choose 1 or 2 Units from this group

DR6M 04	MSC D4	Plan the Workforce
DR5T 04	MSC E2	Manage Finance for Your Area of Responsibility
DR41 04	MSC F9	Build Your Organisation's Understanding of Its Market and Customers



## Unit S4 Commission projects to develop the supply chain (DX51 04)

### Note for Level 5 candidates and assessors

#### Confidentiality and Security

This Unit includes evidence which may contain commercial details, eg prices. It is essential, therefore, that the candidate and their organisation know when any documents are viewed and by whom and that the assessor, internal verifier and the external verifier have no commercial interest in the evidence provided.

The assessor should discuss with the candidate any commercially sensitive material they have which will be assessed externally, eg off-site. If it is essential evidence then some sanitising might be possible whilst maintaining the soundness of the evidence, eg company names, prices.

When in the custody of the assessor it is essential that the candidate's material is accessed only by a limited amount of people (IV and EV) and secured at all times. It will be the responsibility of the centre to control access and safe custody of all assessment materials in their care until they are returned to the candidate. It might be prudent to have a written statement to protect both parties from possible conflicts in the future. The employer should give the assessor authority to access the assessment materials.

#### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is for the candidate to commission projects to develop the supply chain and as such the assessor should ensure that

the candidate has sufficient knowledge of a supply chain that will allow them to initiate such a project. In order to achieve this Unit, the candidate must first be able to identify potential projects to deliver changes and improvements to the supply chain. Once this has been done the next stages follow in a logical sequence and the candidate must provide evidence that they have decided the aims and objectives of the project, determined how the project should be managed, established the costs of undertaking the project, and assigned a project manager to the project. Whilst the project manager will have operational responsibilities for the project, the candidate will be required to submit evidence showing how they support colleagues to achieve the project aims and objectives, monitor the achievement of the project aims and objectives, identify and resolve any major obstacles in achieving the aims and objectives of the project and finally present reports on the results and Outcomes of the project.

**Outcome 1** The candidate is asked to identify potential projects to deliver changes and improvements to the supply chain. The remit of the project will therefore be based on the candidate's position in the company and the type of company. It may be a project where the company is working with suppliers to develop partnerships or it may be that the project investigates an operational change within the supply chain. In order to satisfy the achievement criteria' the candidate must consider their organisational strategic objectives and ensure that they can be achieved more effectively. Not only must they do that, but improvements to the supply chain must be clearly identified. These can come about in a number of ways, for example with better understanding and better communication with suppliers it is likely that delivery can be improved and the customer, in turn, will benefit from reduced lead times. Similarly, an operational change may not only reduce the time taken to provide the product or service but also the cost and the benefits may be passed on to the customer or perhaps reinvested in more research and development where once again the customer should benefit.

**Outcome 2** The candidate must decide on the aims and objectives of the project. This will depend on the type of project chosen but the examples used for Outcome 1 may give an indication of the sort of areas to be considered. Candidates must ensure that the aims and objectives are feasible and the candidate's position in the organisation should allow them to determine this. The candidate must also ensure that the benefits and risks are fully evaluated.

**Outcome 3** For this Outcome the candidate is required to determine the way the project should be managed and for the 'Achievement Criteria' options for undertaking the work are to be identified and assessed. The sort of activities that the candidate will need to examine will depend on how the project is planned and will include the use of resources; financial, physical and human, and how they will be allocated; what control mechanism will be required for those resources; how the project outcomes

will be monitored, and how communication will be conducted to ensure maximum effectiveness.

**Outcome 4** The candidate must establish the costs of undertaking the project and in the process the costs should be calculated using appropriate financial analysis methods. There may be a number of factors for the candidate to consider. Do the resources already exist, will temporary staff be required, will equipment need to be leased, what costing system will be used to ensure that all costs can be categorised for budgetary, analytical and reporting purposes?

**Outcome 5** The candidate must assign a project manager. This will depend on a number of factors including the scope of the project and the personnel within the organisation. The candidate must comply with the achievement criteria to select a project manager who is committed to the project's aims and objectives, established in Outcome 2, and to ensure that the project manager is capable of planning and managing the project. If there is no one in the organisation who meets the requirement, the candidate may have to look for someone externally, which will incur additional work in terms of recruitment, adverts and approval to recruit.

**Outcome 6** The candidate must support colleagues to achieve the project aims and objectives. This needs to be done bearing in mind that a project manager has been appointed and may, for example, be achieved at project review meetings where progress will be discussed against the plan. The achievement criteria states that information is provided to all candidates and that support is provided wherever necessary. Candidates will receive information from other colleagues, the project manager, and from project reports. It will be the candidate's responsibility to ensure that the communication has been provided and that it is relevant. This should be made clear at the review meetings as will the identification of any support needed. The candidate's role will be to discuss any area of concern, advise colleagues and provide feedback as appropriate.

**Outcome 7** As, to some extent, this Outcome will probably be integrated with Outcome 6 the candidate must monitor the achievement of project aims and objectives. However, the candidate will need to ensure that there are appropriate systems in place that will assist in the monitoring of progress, and that the activities and Outcomes of the project are monitored regularly. This can be a network diagram either generated manually or electronically that will show those involved the current date and what should have been achieved by this date. Discussion on how the project has progressed to plan will be discussed, as will the activities and their Outcomes that have, or should have, been achieved by the review meetings.

**Outcome 8** The candidate must identify and resolve any major obstacles in achieving the aims and objectives and again this may be integrated with Outcome 7 as obstacles are likely to be identified during the review meetings. The resolution of any obstacle will depend on what is causing

the problem. The obstacle might be staffing problems, physical resources, or financial resources or it may be something external to the organisation which could be a bit more difficult to resolve.

**Outcome 9** The candidate is required to present reports on the results and Outcomes of the project. The candidate must ensure that presentations are given to all relevant stakeholders and colleagues. In order to do this effectively, the candidate should research the specific interest each group of stakeholders has in the project so that they can focus on these particular areas. These may vary depending on the group being addressed. For example, the board may be interested in the overall effectiveness of the project in relation to the aims and objectives, especially in financial terms, whereas customers may be interested in the costs, improvements in quality and delivery time. Colleagues may be interested in what it means to them in terms of operational changes, etc.

Candidates should ensure that the confidentiality of information is maintained.

## **Assessment**

Different assessment methods are likely to be used for this Unit but the main method is product evidence. Suggested assessment methods are shown below.

**Outcome 1** The candidate should show evidence of competent research into the organisation structure, strategies and operations. In addition there must be evidence of analysis using suitable analytical tools, eg SWOT, STEEPLE and other methods followed by some evaluation of the potential projects. This can be done by reports, narratives and supporting documents. Candidates must produce evidence to show that they have identified potential projects to deliver changes and improvements to the supply chain. The evidence is most likely to be by product evidence in the form of an evaluation, a report, or notes, showing how the candidate has identified potential projects. In addition, there is also likely to be evidence showing how the projects relate to the organisation's strategic objectives and how it will assist in achieving those objectives. In the report/notes the candidate needs to identify the improvements that are likely to be achieved. The candidate may also submit a personal statement regarding meetings with **their peers, directors**, board etc, this may be backed up with a witness testimony, or professional discussion.

**Outcome 2** The candidate must provide evidence to show that they can decide the aims and objectives of the project. This should be derived from Outcome 1 and again should relate to the organisational strategic objectives. The assessment method is likely to be by product evidence but it should be a document clearly stating the aims and objectives that should be available to all personnel that will be involved with the project. In

addition, the candidate may produce notes showing their recognition of the aims and objectives and that they are feasible.

The candidate should show a formal risk assessment detailing all eventualities and the action taken to reduce those risks. A detailed cost/benefit analysis of the potential project could also be used. Thereafter the candidate must evaluate both risks and benefits fully in a report with product evidence showing how the aims and objectives are achievable based on risks and benefits assessment. A risk assessment should also be submitted to show that the benefits and risks of running the project have been evaluated. To assist with this task the candidate may produce evidence showing the use of a PESTLE and/or SWOT analysis.

**Outcome 3** The candidate must provide evidence to show that they can determine the way the project should be managed. The candidate should be assessed by product evidence, perhaps in the form of a project plan which will contain all the processes necessary for managing the project. This should include allocation of resources — physical, human and financial and subcontracting of tasks. The plan could include budgetary considerations — the approved budget, allocation of costs, controlling and monitoring costs, lines of communication — standard reporting procedures, monitoring reports, dealing with problems, roles and responsibilities of all personnel involved with the project. The candidate could show a GANTT or PERT plan as evidence or alternatively use proprietary software, eg, Microsoft Project as evidence with supporting explanatory narratives.

**Outcome 4** The candidate must provide evidence to show that they can establish the costs of undertaking the project. Again, the candidate should use the project plan, including resources. The assessment method is likely to be product evidence perhaps in the form of a spreadsheet showing clearly the costs, and the timings, for each activity within the project. Some candidates may also use crash costing to ensure the most effective use of resources. Therefore the evidence should show all costs, any variable costs and a clear budget. This should be ratified with the budget holder or financial authority.

Other evidence may be from memos, e-mails, etc, and there may also be personal statements from the candidate on the outcomes of meeting with the source of the funds. The evidence should show the financial analysis used to compile the cost information and calculations.

**Outcome 5** The candidate must provide evidence to show that they can assign a project manager. The evidence for this may take a number of forms depending on the project and the organisation. For example, the candidate may just assign a member of staff to the post and evidence may be in the form of a personal statement explaining the process of dealing with the member of staff and ensuring that they are committed to the project's aims and objectives, and also how the candidate satisfied himself/herself that the member of staff is capable of planning and managing the project.

The candidate may also produce evidence in the form of a job description for the roles and responsibilities of the manager. Alternatively, the candidate may have to recruit externally in which case a number of potential managers may have to be interviewed. In this case it may be possible for the assessor to observe interview(s) or again the evidence may be a personal statement from the candidate on the process followed together with the information mentioned above.

It is also possible that the project manager could be the candidate and in such cases the candidate should provide evidence of commitment to the project and their competence to manage the project.

**Outcome 6** There is the possibility to integrate this Outcome with Outcome 7. The candidate must provide evidence to show that they can support colleagues to achieve project aims and objectives. The evidence provided by the candidate is likely to be product evidence and the first part could be cross referenced to some of the evidence submitted for Outcome 2, the statement of the aims and objectives. The candidate should also include in the evidence the information that is provided to the candidates in the course of running the project.

Evidence to show that the candidate supports their colleagues may be in the form of e-mails, memos, reports etc, but the help required may arise from a project review meeting and may be given at the meeting or alternatively the candidate may decide to meet with the colleague who requires support. Either way there are a number of possibilities to provide evidence — observation is a possibility or a memo or e-mail on the issues discussed together with the Outcomes, or again a personal statement by the candidate. Evidence can also be provided through professional discussion.

**Outcome 7** It is possible that Outcomes 6 and 8 could be combined with this Outcome. The candidate must provide evidence to show that they can monitor the achievement of the project aims and objectives and again the evidence regarding the aims and objectives can be cross referenced to Outcome 2. The candidate evidence will take the form of product evidence and the system used may be an updated project plan showing the current date and the progress or completion of each activity in the project, by that date.

Progress that is not satisfactory will be the basis for discussion by the project team and this may be evidenced by observation, if possible, or by minutes of the review meeting together with action points.

**Outcome 8** This Outcome could be integrated with Outcomes 6 & 7. For this Outcome the candidate must provide evidence to show that they can identify and resolve any major obstacles in achieving the defined aims and objectives (see Outcome 2) of the project. The evidence should show obstacles/problems have been dealt with by defining the issue and how the candidate/team found solutions and implemented them. The evidence should also show how these issues affected the project being delivered on time and in budget. Similarly evidence from Outcome 7 may need to be cross referenced together with e-mails, memos and/or reports clearly showing how any major obstacle was resolved.

**Outcome 9** The candidate must provide evidence to show that they can develop presentations and present reports on the results and Outcomes of the project using PowerPoint or similar. A completed project report for management would include the background of the project, purpose, goal and objectives, results and final outcome. The candidate should ensure that confidentiality of information is maintained at all times.

Some of the evidence required may be cross referenced to Outcome 7 but on completion of the project the candidate should produce a report on the results and outcomes of the project, which can be used as product evidence.

The candidate should present the results and outcomes of the project to all relevant stockholders. The presentation could be supported by evidence of feedback from other managers/stakeholders through observation or professional discussion, alternatively by e-mails or narratives. In addition, the candidate could provide a statement which details the steps they have taken to maintain confidentiality of information during the project.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria. Professional discussion is recommended for this Unit.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

**Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study, or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.



## **Unit S5 Plan the flow of Supplies through the supply chain (DX6R 04)**

### **Note for Level 5 candidates and assessors**

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In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is for the candidate to plan the flow of supplies through the supply chain and to do this the candidate will need to identify the current demand for supplies in the supply chain. The candidate should undertake a review to establish how current supplies flow through the supply chain and in doing so should identify and resolve any problems with the flow of supplies through the supply chain. The candidate should then review the benefits and risks to the flow of supplies through the supply chain and decide on methods to improve the flow of supplies. The candidate should then be in a position to plan the flow of supplies in the supply chain and gain the commitment of stakeholders and colleagues for implementing the plan.

**Outcome 1** The candidate is asked to identify the current demand for supplies in the supply chain and to ensure that the results of all relevant evaluations are considered. The approach taken by the candidate will depend largely on the type of supplies being considered. If the supplies have to be specially ordered then the candidate may decide to examine the marketing reports and surveys to assist in the task, together with customer orders and how these will impact on upstream suppliers. Alternatively, if the supplies are readily available, the candidate may wish to examine the recent historical demands and forecasts. The candidate also needs to take into consideration the views of all relevant colleagues and stakeholders, for example customers, suppliers, procurement, sales, planning. There can also be some analysis of the impact of flow of supplies both inside and outside the organisation.

**Outcome 2** The candidate must review how the current supplies flow through the supply chain. In order to achieve this review the candidate will have to examine a number of systems that are part of the supply chain:

- ◆ Procurement system — how effective is the current procurement system?
- ◆ Do suppliers react timeously to the order process system?
- ◆ How much advanced information do suppliers receive that will help them respond quickly?
- ◆ Are storage systems necessary? If so, how are they managed? Are they organised so that supplies can be located and moved quickly?
- ◆ Transportation systems — are the selected transportation systems the most effective way of moving supplies? NB: Manufacturing candidates should also consider internal transport systems. Costs and handling should also be considered as part of this system.
- ◆ Distribution systems — does the customer pick up their own supplies? Does the supplier deliver direct to the customer? Does the supplier subcontract the distribution from a central hub?

These are just some of the questions that a candidate may wish to consider.

**Outcome 3** The candidate must identify and resolve any problems with the flow of supplies through the supply chain and any problem should be

clearly identified as soon as possible. This process will be facilitated by the review carried out for Outcome 2. Problems could be within any of the systems mentioned in Outcome 2. For example, a computer manufacturer receives an internet order from a customer. The first thing they must do is to ensure that all the components are available to assemble the computer to the customer's specification. Once this has been assembled and tested the manufacturer will arrange for the computer to be shipped from the factory to a distributor. The manufacturer will agree a delivery date with the customer which should also be confirmed with the distributor. During the review of the distribution systems in the supply chain the candidate may discover that while the manufacturer has the goods available on time the distributor is not delivering to the customer on time. The problem should then be identified and resolved in such a way as to ensure that the effectiveness of the organisation is improved.

**Outcome 4** For this Outcome the candidate is asked to review the benefits and risks to the flow of supplies through the supply chain and in particular to consider market, economic, social and political environments and to ensure that the risks are fully evaluated.

The candidate will have to relate to their own particular industry and research the factors that could affect or benefit the flow of supplies through the supply chain. There are however examples that can be found in the confectionary and soft drinks market. This is highly competitive and in terms of the market itself the companies involved need to be aware of changing trends in consumer tastes. In terms of economic considerations it may be that some of the raw material can be difficult to obtain at a price to suit the producers. Benefits may emanate from the brand image that has been built up over a number of years. This can be severely dented, even in the short-term, by events such as the contamination that was found in a leading brand of confectionery that resulted in their products having to be removed from retail outlets. Political issues also arise in terms of government legislation, or at least recommendations for healthy eating and banning of certain soft drinks from schools, for example.

**Outcome 5** The candidate must decide methods to improve the flow of supplies through the supply chain. This will be similar to Outcome 3 but rather than trying to identify and solve problems the candidate may be following a continuous improvement policy and should ensure that decisions are in line with the organisation's supply chain strategy. To satisfy the achievement criteria, the candidate needs to show that key decisions are made at the appropriate time.

**Outcome 6** The candidate must plan the flow of supplies in the supply chain and they must ensure that the plans are capable of meeting the requirements of the supply chain strategy. What the candidate is likely to consider is not just the supplies themselves but the other elements that need to work effectively throughout the journey from start to finish of the supply chain. The main element is likely to be people. It is people that make things happen but for them to do their job properly there has to be a

good communications system in operation, together with a good documentation system. The extent of the planning will be determined by the type of supplies in question and this may determine whether or not the planning process can be achieved manually or if a planning system such as ERP (Enterprise Resources Planning) is required. ERP systems can be designed to meet the needs of various types of organisations and will be able to address the needs of manufacturing, supply chain, distribution, finance, customer management, human resources and e-commerce needs.

The correct use of such a planning tool should ensure that the remaining two achievement criteria are met (the candidate must ensure that the plans are feasible and resources are used efficiently).

**Outcome 7** The candidate must gain the commitment of stakeholders and colleagues for implementing the plan. If the achievement criteria have been successfully met in Outcome 6 then the candidate should ensure that they consult with the stakeholders and colleagues regarding their views. In order to achieve this, candidates are expected to make presentations on the plans, to all relevant stakeholders and colleagues.

### **Assessment**

Different assessment methods are likely to be used for this Unit but the main method is product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates must identify current demand for supplies in the supply chain. The evidence is likely to be in the form of product evidence and could consist of a number of documents. The candidate may produce notes or a report evaluating the current demand and this may be backed up by a marketing survey, reports, historical data, forecast data, etc. Details of analysis of the marketing survey and influences both inside the organisation and factors outside eg, SWOT; STEEPLE could be used in addition to some graphic representation of the flows of supplies. The assessor will need to be satisfied that the candidate has considered the results of all relevant evaluations and that the candidate has considered the views of all stakeholder and colleagues. Evidence for this may come in the form of e-mails, memos etc, or it may be a personal statement produced by the candidate. The candidate could formulate all of these factors into a comprehensive report.

**Outcome 2** Candidates must review how the current supplies flow through the supply chain. The achievement criteria list a number of systems that have to be identified and the evidence produced by the candidate. This is likely to be product evidence in the form of a report which could be supported by system documentation for each of the systems, clearly identifying the stages of the supplies flow. The candidate's report/notes could relate to these documents.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of a report based on the results of Outcomes 1 and 2. The candidate should identify potential problems that have arisen during the review of the way current supplies flow through the supply chain. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation.

**Outcome 4** The evidence should include a risk assessment related to the flow of supplies using a known method showing the measurement of risks and actions taken; and product evidence of the benefits from the improvements detailed in Outcome 3. In addition, there should be some analysis of the impact of the improvements in broader view through use of strategic tools eg, SWOT, STEEPLE, Positioning.

The candidate's evidence is mostly product evidence; however this can be supported by e-mails or professional discussion.

**Outcome 5** Candidates must provide evidence to show that they can decide on methods to improve the flow of supplies through the supply chain. This is likely to be part of a continuous improvement strategy and the assessment is likely to be by product evidence in the form of a report on the methods to be used. This may be supported with other documentary evidence such as a Pareto Analysis or Cause and Effect analysis, for example. In addition, the candidate should detail the decision making process involved in the improvement, along with the timescale envisaged.

**Outcome 6** Product evidence is again likely to be the assessment method used for this Outcome. This is likely to be in the form of a fairly substantial report as this is the main Outcome for this Unit. The report should explain how the planned improvements are related to the strategic goals of the organisation. The candidate should show the outline plans. This can be done by a Gantt, Pest or similar chart or preparatory software. The candidate also needs evidence of effective use of resources to implement the proposed improvements, eg costs; people, equipment and evidence that the cost effectiveness of the proposed improvements are feasible/achievable. Therefore this report needs to draw from other Outcomes and be well supported with relevant costs and projections to support the improvements.

**Outcome 7** Candidates are asked to provide evidence to show how they will gain the commitment of stakeholders and colleagues for implementing the plan. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult his/her colleagues by means of a briefing meeting, then observation would be a possible method of assessment. If, however, the candidate decides on a memo or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one

basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit S6 Plan the procurement of supplies (DX6T 04)

### Note for Level 5 candidates and assessors

#### Confidentiality and Security

This Unit includes evidence which may contain commercial details, eg prices. It is essential, therefore, that the candidate and their organisation know when any documents are viewed and by whom and that the assessor, internal verifier and the external verifier have no commercial interest in the evidence provided.

The assessor should discuss with the candidate any commercially sensitive material they have which will be assessed externally, eg off-site. If it is essential evidence then some sanitising might be possible whilst maintaining the soundness of the evidence, eg company names, prices.

When in the custody of the assessor it is essential that the candidate's material is accessed only by a limited amount of people (IV and EV) and secured at all times. It will be the responsibility of the centre to control access and safe custody of all assessment materials in their care until they are returned to the candidate. It might be prudent to have a written statement to protect both parties from possible conflicts in the future. The employer should give the assessor authority to access the assessment materials.

#### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is for the candidate to plan the procurement of supplies. To do this the candidate will need to identify the current demand for supplies in the supply chain. The candidate should undertake

a review to establish how current supplies are procured in the supply chain and in doing so should identify and resolve any problems with the procurement of supplies in the supply chain. The candidate should then review the benefits and risks to the procurement of supplies in the supply chain and decide on methods to improve the procurement of supplies in the supply chain. The candidate should then be in a position to plan the procurement of supplies in the supply chain and gain the commitment of stakeholders and colleagues for implementing the plan.

**Outcome 1** The candidate must identify the current demand for supplies in the supply chain and to ensure that the results of all relevant evaluations are considered. The approach taken by the candidate will depend largely on the type of supplies being considered. If the supplies have to be specially ordered then the candidate may decide to examine the marketing reports and surveys to assist in the task, together with customer orders and other demand patterns and how these will impact on upstream suppliers. Alternatively, if the supplies are based on being readily available then the candidate may wish to examine the recent historical demands and forecasts. The candidate also needs to take into consideration the views of all relevant colleagues and stakeholders, for example customers, suppliers, procurement, sales, planning.

**Outcome 2** The candidate must review how the current supplies are procured in the supply chain. In order to achieve this review the candidate will have to identify the procurement systems and consider them alongside the storage, transportation and distribution systems.

Some questions that the candidate may wish to consider are:

- ◆ Procurement systems — how effective are the current procurement systems? Do suppliers react timeously to the order process systems? How much advanced information do suppliers receive that will help them respond quickly? Is there effective use of new technologies eg, E-Procurement.
- ◆ Storage systems — are they necessary or can the supplier deliver to point of use? If they are necessary are they managed in such a way as to make the receipt and storage of supplies effective? Are they organised so that supplies can be located and moved quickly? Would it be better if supplies were managed by a third party?
- ◆ Transportation systems — are the selected transportation systems the most effective way of moving supplies? Do the procurement systems determine the transportation method or is it left to the supplier to advise accordingly?
- ◆ Distribution systems — does the customer pick up their own supplies? Does the supplier deliver direct to the customer? Does the supplier subcontract the distribution from a central hub?



**Outcome 3** The candidate must identify and resolve any problems with the procurement of supplies in the supply chain and any problems should be clearly identified as soon as possible. This process will be facilitated by the review carried out for Outcome 2. Problems could be within any of the systems mentioned in Outcome 2 but if for example, a computer manufacturer receives an internet order from a customer, the first thing they must do is to ensure that all the components are available to assemble the computer to the customer's specification. Once this has been assembled and tested the manufacturer will arrange for the computer to be shipped from the factory to a distributor. The manufacturer will agree a delivery date with the customer which should also be confirmed with the distributor. During the review of the distribution systems in the supply chain the candidate may discover that while the manufacturer has the goods available on time the distributor is not delivering to the customer on time. The problem should then be identified and resolved in such a way as to ensure that the effectiveness of the organisation is improved.

**Outcome 4** For this Outcome the candidate is asked to review the benefits and risks to the procurement of supplies through the supply chain and in particular to consider market, economic, social and political environments and to ensure that the risks and effects of market trends and conditions are clearly specified.

The candidate will have to relate to their own particular industry and research the factors that could affect or benefit the procurement of supplies through the supply chain.

In the previous Unit we looked briefly at the risks involved where confectionery became contaminated and therefore had to be withdrawn and also the benefits of being a well-known brand name. This Unit asks that the candidate clearly specifies the risks and effects of market trends and conditions. The food industry can be used as an example where the push by government for healthy eating may affect large burger chains and they may have to rethink what they are supplying to their customers.

**Outcome 5** The candidate must decide methods to improve the procurement of supplies in the supply chain. This will be similar to Outcome 3 but rather than trying to identify and solve problems the candidate may be following a continuous improvement policy and should ensure that decisions are in line with the organisation's supply chain strategy. To satisfy the achievement criteria the candidate needs to show that key decisions are made at the appropriate time.

**Outcome 6** The candidate must plan the procurement of supplies in the supply chain and they must ensure that the plans are capable of meeting the requirements of the supply chain strategy. What the candidate is likely to consider is not just the supplies themselves but all the other elements that need to work effectively throughout the journey from start to finish of the supply chain. The main element is likely to be people, it is people that

make things happen but for them to do their job properly there has to be a good communications system in operation, together with a good documentation system. The extent of the planning will be determined by the type of supplies in question and this may determine whether or not the planning process can be achieved manually or if a planning system such as ERP (Enterprise Resources Planning) is required. ERP systems can be designed to meet the needs of various types of organisations and will be able to address the needs of manufacturing, supply chain, distribution, finance, customer management, human resources and e-commerce needs.

The correct use of such a planning tool should ensure that the remaining two achievement criteria are met and that the candidate must ensure that the plans are feasible and resources are used efficiently.

**Outcome 7** The candidate must gain the commitment of stakeholders and colleagues for implementing the plan. If the achievement criteria have been successfully met in Outcome 6 then the candidate should ensure that they consult with the stakeholders and colleagues and consult them on their views. In order to achieve this, candidates are expected to make presentations on the plans, to all relevant stakeholders and colleagues.

### **Assessment**

Different assessment methods are likely to be used for this Unit but the main one is product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates must identify current demand for supplies in the supply chain. The evidence is likely to be in the form of product evidence and could consist of a number of documents. The candidate may produce a report evaluating the current demand and this may be supported by research reports, historical data, forecast data etc, based on the results of Outcomes 1 and 2. Details of analysis of the supply market and influences both inside the organisation and factors outside, eg, SWOT, STEEPLE and in addition some graphic representation of the flows of supplies. The assessor will need to be satisfied that the candidate has considered the results of all relevant evaluations and that the candidate has considered the views of all stakeholder and colleagues. Evidence for this may come in the form of e-mails, memos etc, or it may be professional discussion or a similar report produced by the candidate. The candidate could formulate these factors into a comprehensive report.

They should include details of analysis of the supply market and influences from inside the organisation and elements outside the organisation using strategic tools, eg SWOT, STEEPLE. Evidence in the form of a flow chart or organisation chart to explain the process being evaluated should be provided. The candidate could also produce evidence in the form of minutes of meetings or dialogue with stakeholders and colleagues giving feedback to the current storage requirements. Finally,

this product evidence could be collated into a comprehensive report that outlines the whole storage process, inputs/outputs, background etc. This can be supplemented with professional discussion, personal reports to evidence the application of knowledge.

**Outcome 2** Candidates must review how the current procurement systems are identified. This should be considered alongside storage, transportation and distribution systems. There should be product evidence fully explaining all aspects of these systems and their operation by perhaps using flow charts, organisational charts, input/output analysis etc, to illustrate the process. This evidence can be supplemented with minutes of meetings or dialogue narratives and could be formulated into a report.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of a report based on the results of Outcomes 1 and 2. The candidate should identify potential problems that have arisen during the review of how current supplies are procured in the supply chain. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation.

**Outcome 4** The assessment for this Outcome is again likely to be by product evidence in the form of a risk assessment report. The candidate must also review the benefits and to achieve the criteria the candidate may also carry out a SWOT analysis and/or a PESTLE analysis ensuring that the market, economic, social and political environments have been considered. The candidate should also clearly specify the risks and effects of market trends and conditions that relate to their own organisation.

The candidate's evidence is mostly product evidence; however this can be supported by e-mails or professional discussion.

**Outcome 5** Candidates must provide evidence to show that they can decide on methods to improve the procurement of supplies in the supply chain. This is likely to be part of a continuous improvement strategy and the assessment is likely to be by product evidence in the form of a report on the methods to be used. This may be supported with other documentary evidence such as a Pareto Analysis or Cause and Effect analysis, for example. In addition, the candidate should show the detail of the decision making process involved in the improvements along with the agreed timescales.

**Outcome 6** Product evidence is again likely to be the assessment method used for this Outcome. This is likely to be in the form of a fairly substantial report as this is the main Outcome for this Unit. The report should explain how the planned improvements are related to the strategic goals of the organisation. The candidate should show the outline plans. This can be done by a GANTT, PERT or similar chart or preparatory software. The candidate also needs evidence of effective use of resources to implement the proposed improvements, eg costs; people, equipment and evidence

that the cost effectiveness of the proposed improvements are feasible/achievable. Therefore, this report needs to draw from other Outcomes and be well-supported with relevant costs and projections to support the improvements.

**Outcome 7** Candidates are asked to provide evidence to show how they will gain the commitment of stakeholders and colleagues for implementing the plan. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult his/her colleagues by means of a briefing meeting then observation would be a possible method of assessment. If, however, the candidate decides on a memo, presentation or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. The candidate could also provide evidence of feedback from colleagues and stakeholders, eg minutes of meetings, e-mails or comments.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit S7 Plan the storage of supplies in the supply chain (DX6V 04)**

### **Note for Level 5 candidates and assessors**

#### **Confidentiality and Security**

This Unit includes evidence which may contain commercial details, eg prices. It is essential, therefore, that the candidate and their organisation know when any documents are viewed and by whom and that the assessor, internal verifier and the external verifier have no commercial interest in the evidence provided.

The assessor should discuss with the candidate any commercially sensitive material they have which will be assessed externally, eg off-site. If it is essential evidence then some sanitising might be possible whilst maintaining the soundness of the evidence, eg company names, prices.

When in the custody of the assessor it is essential that the candidate's material is accessed only by a limited amount of people (IV and EV) and secured at all times. It will be the responsibility of the centre to control access and safe custody of all assessment materials in their care until they are returned to the candidate. It might be prudent to have a written statement to protect both parties from possible conflicts in the future. The employer should give the assessor authority to access the assessment materials.

#### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is for the candidate to plan the storage of supplies in the supply chain and to do this the candidate will need to identify the current storage requirements of supplies in the supply chain. The candidate should undertake a review to establish how current supplies are stored in the supply chain and in doing so should identify and resolve any problems with the storage of supplies in the supply chain. The candidate should then review the benefits and risks to the storage of supplies in the supply chain and decide on methods to improve the storage of supplies in the supply chain. The candidate should then be in a position to plan the storage of supplies in the supply chain and gain the commitment of stakeholders and colleagues for implementing the plan.

**Outcome 1** The candidate must identify the current storage requirements for supplies in the supply chain and to ensure that the results of all relevant evaluations are considered. The approach taken by the candidate will depend largely on the type of supplies being considered.

If, for example, the candidate is dealing with consumer goods, or similar, there will be a number of strategies for dealing with this type of product. If supplies are shipped in from abroad does the supplier have a central storage facility where supplies will be stored prior to them being distributed to the customer direct or perhaps to a (relatively) local distributor for distribution to the customer? If it is direct business to business does the supplier deliver to point of use or the customer's stores or to a third party warehouse?

The candidate may have to consider special storage facilities, eg refrigerated storage for frozen foods. The candidate could use analytical tools for evaluating their organisation.

The candidate will be required to relate to his/her own organisation but should seek the views of all relevant colleagues and stakeholders.

**Outcome 2** The candidate must review how the current supplies are stored in the supply chain. In order to achieve this review the candidate will have to identify the appropriate storage systems and consider them alongside the procurement, transportation and distribution systems.

Some questions that the candidate may wish to consider are:

- ◆ Storage systems — are they necessary or can the supplier deliver to point of use? If they are necessary are they managed in such a way as to make the receipt and storage of supplies effective? Are they organised so that supplies can be located and moved quickly? Would it be better if supplies were managed by a third party? Have any special requirements been considered?
- ◆ Procurement systems — are suppliers fully appraised of storage requirements? Does the supplier have full details on where the supplies have to be stored? Has all documentation been completed for supplies that will be stored at a port or airport prior to clearing customs?

- ◆ Transportation systems — are there any specific requirements for the transport of supplies into a customer storage area, eg fork lift truck, special handling equipment.
- ◆ Distribution systems — does the customer pick up their own supplies and if so is the supplier aware of any special storage requirements? Does the supplier deliver direct to the customer and if so are they aware of any special requirements for storage at the customer's premises?

**Outcome 3** The candidate must identify and resolve any problems with the storage of supplies in the supply chain and any problem should be clearly identified as soon as possible. This process will be facilitated by the review carried out for Outcome 2 and there could be a variety of problems, for example the system employed may make it difficult to locate items easily. Another example is where supplies of different models of a product may be stored at different distribution centres but don't meet the customer demands for that particular area. Once the problem is identified it should be resolved in such a way as to ensure that the effectiveness of the organisation is improved.

**Outcome 4** For this Outcome the candidate is asked to review the benefits and risks to the storage of supplies in the supply chain and in particular to consider market, economic, social and political environments and to ensure that the risks and effects of market trends and conditions are clearly specified.

The candidate will have to relate to their own particular industry and research the factors that could affect or benefit the storage of supplies in the supply chain. For example, the method of storage may create benefits for an organisation that has improved the flow of supplies in the supply chain by cutting down on the amount of inventory, thereby allowing all storage to be at floor level, and related to specific uses, where it is more visible and easier to determine future requirements.

Risks may occur where chemicals have to be stored and the correct information must be available in the event of spillage, etc.

**Outcome 5** The candidate must decide the methods to improve the storage of supplies in the supply chain. This will be similar to Outcome 3 but rather than trying to identify and solve problems the candidate may be following a continuous improvement policy and should ensure that decisions are in line with the organisation's supply chain strategy. To satisfy the achievement criteria the candidate needs to show that key decisions are made at the appropriate time.

**Outcome 6** The candidate must plan the storage of supplies in the supply chain and they must ensure that the plans are capable of meeting the requirements of the supply chain strategy. What the candidate is likely to consider is not just the supplies themselves but all the other elements that

need to work effectively throughout the journey from start to finish of the supply chain. The main element is likely to be people, it is people that make things happen but for them to do their job properly there has to be a good communications system in operation, together with a good documentation system. The extent of the planning will be determined by the type of supplies in question and this may determine whether or not the planning process can be achieved manually or if a planning system such as ERP (Enterprise Resources Planning) is required. ERP systems can be designed to meet the needs of various types of organisations and will be able to address the needs of manufacturing, supply chain, distribution, finance, customer management, human resources and e-commerce needs.

The correct use of such a planning tool should ensure that the remaining two achievement criteria are met and these are that the candidate must ensure that the plans are feasible and resources are used efficiently.

**Outcome 7** The candidate must gain the commitment of stakeholders and colleagues for implementing the plan. If the achievement criteria have been successfully met in Outcome 6 then the candidate should ensure that they consult with the stakeholders and colleagues and consult them on their views. In order to achieve this candidates are expected to make presentations, on the plans, to all relevant stakeholders and colleagues.

## **Assessment**

Different assessment methods are likely to be used for this Unit but the main one is product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates must identify current storage requirements of supplies in the supply chain. The evidence is likely to be in the form of product evidence and could consist of a number of documents. The candidate may produce notes or a report evaluating the current storage requirements and this may be backed up by historical data, showing loading, space utilisation, movement of supplies, COSHH regulations, etc.

Also details of the analysis leading to identifying the current storage, current operations and customer requirements could be used.

This information should be derived from internal sources in the organisation and also influences outside the organisation, eg customers, clients. Use of some strategic tools SWOT, STEEPLE or similar could be used as evidence.

Some graphic representation of the storage system and the relationship incorporating colleagues, customers and other stakeholders could be used. The candidate could also produce evidence of the views of others in



the storage system. This evidence can be product evidence, eg minutes of meetings, dialogue or narratives.

Finally, this could be collated into a comprehensive report which overviews the whole storage process showing inputs/outputs, background. Other evidence can be used to supplement the report, eg Professional Discussion, Personal Reports to evidence the application of knowledge.

**Outcome 2** Candidates must review how the current supplies are stored in the supply chain. In addition to the storage system, the achievement criteria lists three further systems that have to be considered. The evidence produced by the candidate will again be product evidence and is likely to be in the form of notes or a report which could be supported by systems documentation, for each of the systems, clearly identifying the type and conditions of storage and how these relate to the other systems. The candidate's report/notes could relate to the systems documentation.

The evidence can also be in the form of product evidence including flowcharts, organisational charts, and input/output analysis to illustrate how the various systems work with each other. Further product evidence in the form of an analysis of these systems and evidence of dialogue with others in procurement, distribution and transport can be done by Professional Discussion, minutes of meeting or narratives.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of a report. The candidate should clearly identify potential problems that have arisen during the review of how current supplies are stored in the supply chain. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation.

**Outcome 4** The evidence should include a risk assessment relating to the storage of supplies showing the potential risks to the company/supply chain and actions taken to reduce the risks. In addition, product evidence in the form of a cost/benefit analysis of the issues illustrated in Outcome 3 should be included. Some analysis of the impact of the improvements from a strategic view using appropriate tools, eg SWOT, STEEPLE could be utilised. The product evidence can be supplemented by professional discussion or personal statements to show the application of knowledge.

**Outcome 5** Candidates must provide evidence to show that they can decide on methods to improve the storage of supplies in the supply chain. This is likely to be part of a continuous improvement strategy and the assessment is likely to be by product evidence in the form of a report on the methods to be used. This may be supported with other documentary evidence such as a Pareto Analysis, Cause and Effect Analysis, or a Process Plan. In addition, the candidate may detail the decision making process involved in the improvements along with the agreed timescales.

**Outcome 6** Product evidence is again likely to be the assessment method used for this Outcome. This is likely to be in the form of a fairly substantial report as this is the main Outcome for this Unit. The report itself can be supported by a variety of other documentation such as feedback reports and performance monitoring reports together with reports comparing handling equipment and layout of storage facilities.

**Outcome 7** Candidates are asked to provide evidence to show how they gain the commitment of stakeholders and colleagues for implementing the plan (See Outcome 6). This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult his/her colleagues by means of a briefing meeting, then observation would be a possible method of assessment. If, however, the candidate decides on a presentation, memo or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. The candidate should show evidence of feedback from colleagues and stakeholders, eg minutes of meetings, e-mails and comments.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, bearing in mind any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit S8 Plan the distribution of supplies (DX6N 04)

### Confidentiality and Security

This Unit includes evidence which may contain commercial details, eg prices. It is essential, therefore, that the candidate and their organisation know when any documents are viewed and by whom and that the assessor, internal verifier and the external verifier have no commercial interest in the evidence provided.

The assessor should discuss with the candidate any commercially sensitive material they have which will be assessed externally, eg off-site. If it is essential evidence then some sanitising might be possible whilst maintaining the soundness of the evidence, eg company names, prices.

When in the custody of the assessor it is essential that the candidate's material is accessed only by a limited amount of people (IV and EV) and secured at all times. It will be the responsibility of the centre to control access and safe custody of all assessment materials in their care until they are returned to the candidate. It might be prudent to have a written statement to protect both parties from possible conflicts in the future. The employer should give the assessor authority to access the assessment materials.

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is for the candidate to plan the storage of supplies in the supply chain and to do this the candidate will need to identify the current distribution requirements of supplies. The candidate should undertake a review to establish how current supplies are distributed and should identify and resolve any problems with the

distribution of supplies in the supply chain. The candidate should then review the benefits and risks to the distribution of supplies and decide on methods to improve the distribution of supplies. The candidate should then be in a position to plan the distribution of supplies in the supply chain and gain the commitment of stakeholders and colleagues for implementing the plan.

**Outcome 1** The candidate is asked to identify the current distribution requirements for supplies in the supply chain and to ensure that the results of all relevant evaluations are considered. The approach taken by the candidate will depend largely on the type of supplies being considered. If, for example, the candidate is dealing with consumer goods, or similar there will be a number of strategies for dealing with this type of product. If supplies are shipped in from abroad does the supplier have a central distribution facility where supplies will be stored prior to them being distributed to the customer direct or perhaps to a (relatively) local distributor for distribution to the customer? If it is direct business to business does the supplier deliver the supplies to point of use, or the customer's stores or to a third party warehouse who in turn will distribute the supplies to the point of use as required? The candidate may have to consider alternative distribution strategies. For example, will the supplies be distributed in various countries through an agent or will the company set up a major hub where supplies will be distributed to retail outlets over a wide area, encompassing several countries. The candidate will be required to relate to his/her own organisation but should seek the views of all relevant colleagues and stakeholders.

**Outcome 2** The candidate must review how the current supplies are distributed in the supply chain. In order to achieve this review the candidate will have to identify the appropriate distribution systems and consider them alongside the procurement, transportation and storage systems.

Some questions that the candidate may wish to consider are:

- ◆ Distribution systems — What distribution system is currently operated by the organisation and/or its suppliers? Is the customer responsible for collecting their own supplies? Do the customer and supplier operate a business to business distribution system with the supplier distributing direct to the customer? Are supplies distributed to a local retailer to be collected/purchased by the customer?
- ◆ Storage systems — are they necessary or can the supplier distribute direct to point of use? If they are necessary are they managed in such a way as to make the receipt and storage of supplies effective? Are they organised so that supplies can be located and moved quickly? Would it be better if supplies were managed by a third party? Have any special requirements been considered?

- ◆ Procurement systems — have suppliers been fully appraised of the distribution requirements? Does the supplier have full details on distribution pattern for the supplies? Has all documentation been completed for supplies that will be distributed through a port or airport prior to clearing customs?
- ◆ Transportation systems — are there any specific requirements for the transport of supplies into a customer storage area, eg fork lift truck, special handling equipment. Is the transporter fully aware of the distribution requirements?

**Outcome 3** The candidate must identify and resolve any problems with the distribution of supplies in the supply chain and any problem should be clearly identified as soon as possible. This process will be facilitated by the review carried out for Outcome 2 and there could be a variety of problems, for example a supplier may not have the supplies ready when the distributor is due to pick them up. Another example is where the distribution system chosen does not function as planned and an alternative has to be found. This may be as a result of breakdowns or a strike, etc. Once the problem is identified it should be resolved in such a way as to ensure that the effectiveness of the organisation is improved.

**Outcome 4** The candidate must review the benefits and risks to the distribution of supplies through the supply chain and in particular to consider market, economic, social and political environments and to ensure that the risks and effects of market trends and conditions are clearly specified.

The candidate will have to relate to their own particular industry and research the factors that could affect or benefit the distribution of supplies in the supply chain. For example, the method of distribution may reduce the amount of movement/handling of supplies which in turn would benefit the customer. The other side of this situation is that in order to achieve a better distribution system the cost may be prohibitive and the supplier may lose out in terms of cost.

**Outcome 5** The candidate must decide methods to improve the distribution of supplies in the supply chain. This will be similar to Outcome 3 but rather than trying to identify and solve problems the candidate may be following a continuous improvement policy and should ensure that decisions are in line with the organisation's supply chain strategy. To satisfy the achievement criteria the candidate needs to show that key decisions are made at the appropriate time.

**Outcome 6** The candidate must plan the distribution of supplies in the supply chain and they must ensure that the plans are capable of meeting the requirements of the supply chain strategy. What the candidate is likely to consider is not just the supplies themselves but all the other elements that need to work effectively throughout the journey from start to finish of the supply chain. The main element is likely to be people — it is people

that make things happen — but for them to do their job properly there has to be a good communications system in operation, together with a good documentation system. The extent of the planning will be determined by the type of supplies in question and this may determine whether or not the planning process can be achieved manually or if a planning system such as ERP (Enterprise Resources Planning) is required. ERP systems can be designed to meet the needs of various types of organisations and will be able to address the needs of manufacturing, supply chain, distribution, finance, customer management, human resources and e-commerce needs.

The correct use of such a planning tool should ensure that the remaining two achievement criteria are met. The candidate must ensure that the plans are feasible and resources are used efficiently.

**Outcome 7** The candidate must gain the commitment of stakeholders and colleagues for implementing the plan. If the achievement criteria have been successfully met in Outcome 6 then the candidate should ensure that they consult with the stakeholders and colleagues and consult them on their views. In order to achieve this, candidates are expected to make presentations on the plans to all relevant stakeholders and colleagues.

## **Assessment**

A few assessment methods are likely to be used for this Unit but the main one will be product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates must identify current distribution requirements of supplies in the supply chain. The evidence is likely to be in the form of product evidence and could consist of a number of documents. The candidate may produce notes or a report evaluating the current distribution requirements and this may be backed up by historical data, showing systems effectiveness, delivery frequencies, demand patterns, etc. The assessor will need to be satisfied that the candidate has considered the results of all relevant evaluations and that the candidate has considered the views of all stakeholder and colleagues. Evidence for this may come in the form of e-mails, memos etc or it may be a personal statement produced by the candidate.

The details that led to identifying the current distribution, current operations and customer requirements could also be used as evidence. This information could be derived from internal sources in the organisation and also influences outside the organisation, eg customers, clients. Some graphic representation of the distribution system and the relationship incorporating colleagues, customers and other stakeholders could be incorporated.

The candidate could also produce evidence of the views of others in the distribution system. This evidence can be product evidence, eg minutes of meetings, dialogue or narratives.

Finally, this could be collated into a comprehensive report which overviews the whole distribution process, showing inputs/outputs, backgrounds. Other evidence can be used to supplement the report, eg Professional Discussion, Personal Reports, to evidence the application of knowledge.

**Outcome 2** Candidates must review how the current distribution of supplies operate and demonstrate how this system interacts with procurement, storage and transport. The evidence can be in the form of product evidence, including flowcharts, organisational charts, and input/output analysis, to illustrate how the various systems work with each other. Further product evidence, for example in the form of analysis of these systems and evidence dialogue with others in procurement, storage and transport could be done by professional discussion, minutes of meetings or narratives.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the review of how supplies are distributed in the supply chain. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation.

**Outcome 4** The evidence should include a risk assessment relating to the distribution of supplies showing the potential risks to the company/supply chain and actions taken to reduce the risks. In addition product evidence in the form of a cost/benefit analysis of the issues illustrated in Outcome 3 should be included. Some analysis of the impact of the improvements in a strategic view using appropriate strategic tools, eg SWOT, STEEPLE, Positioning or similar must be done. The product evidence can be supplemented by professional discussion or personal statements to evidence the application of knowledge.

**Outcome 5** Candidates must provide evidence to show that they can decide on methods to improve the distribution of supplies in the supply chain. This is likely to be part of a continuous improvement strategy and the assessment is likely to be by product evidence in the form of a report on the methods to be used. This may be backed up with other documentary evidence such as a Pareto Analysis, Cause and Effect Analysis, or a Process Plan, for example.

**Outcome 6** Product evidence is again likely to be the assessment method used for this Outcome. This is likely to be in the form of a fairly substantial report as this Outcome is the main Outcome for this Unit. The report itself is likely to be supported by a variety of other documentation such as feedback reports and performance monitoring reports together with reports on route planning, load planning, packaging, vehicle scheduling etc.

**Outcome 7** Candidates are asked to provide evidence to show how they gain the commitment of stakeholders and colleagues for implementing the plan. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult his/her colleagues by means of a briefing meeting or presentation then observation would be a possible method of assessment. If, however, the candidate decides on a memo, presentation or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might be possible or the candidate would be expected to take notes which can be presented as product evidence.

In addition the candidate should provide evidence of discussions/communications with a wide variety of the stakeholders to gain commitment to the proposed improvements. This product evidence could be done by meetings, correspondence etc, and documents from these being introduced as evidence.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.



## Unit S9 Plan the transportation of supplies (DX6W 04)

### Note for Level 5 candidates and assessors

#### Confidentiality and Security

This Unit includes evidence which may contain commercial details, eg prices. It is essential, therefore, that the candidate and their organisation know when any documents are viewed and by whom and that the assessor, internal verifier and the external verifier have no commercial interest in the evidence provided.

The assessor should discuss with the candidate any commercially sensitive material they have which will be assessed externally, eg off-site. If it is essential evidence then some sanitising might be possible whilst maintaining the soundness of the evidence, eg company names, prices.

When in the custody of the assessor it is essential that the candidate's material is accessed only by a limited amount of people (IV and EV) and secured at all times. It will be the responsibility of the centre to control access and safe custody of all assessment materials in their care until they are returned to the candidate. It might be prudent to have a written statement to protect both parties from possible conflicts in the future. The employer should give the assessor authority to access the assessment materials.

#### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is for the candidate to plan the storage of supplies in the supply chain and to do this the candidate will need to identify the current transportation requirements of supplies. The candidate

should undertake a review to establish how current supplies are transported in the supply chain and in doing so should identify and resolve any problems with the transportation of supplies. The candidate should then review the benefits and risks to the transportation of supplies and decide on methods to improve the transportation of supplies in the supply chain. The candidate should then be in a position to plan the transportation of supplies in the supply chain and gain the commitment of stakeholders and colleagues for implementing the plan.

**Outcome 1** The candidate is asked to identify the current transportation requirements for supplies in the supply chain and to ensure that the results of all relevant evaluations are considered. The approach taken by the candidate will depend largely on the type of supplies being considered.

If, for example, the candidate is dealing with consumer goods, or similar, there will be a number of options for dealing with this type of product. Do they use their own transport or do they contract this to other transportation companies? There could be a number of combinations where a supplier's transport is used for the first part of the delivery to a distribution centre and this would be followed by other transport companies delivering to retailers who in turn may use their own transport to deliver to the end customer. The distances, countries and modes of transport involved should also be considered.

The candidate will be required to relate to his/her own organisation but should seek the views of all relevant colleagues and stakeholders.

**Outcome 2** The candidate must review how the current supplies are transported in the supply chain. In order to achieve this review, the candidate will have to identify the appropriate transportation systems and consider them alongside the procurement, distribution and storage systems.

Some questions that the candidate may wish to consider are:

- ◆ Transportation systems — what is the most effective transportation system for the supplies? What alternative transport systems are used? Are there any specific requirements for the transport of supplies into a customer storage area, eg fork lift truck, special handling equipment, ?
- ◆ Distribution systems — what distribution system are currently operated by the organisation and/or its suppliers? Is the customer responsible for collecting their own supplies? Do the customer and supplier operate a business to business distribution system with the supplier distributing direct to the customer? Are supplies distributed to a local retailer to be collected/purchased by the customer?
- ◆ Storage systems — are they necessary or can the supplier distribute direct to point of use? If they are necessary, are they managed in such a way as to make the receipt and storage of supplies effective? Are

they organised so that supplies can be located and moved quickly?  
Would it be better if supplies were managed by a third party? Have any special requirements been considered?

- ◆ Procurement systems — have suppliers been fully appraised of the transportation requirements? Are the lead times used adequate for ordering needs? Does the supplier have full details on distribution pattern for the supplies? Has all documentation been completed for supplies that will be transported through a port or airport prior to clearing customs?

**Outcome 3** The candidate must identify and resolve any problems with the transportation of supplies in the supply chain and any problem should be clearly identified as soon as possible. This process will be facilitated by the review carried out for Outcome 2 and there could be a variety of problems, for example the transport vehicle may be held up in traffic, it may break down or it could be involved in an accident. Once the problem is identified it should be resolved in such a way as to ensure that the effectiveness of the organisation is improved.

**Outcome 4** The candidate must review the benefits and risks to the transportation of supplies through the supply chain and in particular to consider market, economic, social and political environments and to ensure that the risks and effects of market trends and conditions are clearly specified.

The candidate will have to relate to their own particular industry and research the factors that could affect or benefit the transportation of supplies in the supply chain. For example, the type of transportation may be the appropriate method for a specific type of supplies, eg the use of shipping to transport cars, and may prove to be the most economical. The other side of this situation is the time taken to transport goods from one country to another and this could be made worse by adverse weather or a collision at sea.

**Outcome 5** The candidate must decide methods to improve the transportation of supplies in the supply chain. This will be similar to Outcome 3 but rather than trying to identify and solve problems the candidate may be following a continuous improvement policy and should ensure that decisions are in line with the organisation's supply chain strategy. To satisfy the achievement criteria the candidate needs to show that key decisions are made at the appropriate time.

**Outcome 6** The candidate must plan the transportation of supplies in the supply chain and they must ensure that the plans are capable of meeting the requirements of the supply chain strategy. What the candidate is likely to consider is not just the supplies themselves but all the other elements that need to work effectively throughout the journey from start to finish of the supply chain. The main element is likely to be people, it is people that make things happen but for them to do their job properly there has to be a

good communications system in operation, together with a good documentation system. The extent of the planning will be determined by the type of supplies in question and this may determine whether or not the planning process can be achieved manually or if a planning system such as ERP (Enterprise Resources Planning) is required. ERP systems can be designed to meet the needs of various types of organisations and will be able to address the needs of manufacturing, supply chain, distribution, finance, customer management, human resources and e-commerce needs.

The correct use of such a planning tool should ensure that the remaining two achievement criteria are met (the candidate must ensure that the plans are feasible and resources are used efficiently).

**Outcome 7** The candidate must gain the commitment of stakeholders and colleagues for implementing the plan. If the achievement criteria have been successfully met in Outcome 6 then the candidate should ensure that they consult with the stakeholders and colleagues and consult them on their views. In order to achieve this, candidates are expected to make presentations on the plans to all relevant stakeholders and colleagues.

## **Assessment**

Different assessment methods are likely to be used for this Unit but the main one is product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates must identify current transportation requirements of supplies in the supply chain. The evidence is likely to be in the form of product evidence and could consist of a number of documents. The candidate may produce notes or a report evaluating the current transportation requirements and this may be backed up by historical data showing systems effectiveness, delivery frequencies, loading, fleet effectiveness, fuel efficiency utilisation and loading practices, demand patterns, etc. The assessor will need to be satisfied that the candidate has considered the results of all relevant evaluations and that the candidate has considered the views of all stakeholders and colleagues. Evidence for this may come in the form of e-mails, memos etc or it may be a personal statement produced by the candidate.

Consideration should be given to the needs of the customers and requirements. The product evidence for this information should be derived from the internal sources of the transport organisation and also influences outside the organisation, eg customers, clients. To facilitate this the use of some strategic tools, eg SWOT, STEEPLE and similar would be essential evidence. Also some graphic representation of the transport system and how the various elements relate to the system, eg customers, clients, colleagues, public bodies and regulators may be appropriate.

The candidate should also incorporate product evidence, dialogue or professional discussion to show discussions/dialogue with other stakeholders, customers, clients, colleagues.

Finally, this could be evaluated by the candidate and a report created which gives an overview of the current transportation requirements in the supply chain.

**Outcome 2** Candidates must review how the current supplies are transported in the supply chain. In addition to the transportation system, the achievement criteria list three further systems that have to be considered. The product evidence is likely to be in the form of notes or a report which could be supported by systems documentation, for each of the systems, clearly identifying the transportation system and how it relates to the other systems. The candidate's report/notes could also relate to the systems' documentation. Much of the evidence will be in the form of product evidence with a possible use of professional discussion or narratives. The review should show how the system operates, therefore the use of flowcharts, organisational charts, utilisation data, effectiveness, manpower utilisation, fleet management and systems can be used to illustrate how the various elements inter-related cohesively. The candidate could then compile a review report on the current system with potential areas of concern/improvement.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of a report derived from Outcome 2, by the candidate identifying any problems that have arisen during the review of how supplies are transported in the supply chain. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation.

**Outcome 4** The candidate has already established potential solutions to the transport operation used in the supply chain and this Outcome is to examine those solutions, the potential risk these may present, and manage those risks. To enable this, risk assessment should be undertaken by the candidate measuring initial risks and the reduced risks if this is managed. The impact of the improvements on a wider system, the use of strategic tools, SWOT, STEEPLE, should be used to gauge the impact both inside and outside the transport system. Evidence is also required on the current market conditions and evidence can be derived from statistics from the organisation's customers, published data and journals. Finally, the candidate should provide evidence of how the proposed improvements provide added value/benefits to the organisation and customers.

**Outcome 5** Candidates must provide evidence to show that they can decide on methods to improve the transportation of supplies in the supply chain. This is likely to be part of a continuous improvement strategy and the assessment is likely to be carried out by product evidence in the form

of a report on the methods to be used. This may be backed up with other documentary evidence such as a Pareto Analysis, Cause and Effect Analysis, or a Process Plan, for example.

**Outcome 6** Outcomes 4 and 5 lead to improvements in the transportation of goods in the supply chain. This Outcome's evidence is based on the previous Outcomes and shows the planning of the improvements. The evidence should be a report which details how planning/implementation would be managed. The report should explain the background, rationale and benefits as well as the planned improvements detailed against a defined timescale. This can be shown by a GANTT or PERT chart or similar planning tool, or the use of proprietary software. The candidate should then provide evidence of the use of resources needed for the improvements. This can be done by monitoring measures to identify costs, budgets, manpower, vehicles, deviations to the plan, utilisations, fuel economy etc to ensure the planned improvements are feasible and achievable. Therefore, this should be a comprehensive report drawn from all of the details in all of the previous Outcomes and should be supported by relevant information, eg projections, cash impact, costs, timescales and critical dates, to support this proposed improvement.

**Outcome 7** Candidates must provide evidence to show how they gain the commitment of stakeholders and colleagues for implementing the plan. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult his/her colleagues by means of a briefing meeting or presentation then observation would be a possible method of assessment. If, however, the candidates decide on a memo, presentation or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. The candidate should also provide evidence of feedback from colleagues and stakeholders in the form of minutes of meetings, narratives, personal statements and professional discussion.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used a record must be kept for the internal and external verifiers.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit S10 Plan the export and import of supplies (DX6P 04)

### Note for Level 5 candidates and assessors

#### Confidentiality and Security

This Unit includes evidence which may contain commercial details, eg prices. It is essential, therefore, that the candidate and their organisation know when any documents are viewed and by whom and that the assessor, internal verifier and the external verifier have no commercial interest in the evidence provided.

The assessor should discuss with the candidate any commercially sensitive material they have which will be assessed externally, eg off-site. If it is essential evidence then some sanitising might be possible whilst maintaining the soundness of the evidence, eg company names, prices.

When in the custody of the assessor it is essential that the candidate's material is accessed only by a limited amount of people (IV and EV) and secured at all times. It will be the responsibility of the centre to control access and safe custody of all assessment materials in their care until they are returned to the candidate. It might be prudent to have a written statement to protect both parties from possible conflicts in the future. The employer should give the assessor authority to access the assessment materials.

#### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is for the candidate to plan the export and import of supplies and to do this the candidate will need to identify the current export and import requirements of supplies in the supply chain.

The candidate should undertake a review to establish how current supplies are exported or imported and in doing so should identify and resolve any problems with the export or import of supplies in the supply chain. The candidate should then review the benefits and risks and decide on methods to improve the export or import of supplies in the supply chain. The candidate should then be in a position to plan the export and import of supplies in the supply chain and gain the commitment of stakeholders and colleagues for implementing the plan.

**Outcome 1** The candidate is asked to identify the current export and import requirements for supplies in the supply chain and to ensure that the results of all relevant evaluations are considered. The approach taken by the candidate will depend largely on the type of supplies being considered. There will be a number of elements to consider for this Unit and the candidate should be looking at the type of supplies being exported or imported and may need to consider whether or not they are they allowed in the first place as certain supplies are banned, such as weapons for example. If the type of supplies is allowed, the next question to be asked will be — is a license required? After that the candidate may wish to consider duties to be paid, insurance, responsibility for the supplies at different stages of the process, payment processes etc. The candidate will be required to relate to his/her own organisation but should seek the views of all relevant colleagues and stakeholders.

**Outcome 2** The candidate must review how the current supplies are exported or imported in the supply chain. In order to achieve this review the candidate will have to identify the appropriate export and import systems and consider them alongside the procurement, distribution, transportation and storage systems.

Some questions that the candidate may wish to consider are:

- ◆ Import/Export systems — are the suppliers going to import/export direct, ie business to business? Are the suppliers intending to use agents? Are the suppliers going to sell to retail outlets in each country? What are the advantages and disadvantages of these systems?
- ◆ Transportation systems — what is the most effective transportation system for the supplies to be transported? What alternative transport systems are used? Are there any specific requirements for the transport of supplies into a customer storage area, eg fork lift truck, special handling equipment?
- ◆ Distribution systems — what distribution systems are currently operated by the organisation and/or its suppliers? Is the customer responsible for collecting their own supplies from the entry port/airport? Do the customer and supplier operate a business to business distribution system with the supplier distributing direct to the customer? Are supplies distributed to a local retailer to be collected/purchased by the customer? Will a forwarding agent be responsible for the receipt and deliver of the supplies?



- ◆ Storage systems — are they necessary or can the supplier distribute direct to point of use? If they are necessary, are they managed in such a way as to make the receipt and storage of supplies effective? Are they organised so that supplies can be located and moved quickly? Will the supplies be transported in containers along with other goods? Would it be better if supplies were managed by a third party? Have any special requirements been considered?
- ◆ Procurement systems — is all the documentation available and has it been completed correctly? Have the insurance documents been completed correctly? Are the suppliers fully aware of delivery dates and can the import/export systems meet the requirements? Are payment conditions fully understood?

**Outcome 3** The candidate must identify and resolve any problems with the export or import of supplies in the supply chain and any problem should be clearly identified as soon as possible. This process will be facilitated by the review carried out for Outcome 2 and there could be a variety of problems, for example supplies can go astray if they are being shipped in a container with other supplies. Receipt of supplies can be delayed if the documentation is not fully completed. Receipt of supplies may be delayed or be unacceptable due to damage, etc. Once the problem is identified it should be resolved in such a way as to ensure that the effectiveness of the organisation is improved.

**Outcome 4** For this Outcome the candidate must review the benefits and risks to the export or import of supplies through the supply chain and in particular to consider market, economic, social and political environments and to ensure that the risks and effects of market trends and conditions are clearly specified.

The candidate will have to relate to their own particular industry and research the factors that could affect or benefit the export or import of supplies in the supply chain. For example, the method of export or import may be appropriate for a specific type of supplies, eg the use of shipping to transport cars, and may prove to be the most economical. The other side of this situation is the time taken to transport goods from one country to another and this could be made worse by adverse weather or a collision at sea.

**Outcome 5** The candidate must decide methods to improve the export or import of supplies in the supply chain. This will be similar to Outcome 3 but rather than trying to identify and solve problems, the candidate may be following a continuous improvement policy and should ensure that decisions are in line with the organisation's supply chain strategy. To satisfy the achievement criteria the candidate needs to show that key decisions are made at the appropriate time.

**Outcome 6** The candidate must plan the export or import of supplies in the supply chain and they must ensure that the plans are capable of meeting the requirements of the supply chain strategy. What the candidate

is likely to consider is not just the supplies themselves but all the other elements that need to work effectively throughout the journey from start to finish of the supply chain. The main element is likely to be people, for them to do their job properly there has to be a good communications system in operation, together with a good documentation system. The extent of the planning will be determined by the type of supplies in question and this may determine whether or not the planning process can be achieved manually or if a planning system such as ERP (Enterprise Resources Planning) SAP 2, MRP II is required. Such systems can be designed to meet the needs of various types of organisations and will be able to address the needs of manufacturing, supply chain, distribution, finance, customer management and human resources needs. Alternative systems or more manual systems can be used to achieve similar results.

The correct use of such a planning tool should ensure that the remaining two achievement criteria are met (the candidate must ensure that the plans are feasible and resources are used efficiently).

**Outcome 7** The candidate must gain the commitment of stakeholders and colleagues for implementing the plan. If the achievement criteria have been successfully met in Outcome 6 then the candidate should ensure that they consult with the stakeholders and colleagues and consult them on their views. In order to achieve this, candidates are expected to make presentations on the plans to all relevant stakeholders and colleagues.

## **Assessment**

Different assessment methods are likely to be used for this Unit but the main one is product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates must identify current export or import requirements of supplies in the supply chain. The evidence is likely to be in the form of product evidence and could consist of a number of documents. The candidate may produce notes or a report to evaluate the current export or import requirements and this may be backed up by historical data, showing systems effectiveness, delivery frequencies, demand patterns, correct documentation fully completed etc.

This Outcome will mostly use product evidence with information drawn from the organisation's systems. However, it should also have evidence from the influences outwith the organisation. This can be provided in the form of strategic tools such as SWOT, STEEPLE or similar to show the extraneous forces impacting on the organisation. In addition, some graphical representation to show the import/export flows and demands could be used. The interaction with the relevant stakeholders both inside and outside the organisation could be considered. Therefore, maps of relations between these factors would be needed. The product evidence can be supplemented with dialogue, personal statement or professional

discussion with stakeholders, customers, colleagues or clients. The final result should be a comprehensive report on the current practice and operation of the whole import/export system showing process, inter-relations, quality standards, customer needs, and financial status.

**Outcome 2** Candidates must review how the current supplies are exported or imported in the supply chain. After completing Outcome 1, this Outcome reviews the current system and introduces the interaction between the import/export systems with other supply chain systems. Therefore, the evidence needed will be flow charts, organisational charts, input/output analysis, demand patterns, lead times, manpower data and shipping information. Most of this information will be product evidence derived from within and outwith the organisation. This information should show how the import/export system interacts with the procurement, distribution, storage and transport systems. Those relationships can be mapped by charts or using software and supporting narrative provided as evidence. The result of the Outcome should be a review report highlighting issues and recommendations.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the review of how supplies are exported or imported in the supply chain. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation.

**Outcome 4** The candidate must use information derived from Outcome 3 regarding potential solutions to the issues in the import/export system in the supply chain. The candidate must critically examine the solutions from Outcome 3 for the potential risks presented and manage those risks to the export/import system.

To enable this, the candidate should use formal risk assessment methodology measuring the potential risks and actions to mediate them in a managed way. The candidate should consider input of the potential solutions in a wider way by using strategic tools SWOT, STEEPLE or similar to gauge the impact inside the organisation and outside the organisation. In addition, the candidate should provide evidence of an understanding of current market conditions affecting the import/export system. This can be derived from statistics from the organisation, customer's information, published data, journals etc. Finally, the candidate should provide evidence of how these solutions will benefit both the organisation and their customers.

**Outcome 5** Candidates must provide evidence to show that they can decide on methods to improve the export or import of supplies in the supply chain. This is likely to be part of a continuous improvement strategy and the assessment is likely to be by product evidence in the form of a report on the methods to be used. This may be backed up with other

documentary evidence such as a Pareto Analysis, Cause and Effect Analysis, or a Process Plan, for example.

**Outcome 6** The improvements developed in Outcomes 3, 4 and 5 require planning. Therefore in this Outcome the candidate is required to develop the plan to deliver these improvements in the import/export system in the supply chain. The main evidence is a report created by the candidate and this is the key product evidence. The report should outline the previous Outcomes and show the background, rationale and the key benefits.

The plan is the critical part of the report. The plan should detail the timescales, critical dates and activities. Candidates could use a GANTT or PERT chart or similar. Along with the plan, the candidate should show the resources used and how these are monitoring measures to identify cost, budgets, manpower, deviations to the plan, to ensure the planned improvements are feasible and achievable. Therefore, this should be a comprehensive report drawn from other Outcomes and it should be supported with projections, cash flows, timescales etc.

**Outcome 7** Candidates are asked to provide evidence to show how they gain the commitment of stakeholders and colleagues for implementing the plan. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example if the candidate decides to consult his/her colleagues by means of a briefing meeting or presentation then observation would be a possible method of assessment. If, however, the candidates decide on a memo, presentation or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. Also the candidate should provide evidence of feedback from colleagues and stakeholders in the form of minutes of meetings, personal statements or professional discussion.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit T4     Monitor the achievement of project tasks (DX63 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to monitor the achievement of project tasks and to do this they are expected to clarify information on the requirements of the project, confirm the project tasks to be achieved and obtain information from colleagues on the achievement of project tasks and milestones. The main Outcome, as stated above is that the candidate provides evidence to show that he/she can monitor the achievement of project tasks; he/she must then provide information on the progress of project tasks and identify any problems in delivering project tasks.

**Outcome 1** The candidate must provide evidence that he/she has clarified information on the requirements of the project. The candidate is likely to have been given a copy of the network diagram and perhaps an associated Gantt chart, but may have queries about some of the activities, their timings, resources etc. The answers to queries should be obtainable from the project manager or his/her line manager.

The evidence for this Outcome may be notes from meetings with the project or line manager, and/or a personal statement that illustrates how the candidate went about clarifying the information.

**Outcome 2** The candidate is also required to provide evidence that he/she has confirmed the project tasks to be achieved and again he/she is likely to obtain this information from the project manager or his/her line manager. The candidate should familiarise him/her self with the project

activities, understand exactly what is required from the project and needs to be sure that he/she has interpreted the activity requirements correctly. Another possibility for confirming the tasks is through project review meetings, either internally or with the customer.

The evidence for this Outcome could be achieved at the same meeting as in Outcome 1 with the project or line manager, and therefore notes of the meeting or a personal statement about the content of the meeting would be acceptable. However, it may also be possible that confirmation of the project tasks could be obtained from a review meeting and evidence could therefore be the minutes of that meeting.

**Outcome 3** This could be integrated with Outcome 2 as the candidate is required to obtain information from colleagues on the achievement of project tasks and milestones and this can be obtained from review meetings and other sources.

The assessment evidence for this Outcome could be the results from discussions with colleagues either in the form of notes or as a personal statement. It could also be in the form of minutes of the review meeting, if one was held.

**Outcome 4** The candidate must monitor the achievement of the project tasks and this can be done through checking with various colleagues how their activities are progressing against the project plan.

The evidence for this Unit could be notes taken by the candidate of the collated findings of the discussion with colleagues or it could be a personal statement. The assessor may consider observation for this Outcome.

**Outcome 5** The candidate must provide information on the progress of project tasks. This will follow on from Outcome 5 and can be done in a variety of ways.

The evidence produced for assessment purposes may be in the form of short reports, an annotated version of the updated project plan, memos, e-mails etc that have been distributed to relevant colleagues.

**Outcome 6** The candidate must identify any problems in delivering project tasks. This can be integrated with Outcome 5 as these are likely to be identified when the candidate is checking the progress of project tasks. It is most likely that the candidate will report on activities that have fallen behind their due date, but during the discussions the candidate may ascertain the reason such as colleagues being off sick or lack of resources, etc. Depending on the organisational procedures the candidate is likely to feedback the information to the project manager who, in turn, will inform appropriate colleagues.

Evidence for assessment purposes is most likely to be a progress report compiled by the candidate and given to the project manager. The project

manager may also have a short meeting with the candidate and the outcomes of this meeting may be used in the form of a personal statement by the candidate. There is also an opportunity for a witness statement by the project manager on behalf of the candidate.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

#### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit T5 Control supplies at storage locations and facilities (DX56 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to control supplies at storage locations and facilities, and in order to do this the candidate will need to be able to confirm information on the supplies that are being stored and then obtain further information on these supplies. They are asked to collate and prepare data for analysis and analyse the information on the storage locations and facilities. They are also asked to monitor the location and condition of the supplies being stored and to identify any problems. They need to provide the results of the monitoring to colleagues and to comply with procedures for controlling the supplies being stored.

**Outcome 1** The candidate must provide evidence that they can confirm the information on the supplies being stored. This will vary depending on the organisation but for example let's say that we are looking at a warehouse where electrical goods are stored prior to delivery to a retailer. The candidate is likely to be asked to ensure that the correct items are stored in a specific location and may be given sizes, makes wattage, model number, etc. for the item. This should be on the item or product specification. Also required will be the quality of the supplies indicating quality standards eg, BS, ISO, and if we are looking at electrical goods they will be packed in a box of some description and the quality likely to be required will be to ensure that there is no sign of damage to the packaging, the writing on the packaging is clear, etc. In addition, the candidate will need to know the quantity and when they are due to come into the stores.



Evidence for this Outcome is likely to be product evidence and will include the item specification, together with any quality checks required, quantities and delivery schedules. The candidate will also have to complete a report, probably a pro forma confirming that what is on the documentation above is confirmed and any variation noted on the sheets.

**Outcome 2** Which will be able to be integrated with Outcome 1 requires the candidate to provide evidence that they can obtain evidence on the supplies being stored. To some extent they have already completed part of this task but they may also be required to obtain information on the quantities of each item in storage that will be distributed to each retail outlet for example, together with the delivery schedule and the appropriate paperwork. This data will have to be obtained from appropriate colleagues and comply with any relevant Health and Safety consideration eg, COSHH.

The evidence for this Outcome is again likely to be product evidence and may take the form of a picking list for each retailer and the despatch schedule. The candidate will provide evidence that the correct items have been selected for despatch again probably on a pro forma report. He/she may also provide notes indicating where the information required for picking came from, ie which colleagues were consulted and there may also be memos, e-mails, etc., to this effect.

**Outcome 3** The candidate must provide evidence that he/she can collate and prepare data for analysis. Again this could be integrated to some extent with the information in the previous two Outcomes but may also include quantities of each product, timing of deliveries, quality, etc. The evidence once again is likely to be a pro forma report with attributes such as quality, timing, etc, in one column with a second column left blank for the candidate to fill in numbers, times, etc. and perhaps a third column for remarks.

**Outcome 4** The candidate must provide evidence that he/she can analyse information on the storage locations and facilities. For example there may be new products being stored or a different mix of product in terms of numbers and the candidate should be satisfied that the storage facilities are adequate to meet the needs of the customers. It may be for example that there are more bulky items to be stored but there are not sufficient quantities of the larger facilities to accommodate the amount of goods. The evidence for this would be a facilities report prepared by the candidate and should include lack of appropriate space, for example, and perhaps excess space for smaller items.

**Outcome 5** The candidate must produce evidence that they can monitor the location and condition of supplies being stored. This can be integrated with Outcome 4 and would also include the condition of the supplies in terms of damage to items, perhaps cause by a forklift truck, for example, because of inadequate space.

The evidence for this Outcome could therefore be a short report indicating the findings of the candidate. Eg, utilisation: used space versus unused space.

**Outcome 6** The candidate must identify any problems with the supplies being stored and this can be integrated with the work the candidate has done in the previous Outcomes.

The evidence therefore would be another report that identifies the problems whether they are physical storage issues, issues with quantities, damage, etc.

To meet the achievement criteria these problems are to be clearly identified as soon as possible and colleagues informed. The candidate should ensure the organisational procedures are followed. For example which person should the candidate inform?

**Outcome 7** The candidate must provide evidence that he/she can provide the results of the monitoring to colleagues. There are a number of ways that this can be achieved. The evidence could be in the form of a report to his/her colleagues. It may also be done as part of a review meeting in which case the assessor could observe the candidate or alternatively the evidence could be the minutes of the meeting. There may also be memos and/or e-mails which could be used as evidence.

**Outcome 8** The candidate must provide evidence that he/she complies with procedures for controlling the supplies being stored. The methods for doing this will depend on the types of product involved but the assessor will need to be satisfied that appropriate supply chain management systems are used and that legal and organisational requirements are complied with.

The evidence provided by the candidate should include a copy of any procedure and any legal and organisational requirements. This should be accompanied by a personal statement and it may also be possible for the assessor to observe the candidate.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

**Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit T6 Complete export procedures and requirements (DX52 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to complete export procedures and requirements and to do this the candidate must identify export requirements for the supplies and to obtain information on the exporting of supplies. The candidate must be able to complete export documentation for the supplies and monitor the completion of export procedures. The candidate must identify any problems with the export procedures and requirements. They must provide information on the export of supplies and comply with export procedures and requirements.

**Outcome 1** The candidate must provide evidence that he/she can identify export requirements for the supplies. There are a number of documents that will assist the candidate in providing the necessary evidence and for positioning it is likely that the inventory records for the stores, prior to shipping, would be useful as would export order processing documentation. As with Outcome 1, from Unit T5, and depending on the type of supplies, the specification and quality can be identified. The candidate will also need to identify payment processes including VAT, the legal requirements such as export licenses and they will need to determine any specific transport requirements.

Candidates must produce evidence to identify export requirement for the supplies and in terms of positioning and movement of supplies evidence is likely to take the form of an inventory record report, export order processing documents, etc and these may be supported by e-mails, letters etc. There should be a specification document accompanying the supplies

and a number of agreements and/or contracts will provide evidence for the financial, legal and transportation requirements.

In addition to the documentation, the candidate is likely to provide a personal statement to provide evidence that he/she is familiar with the documentation.

**Outcome 2** The candidate must provide evidence that he/she can obtain information on the exporting of supplies. They will have to identify sources of data that they have accessed and are also expected to obtain information from appropriate colleagues. In terms of identifying the export requirements for different types of supplies, evidence may be found in export order processing documents, guidance booklets from HM Revenue & Customs, or the DTI, etc and again may be supported by letters, e-mails, memos, etc plus the knowledge that exists within the organisation. Evidence for assessment purposes could be the information mentioned above plus a personal statement by the candidate to illustrate his/her understanding.

**Outcome 3** The candidate must provide evidence that they can complete export documents for the supplies. They will need to ensure that financial and insurance documents are completed correctly and with regard to how the payment is being arranged, they may look at export credits. For the insurance, they will need to establish what the agreement is with the customer or agent and if incoterms are incorporated into the contract. The candidate must also ensure that customs documentation is completed correctly and these may include EUR1 movement certificates, ATA Carnets etc. Finally, the candidate must ensure that transport details are complete and the paperwork is likely to include bills of lading or waybills.

Evidence presented for assessment by the candidate should include the appropriate paperwork used for exporting the goods as outlined above, or similar, and this is likely to be accompanied by a personal statement by the candidate to show his/her understanding of the process to the assessor.

Note: Copies presented should be signed and dated by the candidate to authenticate the document.

**Outcome 4** The candidate is required to provide evidence that he/she can monitor the completion of export procedures. The processes required for exporting goods can be cumbersome and need to be accurate. The consequence of inaccuracy is that customs may not accept the documentation resulting in a hold up of supplies which could in turn result in missing a ferry or an aircraft. It is important therefore that monitoring of the export procedures is carried out diligently.

The evidence submitted by the candidate for assessment purposes is therefore likely to be in the form of a report which may be a pro forma checklist that is signed off by the candidate. The candidate is also likely to

submit a personal statement to indicate their understanding of the monitoring process and its importance.

**Outcome 5** In the course of monitoring the completion of export procedures, candidates may identify problems with these procedures and to meet the requirements of this Outcome they need to demonstrate their capabilities in this area. The problems should be clearly identified as soon as possible and colleagues informed according to organisational procedures.

The evidence would be another report that identifies the problems, usually in the paperwork, but other problems can arise. The candidate should ensure the organisational procedures are followed. For example, which person should the candidate inform? This would be included in the report.

**Outcome 6** The candidate must provide information on the export of supplies. The information is likely to come from the previous Outcomes but in addition to commenting on the procedures or problems encountered, the candidates should maintain confidentiality of the information. This process may be done at review meetings and as such the evidence submitted for assessment could be the minutes of the meetings. It may also be possible for the assessor to observe the meeting and therefore the contribution made by the candidate. Alternatively, the candidate may wish to submit a personal statement and there is also the possibility of a witness testimony.

**Outcome 7** The candidate must provide evidence that they comply with export procedures and requirements. The methods for doing this will depend on the types of product and contract with the customer but the assessor will need to be satisfied that appropriate supply chain management systems are used and that legal and organisational requirements are complied with. The evidence provided by the candidate should include a copy of any procedure and any legal and organisational requirements. This should be accompanied by a personal statement or narrative to explain the procedures and requirements.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

**Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit T7 Complete import procedures and requirements (DX53 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to complete import procedures and requirements and to do this the candidate must identify import requirements for the supplies and obtain information on the importing of supplies. The candidate must be able to complete import documentation for the supplies and monitor the completion of import procedures. The candidate must identify any problems with the import procedures and requirements. They must provide information on the import of supplies and comply with import procedures and requirements.

**Outcome 1** The candidate must identify import requirements for the supplies and the first achievement criterion asks the candidate to clearly identify the positioning and movement of supplies. There are a number of documents that will assist the candidate in providing the necessary evidence and for positioning it is likely that the procurement records for imported supplies would be useful as would import order processing documentation. The latter would also be useful when determining movement as this is likely to contain the due dates for the supplies. As with Outcome 1, from Unit T6, and depending on the type of supplies, the specification and quality can be identified. The candidate will also need to identify payment processes including VAT, the legal requirements such as import licenses and they will need to determine any specific transport requirements. Candidates must produce evidence to identify export requirements for the supplies and in terms of positioning and movement of supplies, evidence is likely to take the form of procurement records for imported supplies and import order processing documents etc. These may



be supported by e-mails, letters etc. There should be a specification document accompanying the supplies and a number of agreements and/or contracts will provide evidence for the financial, legal and transportation requirements.

In addition to the documentation, the candidate may provide a personal statement to provide evidence that he/she is familiar with the documentation and the relevance in this transaction.

**Outcome 2** The candidate must provide evidence that he/she can obtain information on the importing of supplies. They will have to identify sources of data that they have accessed and are also expected to obtain information from appropriate colleagues. In terms of identifying the import requirements for different types of supplies, evidence may be found in import order processing documents, guidance booklets from HM Revenue & Customs, or the DTI etc and again may be supported by letters, e-mails, memos, etc plus the knowledge that exists within the organisation.

Evidence for assessment purposes could be the information mentioned above plus a personal statement by the candidate to illustrate his/her understanding of relevance to this procedure.

**Outcome 3** The candidate must provide evidence that he/she can complete import documents for the supplies. They will need to ensure that financial and insurance documents are completed correctly and how the payment is being arranged, bearing in mind this may involve exchange rates. Regarding the insurance, they will need to establish what the agreement is with the customer or agent and if Incoterms are incorporated in the contract. The candidate must also ensure that customs documentation is completed correctly. Imports from outside the EU generally need an invoice and a copy of the transport documentation, such as a Bill of Lading, for customs clearance. For goods worth over £6,500 a valuation statement is also normally required. Finally, the candidate must ensure that transport details are complete and this paperwork is likely to include bills of lading or waybills. The candidate should also be aware of the options available relating to the final choice of transport and handling.

Evidence presented for assessment by the candidate should include the appropriate paperwork used for importing the goods as outlined above, or similar, and this is likely to be accompanied by a personal statement by the candidate to show his/her understanding of the process to the assessor.

**Outcome 4** The candidate is required to provide evidence that he/she can monitor the completion of import procedures. The processes required for importing goods can be cumbersome and need to be accurate. The consequence of inaccuracy is that customs may not accept the documentation resulting in a hold up of supplies which may add cost to the supplies or in the worst case the supplies being cancelled.

The evidence submitted by the candidate for assessment purposes is therefore likely to be in the form of a report which may be a pro forma checklist that is signed off by the candidate. The candidate is also likely to submit a personal statement to indicate their understanding of the monitoring process and its importance.

**Outcome 5** In the course of monitoring the completion of import procedures, candidates may identify problems with these procedures and to meet the requirements of this Outcome they need to demonstrate their capabilities in this area.

The problems should be clearly identified as soon as possible and colleagues informed according to organisational procedures.

The evidence therefore would be another report that identifies the problems, usually in the paperwork but other problems can arise, such as incomplete supplies etc. The candidate should ensure the organisational procedures are followed. For example which person should the candidate inform? This would be included in the report.

**Outcome 6** The candidate must provide information on the import of supplies. The information is likely to come from the previous Outcomes but in addition to commenting on the procedures or problems encountered the candidates should maintain confidentiality of the information.

This process may be done at review meetings and as such the evidence submitted for assessment could be the minutes of the meetings. It may also be possible for the assessor to observe the meeting and therefore the contribution made by the candidate. Alternatively, the candidate may wish to submit a personal statement and there is also the possibility of a witness testimony.

**Outcome 7** The candidate must provide evidence that they comply with import procedures and requirements. The methods for doing this will depend on the types of product and contract with the supplier but the assessor will need to be satisfied that appropriate supply chain management systems are used and that legal and organisational requirements are complied with.

The evidence provided by the candidate should include a copy of any procedure and any legal and organisational requirements. This should be accompanied by a personal statement showing the relevance of the procedures and legal/organisation requirements.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit T8 Administer contracts (DX4V 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to administer contracts. These will be contracts that will have been agreed with regard to the terms and conditions, costs, and timescales. The candidate is expected to administer the contracts. In order to do this the candidate will have to obtain authorisation with regard to what has to be done, obtain and clarify instructions and information required to negotiate the contracts, and provide documents specified in the contract. The candidate is also required to analyse information on contract outcomes and identify any problems relating to the content and outcomes of the contract. Finally, the candidate should exchange information on the content and outcomes of the contracts and confirm that the contract complies with all relevant requirements.

**Outcome 1** The candidate must provide evidence that they have obtained authorisations to administer the contract. This should be a formality and whilst the Unit specification does not indicate that the candidate is acting on behalf of the customer or the supplier, this will have no bearing on the Outcome as either situation will be valid. All that the candidate must do is to put it into the correct context.

Evidence that the candidate has obtained authorisation may be in the form of a departmental staff allocation document indicating the jobs assigned to each member of staff, it may be in the form of a memo or e-mail from the candidate's line manager or it may be the result of a meeting between the candidate and his/her line manager.

The candidate should therefore present the appropriate form of authorisation as evidence and possibly a personal statement.

**Outcome 2** The candidate must clarify instructions and information required to negotiate contracts. The candidate must be fully aware of the contacts and activities included in the contract and it may be that within given guidelines the candidate will be able to negotiate certain deviations that occur but they should also recognise where any of these deviations go beyond their authority.

For assessment purposes the candidate will need to obtain information on the extent of their authority to negotiate from appropriate colleagues. This is likely to be the line manager. The candidate should also make sure that they fully understand the instructions and seek clarification where necessary.

The evidence for assessment may be a memo or e-mail from the appropriate colleague or it could be an announcement at a meeting. The candidate should submit whatever documentation is provided and this is likely to be accompanied by a personal statement. If there are no confidentiality issues it may be possible for the assessor to observe the meeting if this was the method chosen.

**Outcome 3** The candidate must provide documents specified in the contract. In addition to body of the contract there is likely to be appendices which may contain timescales, locations, drawings, specifications, schedules, etc and for assessment purposes the candidate should provide the above as documentary evidence plus a personal statement or supporting narrative.

**Outcome 4** The candidate must analyse information on the contract outcomes and this may include a variety of factors such as errors in quantities of supplies delivered, supplies delivered late, quality problems etc. Candidates are asked to sort and collate relevant data using appropriate methods and procedures. The methods used may depend on the type of supplies/services in question but it may be possible to use a 'Pareto' analysis for example, to establish the most suitable outcome from the contracts received.

The evidence presented by the candidate for assessment purposes could be the analysis used, with a short accompanying report.

**Outcome 5** In the course of analysing the information on contract evaluations candidates may identify problems. The problems should be clearly identified as soon as possible and colleagues informed according to organisational procedures.

The evidence therefore would be a report that identifies the problems, eg in accurate pricing, clarifications, courses of action taken. The candidate should ensure that the organisational procedures are followed and

relevant colleagues help is sought in finding solutions to the problems. Evidence can be narratives, e-mail or discussions.

**Outcome 6** The candidate must exchange information on the content and outcomes of contracts. The information is likely to come from the previous outcomes, in the Unit, but in addition to the exchange of information the candidates should maintain confidentiality.

Colleagues could be personnel from the candidate's own organisation or they could be suppliers/customers depending on which role the candidate is in. This exchange of information may be done at review meetings and as such the evidence submitted for assessment could be the minutes of the meetings. It may also be possible for the assessor to observe the meeting and therefore the contribution made by the candidate. Alternatively the candidate may wish to submit a personal statement or management report to their line manager. In addition, the candidate could provide a personal report outlining the steps they have taken to ensure confidentiality is maintained.

**Outcome 7** The candidate must provide evidence that they can confirm that the contract complies with all requirements **that are relevant to their organisation**. The methods for doing this will depend on the types of product/service and the contract with the supplier/customer but the assessor will need to be satisfied that appropriate legal and regulatory requirements are complied with, and also the organisational requirements.

The evidence provided by the candidate should include a copy of the contract and any legal, regulatory and organisational requirements that are relevant to their organisation. This should be accompanied by a personal statement. It may be a requirement that the contract is changed in some areas to ensure confidentiality.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit T9 Analyse information on the procurement of supplies in the supply chain (DX4W 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to analyse information on the procurement of supplies in the supply chain. To do this the candidate is asked to specify the purpose of the analysis, collate and prepare data for the analysis, and analyse data on the procurement of supplies in the supply chain. The candidate should also identify any problems with the procurement of supplies in the supply chain and provide results of the analysis to colleagues.

**Outcome 1** The candidate must specify the purpose of the analysis. The analysis is likely to be determined by the candidate's organisation and will be confirmed by an appropriate colleague, eg the candidate's line manager.

An example of what may be achieved is that the purpose of the analysis would be to determine the effectiveness of the supply chain. Let's say that the candidate works for an electrical retailer and is looking at the supply chain for microwave ovens. Without going into too much detail they may analyse the information provided to ascertain the frequency of suppliers who supply the wrong model/type or quantities against order placed. This process may be repeated on suppliers who supply items to the microwave manufacturer and down the chain to material suppliers.

The evidence required for assessment purposes could be an exchange of memos or e-mails between the candidate and their line manager and the correspondence must confirm that the purpose of the analysis, and hence approval, is obtained from the candidate's colleagues.

**Outcome 2** The candidate must collate and prepare the data for analysis. The example used in Outcome 1 could be appropriate to this Outcome and the candidate would need to provide the appropriate evidence which is likely to be product evidence and could include the orders for items, the shipping notes and a check list showing actual receipts. The candidate would then record that evidence in a format that is suitable for analysis.

**Outcome 3** The candidate must analyse data on the procurement of supplies in the supply chain. The candidate will have gathered the data in Outcome 2 and their task now is to examine this data and compare it with expectations. Examples of the sort of measurements were given in Outcome 1 and would include 'On Time in Full', etc. The evidence that the candidate would provide for assessment would be a report on the analysis probably expressed as percentages, together with some text. They may also use methods such as 'Pareto' or similar analysis tools to establish the most serious deviations from expectations.

The candidate should discuss the results with all relevant colleagues and this may be done at briefing meetings which could be observed by the assessor, or the evidence may be in the form of minutes/notes of the meeting. A graph or similar can be used to illustrate variations.

**Outcome 4** The candidate must identify any problems with the procurement of supplies in the supply chain. Problems will be identified during the analysis carried out in Outcome 3. Where a 'Pareto' analysis has been used the problems are likely to be in priority order and therefore the evidence submitted could be the Pareto report with notes attached highlighting the extent of the problem. The candidate should inform colleagues in line with operational procedures. They may indicate that the candidate's line manager should be informed first and he may in turn arrange a briefing meeting for the remainder of the candidate's colleagues. Additional evidence may therefore be produced in the form of a covering memo or e-mail to the manager and perhaps a presentation or document for the candidate's colleagues. There may also be an opportunity for the assessor to observe the briefing meeting and gain feedback.

**Outcome 5** The candidate must provide the results of the analysis to colleagues. The candidate can use the Pareto report from Outcome 4 together with a covering report that clearly identifies the key findings. They would need to find the best way of informing their colleagues. This could be done face to face, depending on the number of colleagues, or it could be done at a briefing meeting. Therefore the evidence for this could be minutes, or notes, of the meeting. There may be an opportunity for the assessor to observe the candidate at the meeting and/or the candidate may wish to submit a personal statement.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers



to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit T10 Verify the capability of suppliers to meet supply specifications (DX7E 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to verify the capability of suppliers to meet supply specifications and to do this they need to provide evidence that they can confirm the type of supplies that are required and obtain information from suppliers on their capability to provide these supplies. The candidate must analyse the information on the capability of suppliers and also verify this information. The candidates will need to identify any problems in using the suppliers, provide results to colleagues and comply with procedures for verifying suppliers.

**Outcome 1** The candidate must confirm the type of supplies that are required. The candidate will need to ensure that all items are clearly specified and the quality expected for each item is also clearly identified.

When the demand has been established then the overall quantity for each item and the rate at which the supplies are required will need to be identified probably from a Master Production Schedule (MPS) or a forecast of demand.

Once the rate is known the candidate will be able to provide delivery schedules and other requirements for the supplies which may be obtained from a Material Requirements Planning (MRP) system or similar source of delivery schedule.

The evidence for this Outcome is likely to be by product evidence in the form of reports, such as a Master Production Schedule report, and perhaps a Material Requirements Planning report for manufacturing

organisations, customer schedules, user requirements or similar. These may be supported by e-mails, memos, letters, etc and the assessor should be satisfied that all information on the supplies has been considered.

**Outcome 2** The candidate must obtain information from suppliers on their capability to provide supplies. Based on the information confirmed in Outcome 1 the candidate will be able to give potential buyers the information about the supplies and what they would be expected to supply in terms of quality, quantity and timing. These, together with an invitation to the suppliers to submit a quotation, should allow the candidate to obtain information from the suppliers with regard to their capabilities.

The candidate must ensure that suitable sources of information are accessed and that all relevant information is considered. The evidence required is therefore likely to be product evidence and the assessor should be able to track the process of obtaining the information from the documents that provide information on the supplies, the documentation sent to the potential suppliers, and the responses from those suppliers.

**Outcome 3** The candidate must analyse the information on the capability of the suppliers. When the information is sent to the suppliers inviting them to quote they should be sent information with regard to a system of analysis that will determine those suppliers who are likely to be successful. The content and loading included in such a document will be dependent on the products or services to be supplied but are likely to include price, quality, speed of delivery, reliability etc.

The evidence required for assessment is therefore likely to be the information received from the suppliers, from Outcome 2, together with a completed analysis/evaluation sheet for each supplier.

**Outcome 4** The candidate must verify the information provided by the suppliers. There are a number of ways that this could be done but it is important that the methods used are checked using organisationally specified methods.

In addition to the information supplied by the suppliers the candidate may wish to check past records, if the supplier has been used previously by the organisation, and/or they should seek references from other organisations that have used them. These coupled with the information already provided by the supplier should allow the candidate to confirm those suppliers who would be suitable to use.

The evidence required for assessment is therefore likely to be product evidence and will consist of the information supplied by the suppliers as in Outcome 2, together with the analysis carried out in Outcome 3. This evidence will be supported by existing records for the suppliers already held by the organisation and references obtained from other organisations that use the suppliers. The final part would be a report by the candidate identifying the suppliers that are suitable.

**Outcome 5** The candidate must identify any problems in using the suppliers and these should be identified as soon as possible. The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process of verifying the capability of the suppliers. The report should clearly identify these problems and colleagues should be informed of the problems according to organisation procedures. The assessment for this part of the output could be achieved through observations of meetings with the candidate and their colleagues. It may also take the form of briefing notes, memos etc.

**Outcome 6** The candidate must provide evidence that they can provide the results of the verification of the information provided by suppliers to colleagues and to ensure that the results are discussed with all relevant colleagues. There are a number of ways that this can be achieved. The evidence could be in the form of a report to colleagues. It may also be done as part of a review meeting in which case the assessor could observe the candidate or the evidence could be the minutes of the meeting. There may also be memos and/or e-mail which could be used as evidence. The assessor should ensure that results are provided according to agreed schedules.

**Outcome 7** The candidate must provide evidence that he/she complies with procedures for verifying suppliers. The methods for doing this will depend on the types of product involved but the assessor will need to be satisfied that appropriate supply chain management systems are used and that legal and organisational requirements are complied with. The evidence provided by the candidate should include a copy of any procedure and any legal and organisational requirements. This should be accompanied by a personal statement and it may also be possible for the assessor to observe the candidate.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit T11 Analyse the performance of suppliers (DX4Y 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to analyse the performance of suppliers and to do this they need to provide evidence that they can confirm the type of supplies that are required and obtain information on the performance of suppliers. The candidate must collate and prepare the data for analysis and then analyse this data on the performance of suppliers. The candidates will need to identify any problems in using the suppliers, provide results to colleagues, and comply with procedures for verifying suppliers.

**Outcome 1** This Outcome can be integrated with Unit T10 and requires the candidate to confirm the type of supplies that are required. The candidate will need to ensure that all items are clearly specified and the quality expected for each item is also clearly identified.

When the demand has been established, then the overall quantity for each item, and the rate at which the supplies are required will need to be identified, probably from a Master Production Schedule (MPS) or a forecast of demand.

Once the rate is known, the candidate will be able to provide delivery schedules and other requirements for the supplies which may be obtained from a Material Requirements Planning (MRP) system or similar source of demand/delivery schedule.

The evidence for this Outcome is likely to be by product evidence in the form of reports, such as a Master Production Schedule report and perhaps a Material Requirements Planning report for manufacturing organisations,

customer schedules, user requirements or similar. These may be supported by e-mails, memos, letters, etc and the assessor should be satisfied that all information on the supplies has been considered.

**Outcome 2** The candidate must obtain information on the performance of suppliers. This information could be obtained from historical records on suppliers who have already been contracted to supply to the organisation. If new suppliers are involved the candidate may be able to obtain information from other organisations that have used the suppliers. The information to be obtained could relate to the supply in terms of quality, quantity, timing, reliability etc.

The candidate must ensure that suitable sources of information are accessed and that all relevant information is considered. The evidence required is therefore likely to be product evidence and the assessor should be able to track the process of obtaining the information from the documents that provide information on the supplies from within the organisation and the documentation from other organisations.

**Outcome 3** The candidate must collate and prepare the data for analysis. The information that has been obtained in Outcome 2 will have to be collated. The data will be set out in the same format for all the suppliers who are being examined in terms of their performance and will be suitable for subsequent analysis.

The evidence will therefore be product evidence and will be the data produced by the candidate in a format that can be used for analysis.

**Outcome 4** The candidate must analyse data on the performance of suppliers. The information has already been obtained in Outcome 2 and collated and prepared for analysis in Outcome 3. The candidate should then use appropriate analysis methods and procedures for the analysis.

The evidence required for assessment is therefore likely to be the information from Outcome 2 and the data from this information collated and prepared for the analysis. The final piece of evidence for this output will be the result of the analysis and this could be a vendor rating report.

**Outcome 5** The candidate must identify any problems in using the suppliers and these should be identified as soon as possible. The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process of analysing the performance of the suppliers. The report should clearly identify these problems and colleagues should be informed of the problems according to organisation procedures. The assessment for this part of the output could be achieved through observations of meetings with the candidate and his/her colleagues. It may also take the form of briefing notes, memos etc.

**Outcome 6** The candidate must provide evidence that they can provide the results of the analysis of the performance of suppliers to colleagues and to ensure that the results are discussed with all relevant colleagues. There are a number of ways that this can be achieved. The evidence could be in the form of a report to colleagues. It may also be done as part of a review meeting in which case the assessor could observe the candidate or the evidence could be the minutes of the meeting. There may also be memos and/or e-mail which could be used as evidence. The assessor should ensure that results are provided according to agreed schedules.

**Outcome 7** The candidate must provide evidence that they can recommend options for improving the performance of suppliers. The outcome will therefore depend on the findings from Outcome 6 and will be based on the results of Outcome 4. Once this has been done the candidate will have something to work with. It may be that some of the suppliers have been falling down on quality and have delivered some defective supplies. Once the problems have been examined carefully the candidate should look at ways of improving the situation in partnership with the suppliers. By doing this the candidate should be in a position to recommend options for improving the performance of suppliers to appropriate colleagues. However if it is not possible to introduce improvements, or the supplier(s) were not capable of meeting the improvements required then the only alternative that the candidate could follow would be to recommend alternative sources of supply.

The evidence therefore would be the documentation produced from Outcomes 4 and 6, a report on the investigation carried out by the candidate together with his/her recommended options, and the candidate should also produce a report identifying alternative sources of supply should the recommended options fail.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit T12 Identify potential suppliers for the supply chain (DX5P 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to identify potential suppliers for the supply chain and to do this the candidate will need to obtain information on the supplies that are required and then confirm the type of supplies in more detail. They will then be required to obtain information on suppliers in the market and from that information identify potential suppliers. The candidate also needs to identify any problems using the supplier, provide the results to colleagues and comply with procedures for identifying potential suppliers.

**Outcome 1** The candidate must obtain information on the supplies that are required. This Outcome could be integrated with Outcome 2 but initial information may come, for example, from colleagues in the purchasing department.

The evidence for this may be a copy of the purchase orders and if any clarification is required then the candidate may ask a colleague direct or it may be done through a memo or e-mail.

The assessment process would then include evidence that the candidate has looked at the purchase orders and has sought clarification. This may be done through the product evidence produced and the clarification part may be observed or by a personal statement by the candidate.

**Outcome 2** The requirements for this Outcome have already been met in Unit T11, Outcome 1, for those candidates who have completed the Unit but for those candidate who have not completed Unit T11 they are



required to ensure that all items are clearly specified and the quality expected for each item is also clearly identified.

When the demand has been established then the overall quantity for each item and the rate at which the supplies are required will need to be identified probably from a Master Production Schedule (MPS) or a similar forecast of demand.

Once the rate is known the candidate will be able to provide delivery schedules and other requirements for the supplies which may be obtained from a Material Requirements Planning (MRP) system or a similar source of demand schedule.

The evidence for this Outcome is likely to be by product evidence in the form of reports, such as a Master Production Schedule report and perhaps a Material Requirements Planning report for manufacturing organisations, customer schedules, user requirements or similar. These may be supported by e-mails, memos, letters, etc., and the assessor should be satisfied that all information on the supplies has been considered.

**Outcome 3** The candidate must obtain information on suppliers in the market. The information required will depend on the type of supplies that are required, whether they can be sourced locally or, where necessary, from abroad. Suitable sources that can be accessed are trade journals, the Chambers of Commerce, the local Enterprise Company, internet sources, eg Kompass, Kellys, directories, and the knowledge already available within the organisation from colleagues.

Evidence required for assessment may include specific pages from trade journals, letters to the Chamber of Commerce and/or the local Enterprise Company and other sources to support research. Discussion with colleagues could be observed or memos, e-mails, etc and/or a personal statement by the candidate could be used as product evidence.

**Outcome 4** Addresses the main aim of the Unit which is to identify potential capable suppliers and as stated in the achievement criteria (K32) the first task for the candidate will be to ensure that suppliers are capable of providing supplies. Depending on the type of supply in question the approach could be that specifications, drawings, schedules, etc are sent out to a number of suppliers asking them to return a proposal for the supply of the items. Also information on how capable the supplier is, eg financial stability, capacity, size of organisation, trading history could be found.

Once the proposals have been received by the candidate the next stage would be to review the proposals and identify those with the most potential for meeting the requirements. This may be followed by a visit to those suppliers chosen to confirm their capability.

The second achievement criteria (K32) is for the candidate to ensure that suppliers are available to provide the supplies and this could be done through discussion or correspondence with the supplier asking them to confirm their willingness and capability to supply the goods to the specification, timings and price.

There will be evidence generated throughout this process to meet the requirements of assessment and this should include all the documents that invite the suppliers to submit their proposals, report on the candidate's review of the proposal, report on any visits carried out to any of the suppliers, request for supplier's willingness to supply and the supplier's response. The candidate should provide a final report listing the available suppliers.

**Outcome 5** The candidate must identify any problems in using the suppliers and these should be identified as soon as possible. The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process of determining the capability and availability of the suppliers. The report should clearly identify these problems and colleagues should be informed of the problems according to organisation procedures. The assessment for this part of the output could be achieved through observations of meetings with the candidate and colleagues. It may also take the form of briefing notes, memos etc.

**Outcome 6** The candidate must provide evidence that they can provide the results of the identification process to colleagues and to ensure that the results are discussed with all relevant colleagues. There are a number of ways that this can be achieved. The evidence could be in the form of a report to colleagues. It may also be done as part of a review meeting in which case the assessor could observe the candidate or the evidence could be the minutes of the meeting. There may also be memos and/or e-mail which could be used as evidence. The assessor should ensure that results are provided according to agreed schedules.

**Outcome 7** The candidate must provide evidence that they comply with procedures for identifying potential suppliers. The methods for doing this will depend on the types of product involved but the assessor will need to be satisfied that appropriate supply chain management systems are used and that legal and organisational requirements are complied with. The evidence provided by the candidate should include a copy of any procedure and any legal and organisational requirements relevant to their organisation. This should be accompanied by a personal statement and it may also be possible for the assessor to observe the candidate.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers

to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit T13 Place orders with suppliers (DX6L 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to place orders with suppliers and to do this they will obtain information on the supplies to be ordered and confirm the specification with colleagues. Once this has been done the candidate should place orders with suppliers and follow this up by confirming the orders with suppliers. The candidate should identify any problems in placing the orders and ensure that procedures for placing the orders are complied with.

**Outcome 1** The candidate must obtain information on the supplies that need to be ordered and for those candidates who have already done Units 10, 11 or 12 this information should already be available. For those candidates who have not done these Units then they are required to ensure that all items are clearly specified and the quality expected for each item is also clearly identified.

When the demand has been established then the overall quantity for each item and the rate at which the supplies are required will need to be identified probably from a Master Production Schedule (MPS) or similar source of demand information.

Once the rate is known the candidate will be able to provide delivery schedules and other requirements for the supplies which may be obtained from a Material Requirements Planning (MRP) system or similar source of demand forecasting. The evidence for this Outcome is likely to be by product evidence in the form of reports, such as a Master Production Schedule report and perhaps a Material Requirements Planning report for

manufacturing organisations, customer schedules, user requirements or similar. These may be supported by e-mails, memos, letters etc., and the assessor should be satisfied that all information on the supplies has been considered.

**Outcome 2** The candidate must confirm the specifications with colleagues. Before actually placing any orders the candidate should confirm that the information that has been obtained is still valid and no changes have been made to the specification, quantities required, or delivery schedules, etc. The candidate should inform appropriate colleagues about the supplies that need to be ordered together with the relevant information and this should be followed up with an exchange of views.

The evidence required for assessment purposes will be all the documentation about the supplies plus exchange of e-mails or memos, regarding the confirmation, and if this is done as a dialogue between colleagues then it may be possible for the assessor to observe the discussion or the candidate could submit a personal statement.

**Outcome 3** The candidate must place orders with suppliers. This will be done following the work done to achieve Outcomes 1 and 2 and they should be placed in accordance with the specified schedule and according to procedures agreed with the supplier. This may include the format of the order and the route it should take to ensure that it is dealt with properly. Based on these conditions the candidate should make out a purchase order, or arrange for one to be raised.

The evidence required for assessment will be the documentation previously presented, together with the purchasing schedule, purchase order (to be raised in accordance with the organisation's procedures) and authority to purchase.

**Outcome 4** The candidate must confirm the orders with suppliers. This is a fairly straightforward activity and may involve the candidate making phone calls to the supplier and confirming the status of the order and checking that the supplier agrees with the order in terms of price and specification. The candidate should also agree the delivery instructions. An alternative to a phone call may be to confirm the above using e-mail or a letter.

The evidence required for assessment will be the documentation previously presented together with purchase orders plus any e-mails or letters exchanged between the suppliers and the candidate's organisation in relation to the orders. If phone calls are the preferred method then the candidate could be observed by the assessor, although only one side of the call would be heard unless the phone is equipped with a hands free conference facility. The candidate could submit a personal statement on the content of the conversation.

**Outcome 5** The candidate must identify any problems in placing orders and these should be identified as soon as possible. The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process of placing this order. The report should clearly identify these problems and colleagues should be informed of the problems according to organisation requirements. The assessment for this part of the output could be achieved through observations of meetings with the candidate and his/her colleagues. It may also take the form of briefing notes, memos etc.

Alternatively, a personal statement showing potential problems and their solutions could be used.

**Outcome 6** The candidate must provide evidence that they comply with procedures for placing orders. The methods for doing this will depend on the types of product involved but the assessor will need to be satisfied that appropriate supply chain management systems are used and that relevant legal and organisational requirements are complied with

The evidence provided by the candidate should include a copy of any procedure and any legal and organisational requirements relevant to the candidate's organisation/business. This should be accompanied by a personal statement and it may also be possible for the assessor to observe the candidate.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit T14 Monitor and progress the delivery of orders (DX61 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to monitor and progress the delivery of orders and to do that they must confirm information on the supplies that need to be ordered and monitor the delivery of orders. The candidates must also progress orders with suppliers and identify any problems with the delivery of orders. They should be able to recommend options for progressing the delivery of orders and comply with procedures for progressing orders.

**Outcome 1** The **basic** information required for this Outcome **is similar to that** obtained in Units T10 to T13 for those candidates who have selected one of these Units. For those candidates who haven't attempted these Units they are required to ensure that all items are clearly specified and the quality expected for each item is also clearly identified.

When the demand has been established, then the overall quantity for each item and the rate at which the supplies are required will need to be identified probably from a Master Production Schedule (MPS) or similar source of demand information.

Once the rate is known the candidate will be able to provide delivery schedules and other requirements for the supplies which may be obtained from a Material Requirements Planning (MRP) system or a similar source of demand forecast.

The evidence for this Outcome is likely to be by product evidence in the form of reports, such as a Master Production Schedule report and perhaps

a Material Requirements Planning report for manufacturing organisations, customer schedules, user requirements or similar. These may be supported by e-mails, memos, letters, etc and the assessor should be satisfied that all information on the supplies has been considered.

**Outcome 2** The candidate must monitor the delivery of orders. To allow them to do this the candidate will need a delivery schedule and an item specification. The candidate should then monitor when supplies are delivered and check that they are on time in full and conform to the specification.

The second achievement criteria asks the candidate to monitor the cost and quality of supplies. The cost information is likely to come from the finance department who should check off invoices against deliveries to ensure that the cost of the supplies corresponds to what has been received. The monitoring information related to quality may come from one or more sources depending the process or processes employed by the organisation. The supplies may be received at 'Goods In' and transferred to the Quality department for checking, in which case a quality report would be sent out to appropriate people, including the candidate. Alternatively, the supplier may deliver direct to the point of use and in this case it would be the responsibility of the operative at the specific workstation to identify any deviance from specification or schedule. This could be a serious problem and the appropriate personnel would be contacted immediately.

For assessment purposes the candidate would be expected to provide sufficient and appropriate documentation from the appropriate source and would in turn produce a monitoring report. The evidence therefore would be product evidence and a supporting report.

**Outcome 3** The candidate must progress orders with suppliers. This will be done prior to the supplies being delivered and will be based on the scheduled delivery of supplies. This could be done by a telephone call to a specific colleague from the supplier who will confirm the orders are progressing as per schedule, or otherwise. For some organisations they will place an individual(s) within the suppliers' organisations to ensure that orders are progressed in line with schedules of delivery.

The evidence required for assessment is likely to be product information in the form of a progress report compiled by the candidate. This will depend on the nature of the supplies and much of the progress will be done by telephone or e-mail. If a telephone is used the assessor may be able to observe the progress of the conversation and if done by e-mail the assessor would expect to see evidence of exchanges of e-mails. The assessor, however, must be satisfied that orders are progressed according to procedures agreed with the supplier and therefore a copy of this procedure will also be required.



**Outcome 4** The candidate must identify any problems with the delivery of orders and these should be identified as soon as possible. The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process of monitoring the delivery of orders. The report should clearly identify these problems along with the solutions applied and colleagues should be informed of the problems according to organisation requirements.

The assessment for this part of the output could be achieved through observations of meetings with the candidate and his/her colleagues. It may also take the form of briefing notes, memos, etc or a supporting personal statement/report.

**Outcome 5** The candidate must recommend options for progressing the delivery of orders. This Outcome could be integrated with Outcomes 3 and 4 and where the difficulties are found, and the way orders are normally delivered, will determine what options can be recommended. If, for example, the order misses a pick up, then it could be recommended, if not already in the agreement, that the supplier makes their own arrangements for delivery to the customer. This may involve a courier who would be capable of delivering at very short notice. The main point to recognise is that the candidate's organisation needs the order to fulfil their commitments and therefore it is in their best interest to help the supplier at all times. However, where delays are becoming a regular feature then the candidate should identify other sources of supply.

The evidence required for assessment purposes would be a document letter, e-mail, etc, to the candidate identifying the situation regarding delivery. Based on the extent of the problem the candidate will provide evidence of the actions that they have taken to recommend options to the supplier and this may be in the form of a letter, e-mail, etc. The candidate should also provide evidence to show that where it has not been possible for the supplier to meet the requirements of the candidate's organisation that the candidate has identified alternative sources of supplies. This evidence may have been obtained in a previous Unit and may be taken from trade journals, lists from the Chambers of Commerce and/or the local Enterprise Company, etc or internet sources.

**Outcome 6** The candidate must provide evidence that they comply with procedures for progressing orders. The methods for doing this will depend on the types of product involved but the assessor will need to be satisfied that appropriate supply chain management systems are used and that legal and organisational requirements are complied with.

The evidence provided by the candidate should include a copy of any procedures and any relevant legal and organisational requirements. This should be accompanied by a personal statement and it may also be possible for the assessor to observe the candidate.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit T15 Monitor the flow of supplies in the supply chain (DX67 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to monitor the flow of supplies in the supply chain and to do this the candidate must confirm information on the supplies that are flowing through the supply chain, they must collate and prepare data to monitor the flow of supplies, and then analyse data on the flow of supplies. The candidate must also identify problems with the flow of supplies; they must provide results of the analysis on the flow of supplies to colleagues and also comply with procedures for monitoring the flow of supplies.

**Outcome 1** The candidate must confirm information on the supplies that are flowing through the supply chain. This information will have been obtained in previous Units but for those candidates who have not selected these Units they must ensure that all items are clearly specified and the quality expected for each item is also clearly identified.

When the demand has been established then the overall quantity for each item and the rate at which the supplies are required will need to be identified probably from a Master Production Schedule (MPS) or similar sources of demand information.

Once the rate is known the candidate will be able to provide delivery schedules and other requirements for the supplies which may be obtained from a Material Requirements Planning (MRP) system or a similar source of demand forecast.

The evidence for this Outcome is likely to be by product evidence in the form of reports, such as a Master Production Schedule report and perhaps a Material Requirements Planning report for manufacturing organisations, customer schedules, user requirements or similar. These may be supported by e-mails, memos, letters, etc. and the assessor should be satisfied that all information on the supplies has been considered. While previous Units may have focused on a single organisation, this Unit calls for flows in the supply chain and therefore similar information will have to be obtained from second and perhaps third tier suppliers.

**Outcome 2** The candidate must collate and prepare data to monitor the flow of supplies. The candidate must ensure that suitable sources of data are accessed and this is likely to be purchase orders, delivery schedules, and goods received documentation from organisations in the supply chain, depending upon the type of supplies in question. Once the data have been obtained the candidate must sort and collate the data and this should be set out in the same format for all the data being examined to ensure that they will be suitable for subsequent analysis.

The evidence will therefore be product evidence and will be the data from the various purchase orders, delivery schedules and goods received documentation collated by the candidate in a format that can be used for analysis.

**Outcome 3** The candidate must analyse the data on the flow of supplies. The candidate will have gathered the data in Outcome 2 and their task now is to examine this data and compare it with expectations. Examples of the sort of data would include quantities received, timings for receipt of supplies, etc for each tier of supplier in the supply chain. The evidence that the candidate would provide for assessment would be a report on the analysis probably expressed as percentages, together with some text. They may also use methods such as 'Pareto' or similar analysis tools to establish the most serious deviations from expectations.

The candidate should discuss the results with all relevant colleagues and this may be done at briefing meetings which may be observed, or the evidence may be in the form of minutes/notes of the meeting. The candidate should support this with a diagram or graph to illustrate the findings.

**Outcome 4** The candidate must identify any problems with the flow of supplies and these should be identified as soon as possible. The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process of analysing data on the flow of supplies. The report should clearly identify these problems and colleagues should be informed of the problems according to organisation requirements. The assessment for this part of the output could be achieved through observations of meetings with the candidate and his/her colleagues. It may also take the form of briefing notes, memos, etc.

**Outcome 5** The candidate must provide the results of the analysis for the data on the flow of supplies to colleagues and should be provided according to agreed schedules. The candidate can use the Pareto report, or any other appropriate analysis method, from Outcome 3 along with the diagram or graph together with a covering report that clearly identifies the key findings. The assessor must be satisfied that the results have been provided to all relevant colleagues.

**Outcome 6** The candidate must provide evidence that they comply with procedures for monitoring the flow of supplies. The methods for doing this will depend on the types of product involved but the assessor will need to be satisfied that appropriate supply chain management systems or logistics systems are used and that relevant legal and organisational requirements are complied with relevant to the organisation/business sector.

The evidence provided by the candidate should include a copy of any procedure and any legal and organisational requirements. This should be accompanied by a personal statement and it may also be possible for the assessor to observe the candidate.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit T16 Obtain information on storage locations and facilities (DX6G 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to obtain information on storage locations and facilities and to do this they need to provide evidence that they can confirm information on the supplies being stored which in turn, along with other information relating to the supply chain, will allow them to obtain appropriate information on storage locations and facilities. The candidate must then collate and prepare data for analysis relating to the storage locations and facilities, then analyse that information and identify any problems in using the storage locations and facilities. Candidates should then provide the results of the analysis to colleagues and recommend options for using storage locations and facilities.

**Outcome 1** The candidate must confirm information on the supplies being stored. This information will have been obtained in previous Units but for those candidates who have not selected these Units they must ensure that all items are clearly specified and the quality expected for each item is also clearly identified.

When the demand has been established, then the overall quantity for each item and the rate at which the supplies are required will need to be identified probably from a Master Production Schedule (MPS) or similar sources of demand information.

Once the rate is known the candidate will be able to provide delivery schedules and other requirements for the supplies which may be obtained

from a Material Requirements Planning (MRP) system **or a similar source of demand forecast.**

The evidence for this Outcome is likely to be by product evidence in the form of reports, such as a Master Production Schedule report and perhaps a Material Requirements Planning report for manufacturing organisations, customer schedules, user requirements or similar. These may be supported by e-mails, memos, letters, etc, and the assessor should be satisfied that all information on the supplies has been considered. While previous Units may have focused on a single organisation this Unit calls for flows in the supply chain and therefore similar information will have to be obtained from second and perhaps third tier suppliers.

**Outcome 2** The candidate must obtain information on storage locations and facilities. The candidate must ensure that suitable sources of data are accessed and they are likely to include geographic locations, location plans, layouts and levels of stocks and appropriate colleagues who may include staff from within the candidate's organisation or it could be suppliers and/or customers.

The evidence for this Outcome is likely to be product evidence and it could be documentation that would include information on the location of storage facilities and transport options used. The information may also include information about the facilities such as storage capacity, overhead gantries, temperature control, etc.

**Outcome 3** The candidate must collate and prepare data for the analysis. Once the data has been obtained, from Outcome 2, the candidate must sort and collate the data and this should be set out in the same format for all the data being examined to ensure that they will be suitable for subsequent analysis.

The evidence would be the information obtained from Outcome 2 where the data has been collated in a suitable format for analysis.

**Outcome 4** The candidate must analyse information on the storage locations and facilities using analysis tools, eg Pareto sector analysis. The analysis may depend on the purpose of carrying out the analysis. For example, is the candidate's organisation looking to rationalise its operation by reducing the number of storage locations? If this were the case it may look at the most suitable locations to retain, bearing in mind the facilities available at existing locations. Alternatively, the organisation may be thinking of volumes of receipts and loads received and measure the utilisation percentage, eg down time. They may dispense with all of their locations and build a new or a few new facilities where they can choose the most appropriate location(s) and ensure that the facilities required in each location(s) meet their current and perhaps future needs.

The evidence for this Outcome is therefore likely to be product evidence in the form of a report and the analysis may include a process flow diagram,

suitable graphs and a recommendation based on the analysis and perhaps a simulation to determine the optimum location.

**Outcome 5** The candidate must identify any problems in using the storage locations and facilities and these should be identified as soon as possible. The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process of analysing data on the storage locations and facilities. The report should clearly identify these problems and colleagues should be informed of the problems according to organisation procedures.

The assessment for this part of the output could be achieved through observations of meetings with the candidate and colleagues. It may also take the form of briefing notes, memos, etc. There is an integration opportunity with Outcome 4.

**Outcome 6** The candidate must provide the results of the analysis on the storage locations. Because of the nature of the topic and its possible impact on the organisation the results should be discussed with all relevant colleagues, which may include suppliers and/or customers in addition to colleagues within the candidate's organisation. The results should be provided according to agreed schedules and discussion should centre around the findings such as possible conditions for setting up new centres, if this is what the organisation decides.

The evidence for this Outcome will be product evidence for the first part where the candidate should produce a report from the analysis carried out. The second part could be assessed by observation if the assessor has access to the briefing meetings to discuss the findings or it may be product evidence in the form of minutes from the meetings and feedback from colleagues. The candidate may also submit a personal statement.

**Outcome 7** The candidate must provide evidence that they can recommend options for using storage locations and facilities. The Outcome will therefore depend on the findings from Outcome 6 and based on the results of Outcomes 4 and 5. Once this has been done the candidate will have something to work with. It may be a customer for example, who has some local knowledge has identified a problem with the location and through discussion the location could be changed. By doing this the candidate should be in a position to recommend options for using storage locations and facilities.

The evidence therefore would be the documentation produced from Outcomes 4, 5 and 6, a report on the investigation carried out by the candidate together with their recommended options and the candidate should also produce a report identifying alternative solutions to the analysis and recommendations.



**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit T17 Obtain information on distribution requirements (DX6F 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to obtain information on distribution requirements and to do this they need to confirm information on the supplies being distributed and obtain information on distribution requirements. Once they have gathered this information the candidate should collate and prepare data for the analysis and then analyse information on the distribution requirements. The candidate is required to identify any problems in the distribution requirements and provide the results of the analysis to colleagues.

**Outcome 1** The candidate must confirm information on the supplies being distributed. There are a number of ways that supplies can be distributed, for example an organisation may supply the goods from a warehouse direct to customers who have placed an order via the internet. Alternatively, the organisation may receive orders direct from another organisation and the distribution requirements are likely to be agreed between the two organisations. The candidate must therefore confirm the information that has been agreed on the supplies being distributed.

It is important that the candidate also identifies the roles of suppliers and customers within the supply chain and they should also be aware of the internal supply chain and the suppliers and customers involved. For example a company may use its own transport to pick up items/products from suppliers overseas to bring back to the UK for assembly into a finished product, such as a car. When the company's transport picks up the supplies from the supplier then it could be accepted that the distribution had been completed. However, once the company has taken

possession of the supplies there will follow a series of other moves (distribution) internal to the organisation before a final product is distributed to the end customer.

Each internal supplier and customer has the same responsibilities as external suppliers and customers. The supplier should deliver the goods on time, they should be to the agreed quality levels and the customer should expect to receive the items in good condition. If the goods are received late or they are damaged in any way the customer should inform the supplier immediately. It is important to inform the customers down the chain.

The final achievement criterion asks the candidate to provide evidence that they have identified the distribution requirements of different types of supplies and the evidence will be determined by the type of supplies their organisation and customers require. It will also depend on the type of distribution method employed by the candidate's organisation.

In terms of positioning and movement of supplies the evidence is likely to take the form of orders, requisitions or a delivery schedule and this may be supported by e-mails, letters, etc. Evidence on the role of the suppliers and customers may be specified in agreements. This may be supported by e-mails, letters etc, alternatively a diagram or flowchart and supporting narrative could be used. Finally, evidence on the distribution requirements of different types of supplies may also be specified in agreements between the supplier and the customer but in addition it may be influenced by legal requirements. Other evidence may come from handling information sheets, e-mails, letters etc. Alternatively, showing the different classes of delivery, eg carrier, bulk, palletised used by the company, the evidence could be a checklist or copies of Goods Received Notes (GRN) with a supporting narrative.

The evidence is likely to be all product evidence although some observation of discussions with customers and colleagues is also a possibility.

**Outcome 2** The candidate must obtain information on distribution requirements. The candidate must ensure that suitable sources of data are accessed and they are likely to include suppliers, customers, logistics companies and other appropriate colleagues which may include staff in the candidate's own organisation.

The evidence for this Outcome is likely to be product evidence and it could be documentation, eg picking lists that would include information on the preferred methods of distribution based on the distribution requirements. It may include correspondence with logistics organisations and all of this may be supported by other letters, memo, e-mails etc.

**Outcome 3** The candidate must collate and prepare data for the analysis. Once the data have been obtained, from Outcome 2, the candidate must

sort and collate the data. This should be set out in the same format for all the data being examined to ensure that they will be suitable for subsequent analysis.

The evidence would be the information obtained from Outcome 2 where the data has been collated in a suitable format for analysis using Pareto or similar analysis tool.

**Outcome 4** The candidate must analyse information on distribution requirements. The analysis may very much depend on the purpose of carrying out the analysis. For example, if the candidate's organisation is looking to improve its distribution system then the information obtained may be correspondence with several customers with regard to improvements in the distribution system.

The evidence for this Outcome is therefore likely to be product evidence in the form of a report on the findings and this would be supplemented by any correspondence that has been exchanged with customers. It may also be that the information has been obtained from meetings with customers, in which case there are likely to be minutes that can be used as assessment evidence. The methods and procedures used for the analysis must also be explained and may include a process such as a decision tree, flowchart or similar to achieve the desired results.

**Outcome 5** The candidate must identify any problems in the distribution requirements and these should be identified as soon as possible. The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process of analysing information on the distribution requirements. The report should clearly identify these problems and colleagues should be informed of the problems according to organisation procedures.

The assessment for this part of the output could be achieved through observations of meetings with the candidate and colleagues. It may also take the form of briefing notes, memos etc.

**Outcome 6** The candidate must provide the results of the analysis on the distribution requirements. Because of the nature of the topic and its possible impact on the organisation the results should be discussed with all relevant colleagues, which may include suppliers and/or customers in addition to colleagues in the candidate's organisation. The results should be provided according to agreed schedules and discussion should centre round the findings of the distribution requirements.

There is an opportunity to integrate Outcomes 5, 6 and 7 into a comprehensive report. The evidence for this Outcome will be product evidence for the first part because the candidate should produce a report from the analysis carried out. The second part could be assessed by observation if the assessor has access to the briefing meetings to discuss

the findings or it may be product evidence in the form of minutes from the meetings. The candidate may also submit a personal statement.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**Outcome 7** The requirement here relates to the relationship with the distribution and the rest of the supply chain. Therefore the evidence should reflect the broader nature of the Outcome. [However, there is an opportunity to integrate into the above Outcomes 5 and 6 to produce an encompassing report covering all of the evidence in all three Outcomes (5, 6 & 7).]

This Outcome requires the candidate to show how the distribution system is an integral part of the supply chain and also relies on the store locations and facilities.

The evidence could be diagrams or flowcharts to show how distribution is positioned in the supply chain and the options to improve this flow of goods. Also, using the diagram or flowchart, consider the impact on the storage locations and facilities in achieving these improvements. Therefore the evidence could be a report or statement to explain the relationship with distribution and supply chain/stores facilities. This could be supported with a professional discussion.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit T18 Monitor the distribution of supplies (DX65 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to monitor the distribution of supplies and to do this they must first of all confirm information on the supplies being distributed. They then have to collate and prepare data for the analysis and then analyse information on the distribution of supplies. To achieve the next Outcome and meet the Achievement Criteria the candidate must provide evidence that he/she can monitor the distribution of supplies at regular intervals. The candidates must identify any problems with the distribution of supplies, provide the results of the monitoring to colleagues and comply with procedures for monitoring the distribution of supplies.

**Outcome 1** The candidate must confirm information on the supplies being distributed. There are a number of ways that supplies can be distributed, for example an organisation may supply the goods from a warehouse direct to customers who have placed an order via the internet. Alternatively, the organisation may receive orders direct from another organisation and the distribution requirements are likely to be agreed between the two organisations. The candidate must therefore confirm the information that has been agreed on the supplies being distributed.

The information for this Unit could be derived from similar sources as previous Units, eg T17, but for those candidates who have not selected these Units they must ensure that all items are clearly specified and the quality expected for each item is also clearly identified.

There will be a variety of evidence documentation available to the candidate and it will depend on the type of distribution method employed by the candidate's organisation.

In terms of positioning and movement of supplies the evidence is likely to take the form of a delivery schedule, eg orders, goods received notes, picking lists and this may be supported by e-mails, letters, etc, and for the second criteria they should provide evidence that they understand the product specification and the quality required for the supplies.

**Outcome 2** The candidate must obtain information on the distribution of supplies. The candidate must ensure that suitable sources of data are accessed and they are likely to include suppliers, customers, logistics companies and other appropriate colleagues which may include staff in the candidate's own organisation. The candidate should be looking for evidence that will confirm that supplies have been distributed according to the Distribution Requirements Planning (DRP) report, that is in terms of quantities and timing or similar delivery scheduling method.

The evidence for this Outcome is likely to be product evidence and it could be documentation that would include information on the distribution that has been, or is about to be, initiated in the form of a DRP report or a similar method, eg picking list. It may also include correspondence with logistics organisations and all of this may be supported by other letters, memo, e-mails etc.

**Outcome 3** The candidate must collate and prepare data for the analysis. Once the data have been obtained, from Outcome 2, the candidate must sort and collate the data and this should be set out in the same format for all the data being examined to ensure that they will be suitable for subsequent analysis.

The evidence would be the information obtained from Outcome 2 where the data has been collated in a suitable format for analysis.

**Outcome 4** The candidate must analyse information on the distribution of supplies. The analysis may very much depend on the purpose of carrying out the analysis. The candidate should explain how the data was analysed and the methods used. For example, if the candidate's organisation is looking to improve its distribution system then the information obtained may be correspondence with several customers with regard to improvements in the distribution system.

The evidence for this Outcome is therefore likely to be product evidence in the form of a report on the methods used and results. The candidate can further illustrate the results with a diagram. This would be supplemented by any correspondence that has been exchanged with customers. It may also be that the information has been obtained from meetings with customers, in which case there are likely to be minutes that can be used as assessment evidence. The methods and procedures used for the

analysis must also be explained and may include a process such as a decision tree or similar to achieve the desired results.

**Outcome 5** The candidate must monitor the distribution of supplies and this needs to be done on a regular basis. The analysis will be required to ensure that the distribution system is working as planned and it will be a case of analysing the information based primarily on the DRP report or similar regular monitoring, eg team meetings or statistics of performance, and will draw a comparison of supplies distributed on time, received on time, the correct quantities received etc.

The evidence for this Outcome is therefore likely to be product evidence in the form of a pro forma report on the findings and this would be supplemented by any correspondence that has been exchanged with customers, logistics organisations and suppliers and colleagues within the candidate's organisation showing the frequency of monitoring in their organisation. (See Outcome 7)

**Outcome 6** The candidate must identify any problems with the distribution of supplies and these should be identified as soon as possible. The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process of analysing information on the distribution of supplies. The report should clearly identify these problems and colleagues should be informed of the problems according to organisation procedures.

The assessment for this part of the output could be achieved through observations of meetings with the candidate and colleagues. It may also take the form of briefing notes, memos, etc. (See Outcome 7)

**Outcome 7** There is an opportunity to integrate Outcomes 5, 6, and 7 into one evidenced report. The candidate must provide the results of the monitoring of the distribution of supplies to colleagues. Because of the nature of the topic and its possible impact on the organisation the results should be discussed with all relevant colleagues, which may include suppliers and/or customers. The results should be provided according to agreed schedules and discussion should centre around the findings of the distribution requirements. These could be in the form of a report from the analysis and monitoring from the previous Outcomes. This can be supplemented by PowerPoint slides or similar tool. Alternatively, a personal statement on the method of communicating the report to colleagues could be used.

The second part could be assessed by observation if the assessor has access to the briefing meetings to discuss the findings or product evidence in the form of minutes from the meetings may be used. The candidate may also submit a personal statement.

**Outcome 8** The candidate must provide evidence that they comply with procedures for monitoring the distribution of supplies. The methods for



doing this will depend on the types of product involved but the assessor will need to be satisfied that appropriate supply chain management systems are used and that legal and organisational requirements are complied with.

The evidence provided by the candidate should include a copy of any procedure and any relevant legal and organisational. This should be accompanied by a personal statement and it may also be possible for the assessor to observe the candidate.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

#### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit T19 Monitor the flow of returned supplies (DX69 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to monitor the flow of returned supplies and to do this they need to provide evidence that they can confirm information on the supplies being returned, collate and prepare data on the flow of returned supplies and analyse information on the flow of returned supplies. The candidate must also identify any problems with the flow of returned supplies and provide the results of the analysis to colleagues. To complete the requirements of the Unit the candidate must provide evidence that they can recommend options for improving the flow of returned supplies and comply with procedures for monitoring the flow of returned supplies.

**Outcome 1** The candidate must confirm information on the supplies being returned. If goods, eg clothes are being returned to a retailer, then data should be generated as to why the goods were returned — faulty, wrong size, etc. in this case it may not be too urgent that the goods are replaced. If it is a manufacturer supplying components for a product and they are faulty then this could have serious knock-on effects and immediate action will have to be taken.

The candidate will therefore have to obtain information on the quantity and type of returns and the evidence is likely to be a returns report or depending on the type of supplies it may be a number of reports that the candidate will need to confirm. The candidate should produce a report on their findings and there may also be supporting letters, e-mails etc.

In addition, the candidate may indicate the authority under which the return has been sanctioned, eg Returns Note including return address.

**Outcome 2** The candidate must collate and prepare data on the flow of returned supplies. The Achievement Criteria asks the candidate to ensure that suitable sources of data are accessed and information is obtained from appropriate colleagues. This again will be determined by the type of product, established in Outcome 1 for example, in a retail scenario then the customer is likely to return the goods to the shop where they were purchased and the source of information therefore would not be the customer direct but the returns department.

However, in a manufacturing scenario information is likely to come direct from the customer and the supplier is likely to be requested to pick up the faulty supplies.

The candidate may wish to consider the flow of the returned supplies once they are back in their organisation, especially the manufacturing situation, where rework may be possible and the components would then have to be planned into the production.

The evidence would be the information obtained from either the returns department or the customer, as above, and a report from the candidate containing the relevant information, collated and prepared on the flow of the returns.

**Outcome 3** There is an integration opportunity with Outcomes 4, 5 and 6. The candidate must analyse the information on the flow of the returned supplies over a period of time. Once the data has been collated and prepared the candidate should be in a position to analyse this data using a suitable analysis tool and, as in Outcome 2, they will be looking at the process of returning the supplies but should also be looking for the reason why the returns were made.

The evidence for this Outcome is therefore likely to be product evidence in the form of a report based on a defined period, eg a month, on the findings of the analysis and this would be supplemented by any correspondence. It may also be that the information has been obtained from meetings with customers, in which case there are likely to be minutes that can be used as assessment evidence. The methods and procedures used for the analysis must also be explained and may include a cause and effect diagram.

**Outcome 4** There is a chance for integrating this Outcome with Outcomes 3, 5 and 6. The candidate must identify any problems with the flow of returned supplies and these should be identified as soon as possible. The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process of analysing information on the flow of returned supplies. The report should clearly identify these problems and colleagues should be informed of the problems according to organisation procedures.

The assessment for this part of the output could be achieved through observations of meetings with the candidate and colleagues. It may also take the form of briefing notes, memos, etc.

**Outcome 5** There is an integration opportunity with Outcomes 3, 4 and 6. The candidate must provide the results of the analysis of the information on the flow of returned supplies to colleagues. Because of the nature of the topic and its possible impact on the organisation the results should be discussed with all relevant colleagues, which may include suppliers and/or customers. The results should be provided according to agreed schedules and discussion should centre around the findings of the flow of returned supplies.

The evidence for this Outcome will be product evidence for the first part as the candidate should produce a report from the analysis carried out. The second part could be assessed by observation if the assessor has access to the briefing meetings to discuss the findings or again it may be product evidence in the form of minutes from the meetings. The candidate may also submit a personal statement.

**Outcome 6** There is an integration opportunity with Outcomes 3, 4 and 5. The candidate must recommend options for improving the supply of returned supplies. This will depend on the type of supplies being examined. If, as in the example in Outcome 1, the candidate is looking at the return of clothes to a retailer then normally the return will be made initially by the customer, but what happens after that? Depending on the reason for the returns the goods may be returned, or sent, to a warehouse to be brought out at sale time or, if the goods are faulty they may be returned to the manufacturer who in turn may rework the product or decide to scrap the material. An alternative method for returning the supplies and also improving the flow of returned supplies in the example above would be for the goods to be returned direct to the manufacturer, without spending time sorting the different categories of return, and let the original manufacturer decide the best course of action. The candidate will need to look at the current process and make proposals for improvement.

The evidence would be a report by the candidate which would include the current methods employed relating to the flow of returned supplies, together with the analysis from Outcomes 3, 4 and 5 and a recommendation for improvement in the flow of returned goods.

Part of this process may include discussions with customers and/or suppliers and evidence may also be letters, e-mails, etc, and the candidate may also submit a personal statement.

**Outcome 7** The candidate must provide evidence that they complied with procedures for monitoring the flow of returned supplies. The methods for doing this will depend on the types of product involved but the assessor will need to be satisfied that appropriate supply chain management

systems are used and that legal and organisational requirements are complied with.

The evidence provided by the candidate should include a copy of any procedure and any legal and organisational requirements related to the business sector in question. This should be accompanied by a personal statement and it may also be possible for the assessor to observe the candidate.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

#### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit T20 Monitor the transportation of supplies (DX6D 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to monitor the transportation of supplies and to do this they must confirm and obtain information on the supplies being transported, and collate and prepare data for the analysis. The candidate should then analyse the information on supplies, monitor the transportation of supplies and identify any problems with the transportation of supplies. For the final two Outcomes the candidates must provide the results of the monitoring to colleagues to ensure that they comply with procedures for monitoring the transportation of supplies.

**Outcome 1** The candidate must confirm information on the supplies being transported. There are a number of ways that supplies can be transported, namely road, rail, sea, air and there are also elements within those main categories for consideration such as courier, parcel services or lorries for road transport and these need to be considered by the candidate. The candidate must therefore confirm the information that has been agreed on the supplies being transported with the supplier, the customer and the transportation company.

The candidate will also need to identify the positioning and movement of supplies. This can be made much easier with the introduction of satellite navigation systems where vehicles and goods can be tracked fairly easily. Even with delivery to a single customer the customer can track the progress of their goods through the transportation companies website, although in some instances it is possible, where there are manual elements, to override the system.

There will be a variety of evidence documentation available to the candidate and it will depend on the type of transportation method employed by the candidate's organisation.

In terms of positioning and movement of supplies the evidence is likely to take the form of a delivery schedule and this may be supported by e-mails, letters, etc, and, as mentioned above, for certain transportation methods a tracking report may also be produced. For the second criteria the evidence could be in the form of transportation documents that will allow the candidate to confirm the transportation system being used to meet the requirements of different types of supplies.

**Outcome 2** The candidate must obtain information on the transportation of supplies. The candidate must ensure that suitable sources of data are accessed and they are likely to include suppliers, customers, logistics companies and other appropriate colleagues which may include staff from within the candidate's own organisation. The candidate should be looking for evidence that will confirm that supplies have been transported according to Distribution Requirements Planning (DRP), in terms of quantities and timing and this could be confirmed through a transport schedule from the transport companies identified.

The evidence for this Outcome is likely to be product evidence and it could be documentation that would include information on the transportation that has been, or is about to be, initiated in the form of a DRP report and/or transport schedule. It may also include correspondence with transport organisations and all of this may be supported by other letters, memo, e-mails, etc.

An alternative way of completing this Outcome can be by the candidate providing evidence by way of a supported narrative showing stages of transportation.

**Outcome 3** The candidate must collate and prepare data for the analysis. Once the information has been obtained, from Outcome 2, the candidate must sort and collate the data and this should be set out in the same format for all the data being examined to ensure that they will be suitable for subsequent analysis.

The evidence would be the information obtained from Outcome 2 where the data has been collated in a suitable format for analysis.

**Outcome 4** There is an opportunity to integrate Outcomes, 4, 5, 6 and 7 to produce a comprehensive report covering all of the Outcomes. The candidate is required to analyse information on the transportation of supplies. The analysis may very much depend on the purpose of carrying out the analysis. If the candidate's organisation is looking to improve its transportation system then the information obtained may be correspondence with several customers with regard to improvements in the transportation system. The information may also include complaints

from customers regarding the late delivery of supplies due to transportation problems. An appropriate analysis tool should be used to analyse the data.

The evidence for this Outcome is therefore likely to be product evidence in the form of a report on the findings and this would be supplemented by any correspondence that has been exchanged with customers. It may also be that the information has been obtained from meetings with customers, and/or transportation companies in which case there are likely to be minutes that can be used as assessment evidence. The methods and procedures used for the analysis must also be explained and may include a process such as a decision tree or similar to achieve the desired results.

**Outcome 5** There is an opportunity to integrate Outcomes 4, 5, 6 and 7. This requires the candidate to monitor the transportation of supplies on a regular basis over a defined period of time, eg two months. The analysis will be required to ensure that the transportation system is working as planned and it will be a case of analysing the information based primarily on the transportation schedule and will draw on a comparison of supplies transported on time, received on time, the correct quantities received, any damage caused by transportation etc.

The evidence for this Outcome is therefore likely to be product evidence in the form of a report on the findings and this would be supplemented by any correspondence that has been exchanged with customers, transport companies, suppliers and colleagues.

**Outcome 6** There is an opportunity to integrate Outcomes 4, 5, 6 and 7. This requires the candidate to identify any problems with the transportation of supplies and these should be identified as soon as possible. The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process of analysing information on the transportation of supplies. The report should clearly identify these problems and colleagues should be informed of the problems according to organisation procedures.

The assessment for this part of the Outcome could be achieved through observations of meetings with the candidate and colleagues. It may also take the form of a report, briefing notes, memos, feedback from customers, etc outlining any current problems or potential problems.

**Outcome 7** There is an opportunity to integrate Outcomes 4, 5, 6 and 7. This requires the candidate to provide the results of the monitoring of the transportation of supplies to colleagues. Because of the nature of the topic and its possible impact on the organisation the results should be discussed with all relevant colleagues, which may include suppliers and/or customers in addition to colleagues within the candidate's organisation. The results should be provided according to agreed schedules and discussion should centre around the findings of the distribution requirements



The evidence for this Outcome will be product evidence for the first part as the candidate should produce a report from the analysis carried out. The second part could be assessed by observation if the assessor has access to the briefing meetings to discuss the findings or again it may be product evidence in the form of minutes from the meetings. The candidate may also submit a personal statement.

**Outcome 8** The candidate must provide evidence that they comply with procedures for monitoring the transportation of supplies. The methods for doing this will depend on the types of product involved but the assessor will need to be satisfied that appropriate supply chain management systems are used and that related legal and organisational requirements are complied with.

The evidence provided by the candidate should include a copy of any procedure and any legal and organisational requirements. This should be accompanied by a personal statement and it may also be possible for the assessor to observe the candidate.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may chose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit MSC D3     **Recruit, select and keep colleagues (DR7K 04)**

### **Note for Assessors**

This Unit is a Management Unit and as such it **does not** follow the same layout and context of the previous Units. The principle difference is in the evidence requirements.

In the Management Units the evidence requirements include:

- ◆ Outcomes of Effective Performance
- ◆ Behaviours which Underpin Effective Performance
- ◆ Knowledge and Understanding
  - General Knowledge and Understanding
  - Industry/Sector Specific Knowledge
  - Context Specific Knowledge and Understanding

**All** of these have to be complied with **in full** to complete this Unit. Therefore assessors should ensure that the candidate is fully aware of these differences. The assessor should ensure the evidencing of these Units will not need comprehensive changes to the assessment plan, etc. However, there are opportunities to integrate Outcomes, behaviours and contextual knowledge and understanding.

In addition to these differences, assessors should examine the **assessment strategy for management Units** as there are issues of currency, consistency, authenticity and sufficiency which need to be addressed in the evidence of this award.

### **Unit Summary**

This Unit provides the candidate with an opportunity to provide evidence that they can recruit, select and keep colleagues. In some situations there can be excessive turnover of staff and the candidate must demonstrate that they discuss the reasons why staff leave and when the reason has been established they identify ways of addressing the turnover problems. The candidate should examine the workload within their area of responsibility and identify and review options for addressing any shortfalls. The candidate should consult with colleagues regarding job specifications and the process for recruitment. They should ensure the accuracy and fairness of any information on vacancies before it is distributed and should access specialist expertise in the recruitment process. They should also participate in the recruitment and selection process and ensure that successful applicants will be able to work with their new colleagues. Finally, the candidate should review the recruitment and selection policy and identify areas for improvement.

## Standards

<b>Outcomes of Effective Performance</b>	
1 Talk with colleagues who are leaving your area of responsibility to identify and discuss their reasons for leaving.	7 Ensure that any information on vacancies is fair, clear and accurate before it goes to potential applicants.
2 Identify ways of addressing staff turnover problems, implementing those which clearly fall within your authority and communicating others to the relevant people for consideration.	8 Seek and make use of specialist expertise in relation to recruiting, selecting and keeping colleagues.
3 Review, on a regular basis, the work required in your area of responsibility, identifying any shortfall in the number of colleagues and/or the pool of skills, knowledge, understanding and experience.	9 Participate in the recruitment and selection process, as agreed, making sure that the process is fair, consistent and effective.
4 Identify and review the options for addressing any identified shortfalls and decide on the best option(s) to follow.	10 Make sure that applicants, who are offered positions, are likely to be able to perform effectively and work with their new colleagues.
5 Consult with others to produce or update job descriptions and person specifications where there is a clear need to recruit.	11 Judge whether the recruitment and selection process has been successful in relation to recent appointments in your area and identify any areas for improvement.
6 Consult with others to discuss and agree stages in the recruitment and selection process for identified vacancies, the methods that will be used, the associated timings and who is going to be involved.	

<b>Behaviours which Underpin Effective Performance</b>	
1 You recognise the opportunities presented by the diversity of people.	6 You comply with, and ensure others comply with, legal requirements, industry regulations, organisational policies and professional codes.
2 You work to turn unexpected events into opportunities rather than threats.	7 You take and implement difficult and/or unpopular decisions, if necessary.

3 You try out new ways of working.	8 You act within the limits of your authority.
4 You identify people's information needs.	9 You show integrity, fairness and consistency in decision making.
5 You seek to understand people's needs and motivations.	

<b>Knowledge and Understanding</b>	
<i>General Knowledge and Understanding</i>	
1 Why it is important to identify and understand why colleagues are leaving and how to do so constructively and sensitively.	9 Different stages in the recruitment and selection process and why it is important to consult with others on the stages, recruitment and selection methods to be used associated timings and who is going to be involved.
2 The types of reasons colleagues might give for leaving.	10 Different recruitment and selection methods and their associated advantages and disadvantages.
3 How to measure staff turnover.	11 Why it is important to give fair, clear and accurate information on vacancies to potential applicants.
4 The causes and effects of high and low staff turnover.	12 How to judge whether applicants meet the stated requirements of the vacancy.
5 Measures which can be undertaken to address staff turnover problems.	13 Sources of specialist expertise in relation to recruitment, selection and retention.
6 How to review the workload in your area in order to identify shortfalls in the number of colleagues and/or the pool skills, knowledge, understanding and experience.	14 How to take account of equality and diversity issues, including legislation and any relevant codes of practice, when recruiting and selecting people and keeping colleagues.
7 Different options for addressing identified shortfalls and their associated advantages and disadvantages.	15 How to review the effectiveness of recruitment and selection in your area.
8 What job descriptions and person specifications should cover and why it is important to consult with others in producing or updating them.	

<i>Industry/Sector Specific Knowledge and Understanding</i>	
1 Turnover rates within similar organisations in the industry/sector.	3 Working culture and practices of the industry/sector.
2 Recruitment, selection and retention issues and specific initiatives and arrangements within the industry/sector.	

<b>Knowledge and Understanding</b>	
<i>Context Specific Knowledge and Understanding</i>	
1 Current people resources available to your area, including skills, knowledge, understanding and experience of colleagues.	6 Local employment market conditions.
2 Work requirements in your area.	7 The organisation's structure, value and culture.
3 Agreed operational plans and changes in your area.	8 Employment policies and practices within the organisation – including recruitment, selection, induction, development, promotion, retention, redundancy, dismissal, pay and other terms and conditions.
4 The staff turnover rate in your area.	9 Sources of specialist expertise in relation to recruitment, selection and retention used by your organisation.
5 Job descriptions and person specifications for confirmed vacancies.	

### **Assessment Guidance**

The assessor should ensure the candidate meets all the performance requirements in full (Outcomes of Effective Performance, Behaviours which Underpin Effective Performance and Knowledge and Understanding) The assessor should examine evidence from the candidate derived from the work environment in the shape of product evidence, personal statements or reports primarily, but may be supplemented by assignments or case studies. Witness statements can be used but this should only be used where a recognised and competent person can verify the candidate's competence in the workplace.

In addition the assessor should assess the knowledge gain of the candidate and test the knowledge of the candidate in the subjects of this

Unit thoroughly in **all** of the **application of knowledge and understanding** aspects of the standards. The assessor achieves this by integrated questions, product evidence, observation and oral or written questions.

There are several integration opportunities available to assessors in these Outcomes.

**Outcome 1** The candidate must produce evidence to show that they have carried out an exit interview with a colleague who is leaving the candidate's area of responsibility. When identifying the reasons why the colleague is leaving the candidate may need to bear in mind that they may not always give the full reason and the candidate should attempt as far as possible to ensure as much information as possible is forthcoming from the colleague.

Due to confidentiality, observation is not an option and the most likely method of evidence would be by personal statement and notes with any names removed.

**Outcome 2** May be integrated with Outcome 1 because the candidate is must provide evidence that identifies ways of addressing staff turnover problems. The most likely method of evidence would be a report that would use collated information from a number of exit interviews to reach a conclusion about the problem(s) and take steps to overcome the problems that were identified. The candidate should provide evidence of staff turnover in their organisation and then contrast this with the turnover in similar organisations/sector. It should be noted that the candidate will only be able to take action on any solution which falls within their authority and where it doesn't the candidate should communicate the findings to the appropriate personnel. Evidence for this is likely to be by memo, e-mail, etc, in addition to the original report. If the candidate's organisation does not have a problem with excessive staff turnover the candidate can be supplied with an appropriate case study and the candidate would be expected to produce a relevant report.

**Outcome 3** The candidate must provide evidence that they review the work required in their area of responsibility on a regular basis, identifying any shortfall in the number of colleagues and/or the pool of skills, knowledge, understanding and experience. This will be determined by the type of work being carried out and how that work is assigned to that particular area of work. It may be that there will be a pro forma capacity/skills report that can be completed at given intervals — monthly, quarterly, or whatever is the most suitable time scale. The completed pro forma report would then act as the evidence required to assess the candidate. The candidate may also create a report which reviews the staff requirements of their department for future needs.

**Outcome 4** May be integrated with Outcome 3 because the candidate must review the options for addressing any identified shortfalls and decide

on the best option to follow. The shortfalls should be identified from the pro forma capacity/skills report and appropriate action taken. A formal training need analysis may also be carried out. This action, and therefore the type of evidence required will be determined by the specific situation. It may simply be that the workload has temporarily increased and the evidence may simply be a request for, and justification for, staff to work overtime. Alternatively, it could be new work that the existing staff cannot cope with, therefore there may be a requirement for new staff to be employed. There are a number of ways that this could be achieved, for example, it may be a temporary overload and it may be possible to obtain staff from an agency, or it may mean employing staff on a fixed term short contract or, if the work is likely to continue, to take on staff on a more permanent basis. The evidence required will therefore vary but there would certainly need to be a written justification/request for the additional staff, including a budget requirement, and permission to recruit from an agency. If it is a short-term contract, or a permanent contract, these would need to be drawn up together with job descriptions, person specifications, adverts, etc.

**Outcome 5** This could be integrated with part of Outcome 4 in that the candidate is required to consult with others to produce or update job descriptions and person specifications where there is a clear need to recruit. The most likely people would be the Human Resources department although other people in the organisation may also be helpful. The evidence for the discussion with others could be either a personal statement or a witness statement together with completed job description and person specification as in Outcome 4.

**Outcome 6** This may be integrated with Outcome 5 as the discussion on the stages of recruitment and selection process, the methods to be used, the associated timings and who should be present could tie in with the consultation on the job description and person specification. Evidence could show the stages and the input from others eg, Human Resources. The evidence for this Outcome could again be a personal statement or witness testimony for the consultation plan and a completed recruitment pack that contained all the requirements for the Outcome.

**Outcome 7** The candidate must ensure that any information on vacancies is fair, clear and accurate before it goes to potential applicants. It may be possible to integrate the evidence with Outcomes 5 and 6 in that the candidate would do a thorough check on the job description, the person specification and the recruitment pack. The evidence could take the form of a short report or the candidate could annotate the documents which would have to be signed and dated as being signed off. The candidate should also show knowledge of the statutory laws related to recruitment and selection including the organisation's policies relating to this area.

**Outcome 8** The candidate must provide evidence that they have sought and made use of specialist expertise in relation to recruiting, selecting and keeping colleagues. There could be a number of people involved but the most likely would be the Human Resources Manager and a manager

relating to the specialist area being recruited. The evidence for assessment may be a personal statement or it could be a witness statement.

**Outcome 9** The candidate must provide evidence that they have participated in the recruitment and selection process, as agreed, making sure that the process is fair, consistent and effective. This can be integrated with Outcome 8 because the candidate will have checked and signed off the recruitment pack the will include all the necessary documentation including a suitable advert. The candidate will also be required to participate in the interviews and contribute to the selection process. The candidate should provide evidence to show the process of interviewing and support the process with policies relating to this activity. Evidence for the interview and selection process may include the candidate's notes, usually completed on a pro forma document for reference purposes giving details of the final decision, to be held by Human Resources, plus a personal and/or witness statement to provide evidence of the candidate's participation. (The names would be removed for confidentiality purposes.)

**Outcome 10** The candidate must produce evidence that shows that the applicant(s) who are offered positions are likely to be able to perform effectively and work with their new colleagues. The evidence for the first part of the Outcome should come from the evidence already produced for Outcome 9 and will be in the notes of the interview plus the candidate's CV. The second part is more difficult and the evidence would be a personal statement or witness statement identifying the factors taken into consideration to try to ensure that the applicant will be able to work with their new colleagues.

**Outcome 11** The candidate must produce evidence that judges whether the recruitment and selection process has been successful in relation to recent appointments in the candidate's area and to identify any areas for improvement. The evidence could be generated from a 3 — month or 6 — month review of the new members of staff. The candidate will discuss several areas of the new colleague's performance to date and should also highlight any areas of weakness that may have to be rectified by further training etc. The evidence will therefore be a report on this review and the names would need to be removed for confidentiality purposes.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is**



**deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA, Skills for Logistics or Management Standards Centre.**

## Unit MSC D4 Plan the workforce (DR6M 04)

### Note for Assessors

This Unit is a Management Unit and as such it **does not** follow the same layout and context of the previous Units. The principle difference is in the evidence requirements.

In the Management Units the evidence requirements include:

- ◆ Outcomes of Effective Performance
- ◆ Behaviours which Underpin Effective Performance
- ◆ Knowledge and Understanding -
  - General Knowledge and Understanding
  - Industry/Sector Specific Knowledge
  - Context Specific Knowledge and Understanding

**All** of these have to be complied with **in full** to complete this Unit. Therefore assessors should ensure that the candidate is fully aware of these differences. The assessor should ensure the evidencing of these Units will need comprehensive changes to the assessment plan, etc. However, there are opportunities to integrate Outcomes, behaviours and contextual knowledge and understanding.

In addition to these differences, assessors should examine the **assessment strategy for management Units** as there are issues of currency, consistency, authenticity and sufficiency which need to be addressed in the evidence of this award.

### Unit Summary

This Unit provides the candidate with an opportunity to provide evidence that they can plan the workforce. The starting point for this Unit is for the candidate to evaluate the organisation's strategic objectives and associated plans to obtain information needed for workforce planning and to identify any key issues for further consideration. Based on the organisation's strategy the candidate needs to establish what is required in order to achieve the organisation goals and therefore has to identify the type of skills, knowledge, understanding and experience required to undertake current and planned organisational activities. Once these factors have been identified the candidate will have to review two aspects for the planning process — the capacity and capability of the current workforce in order to meet identified skills, knowledge, understanding and experience requirements. To help the candidate with the workforce planning they should seek and use specialist expertise wherever thought necessary. Bear in mind that everyone in the organisation should be working towards the same goal and should be prepared to help when and if required. The next stage is to specify the workforce requirements that are necessary for achieving the organisation's objectives.

In order to have a chance of meeting these objectives the candidate will need to ensure that the organisation has a diverse workforce that will provide a suitable mix of people. It may be necessary to use not only people from within the organisation but also external personnel when the candidate develops the plans to meet the organisation's long, medium and short-term objectives. The candidate will therefore ensure a mix of full-time, part-time, temporary and contractual workers to meet the needs of the organisation. The candidate must ensure that people are available to recruit, keep and re-deploy people and to make sure that the plans incorporate contingency arrangements to deal with unforeseen circumstances and maintain business continuity. The final requirement is for the candidate to ensure that the workforce plans are communicated to the relevant people for information.

### Standards

<b>Outcomes of Effective Performance</b>	
1 Evaluate the organisation's strategic objectives and associated plans to obtain information needed for workforce planning purposes and identify any key issues for further consideration.	7 Develop plans that meet the organisation's long, medium, and short-term requirements, making best use of people from inside and outside the organisation.
2 Identify the types of skills, knowledge, understanding and experience required to undertake current and planned organisational activities.	8 Ensure a mix of full-time, part-time, temporary and contractual workers appropriate to the needs of the organisation.
3. Review capacity and capability of the current workforce to meet identified skills, knowledge, understanding and experience requirements.	9 Make sure that resources needed to recruit, keep and re-deploy people are available.
4 Seek and make use of specialist expertise to assist in workforce planning activities, as necessary.	10 Make sure that plans incorporate contingency arrangements to deal with unforeseen circumstances and maintain business continuity.
5 Specify workforce requirements that are capable of achieving the organisation's objectives.	11 Communicate workforce plans to relevant people for information.
6 Make sure that the organisation has a diverse workforce which provides a suitable mix of people to achieve its objectives.	

<b>Behaviours which Underpin Effective Performance</b>	
1 You recognise the opportunities presented by the diversity of people.	5 You take decisions in uncertain situations or based on incomplete information when necessary.
2 You are vigilant for potential risks.	6 You take and implement difficult and/or unpopular decisions, if necessary.
3 You identify systematic issues and trends and recognise their effect on current and future work.	7 You work towards a clearly defined vision of the future.
4 You anticipate likely future scenarios based on realistic analysis of trends and developments.	8 You use communication styles that are appropriate to different people and situations.

<b>Knowledge and Understanding</b>	
<i>General Knowledge and Understanding</i>	
1 What an effective workforce plan should cover.	5 How to take account of equality and diversity issues in workforce planning.
2 The information required to undertake workforce planning.	6 Strategies and/or services which need to be in place for when people leave, including redundancy counselling.
3 Sources of specialist expertise in relation to workforce planning and how to make use of them.	7 The importance of putting contingency arrangements in place and how to do so effectively.
4 Legislation and requirements relating to employment, worker's welfare and rights, equality and health and safety.	8 The different ways in which the workforce requirements can be met, their advantages and disadvantages, costs and benefits.

<i>Industry/Sector Specific Knowledge and Understanding</i>	
1 Types of employment agreements typically used within the industry/sector.	4 Legislation, regulations and codes of practice that apply in the industry/sector.
2 Patterns for employing, recruiting, and keeping people in the industry/sector.	5 Working culture and practices of the industry sector.
3 Trends and developments in the sector which are relevant to workforce planning.	

<b>Knowledge and Understanding</b>	
<i>Context Specific Knowledge and Understanding</i>	
1 The organisation's vision, strategic objectives and associated plans, structure, values and culture.	5 Factors affecting workforce planning in the organisation.
2 Employment agreements with people working in and for the organisation.	6 Local employment market conditions.
3 The capacity and capability of the current workforce.	7 Employment policies and practices within the organisation – including recruitment, selection, induction, development, promotion, retention, redundancy, dismissal, pay and other terms and conditions.
4 The diversity of the organisation's workforce.	

### **Assessment Guidance**

The assessor should ensure the candidate meets all the performance requirements in full (Outcomes of Effective Performance, Behaviours which Underpin Effective Performance and Knowledge and Understanding). The assessor should examine evidence from the candidate derived from the work environment in the shape of product evidence, personal statements or reports primarily, but these may be supplemented by assignments or case studies. Witness statements can be used but this should only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should assess the knowledge gain of the candidate and test the knowledge of the candidate in the subjects of this Unit thoroughly in **all** of the **application of knowledge and understanding** aspects of the standards. The assessor achieves this by integrated questions, product evidence, observation and oral or written questions.

There are several integration opportunities available to assessors in these Outcomes.

**Outcome 1** The candidate must produce evidence to show that they can evaluate the organisation's strategic objectives and associated plans to obtain information needed for workforce planning purposes and identify any key issues for further consideration. The strategic objectives are the key in any organisation for individual departmental/sectional plans which must reflect these objectives. The evidence submitted by the candidate is likely to be product evidence in the form of a report and will be essentially

an operational plan for their area of responsibility. As the content relates directly to the strategic objectives and goals, evidence of these is essential along with some use of strategic tools, eg SWOT and STEEPLE, to establish what the key issues or workforce challenges are for the organisation in the future.

**Outcome 2** Will be integrated with Outcome 1 as part of the operational plan and will be to identify the type of skills, knowledge, understanding and experience required to undertake current and planned organisational activities. The evidence could be presented as part of the skills analysis. The candidate should analyse the various skills needed for the future needs of the organisation.

**Outcome 3** Will also be integrated with Outcomes 1 and 2. This will be to review the capacity and capability of the current workforce to meet identified skills, knowledge, understanding and experience requirements. The candidate will therefore have evaluated the organisation's strategic objectives in Outcome 1, determined the requirements in Outcome 2, and in Outcome 3 they will match the attributes of staff to the requirements from Outcome 2. The evidence for this could be presented in an operational plan.

**Outcome 4** The candidate must provide evidence to show that they have sought and made use of specialist expertise to assist in workforce planning activities, as necessary. The evidence for this will depend on the type of area of responsibility that the candidate manages. The candidate may have to seek advice about design, engineering, manufacturing, quality, procurement, costing, etc, and the form that the evidence may take would be exchange of letters, drawings, documentations, e-mails, memos, etc. It should also be borne in mind that for some really specialist advice the candidate may have to go outside the organisation. The candidate should also give evidence of discussions/dialogue with experts outside the organisation, eg agencies.

**Outcome 5** The candidate must provide evidence that they can specify workforce requirements that are capable of achieving the organisation's objectives. The organisation may be going through a period of change, for example and this could mean that the current attributes of the staff no longer meet the requirements of the organisation. This will mean that the candidate will need to appraise the situation and take action on a number of options, namely — retrain existing staff, recruit new staff with the necessary skills, etc, or use contract workers to fulfil the needs. The evidence will be determined by the situation that arises in the candidate's organisation and could include a report on the requirements or a request to recruit new staff or hire from a contractor. The evidence could also be the notes of meetings with existing staff and perhaps a training programme so that they will meet the needs of the organisation. Candidates should show an understanding of the statutory rights/laws relating to retraining and recruitment by a supporting statement.

**Outcome 6** The candidate must provide evidence that they can make sure that the organisation has a diverse workforce which provides a suitable mix of people to achieve its objectives. These requirements will have been determined at the recruitment and selection stage and if the candidate was involved they may wish to submit a personal statement on how they selected staff to meet the requirements of the organisation, in their area of responsibility. As managers the candidates should also keep records of their staff showing their experience and qualifications together with any training they have undertaken whilst employed by the organisation, especially training that was recommended by the candidate. These records could also be used as evidence as long as any confidentiality issues are taken into account.

**Outcome 7** The candidate must develop plans that meet the organisation's long, medium and short-term requirements, making best use of people from inside and from outside the organisation. The evidence that the candidate will need to produce is likely to be three planning reports. The long-term report, depending on the type of product or service that the organisation provides, could cover a period of approximately two to five years and the candidate would be looking at the organisation's long-term objectives plan for a suitable workforce to meet the possible needs and this would involve looking at trends relating to their particular industry sector and forecasting what is likely to happen in the future. This may involve looking at a longer term training programme for staff or contracting staff. The one thing to note is that the organisation would not commit to any expenditure at this stage as it is just a plan. The medium-term plan would last approximately one to two years and the plan for this would need to include some action, perhaps not to the extent of recruitment, but may start training for existing staff. The candidate may also look at the current labour market and trends so that they can make a meaningful plan regarding the workforce and to check that if they were to recruit there would be suitably qualified and experienced staff available. The short-term plan could cover a few weeks or up to a year and may involve actual recruitment of new staff. It could also look at working patterns in order to increase capacity or overtime working and the use of more part-time and contract staff. The plans should be detailed and provide suitable evidence to meet the requirements of this outcome. The candidate could use information derived from the SWOT or STEEPLE carried out in Outcome 1 to help to form the reports and plans for the three time periods. The report may be integrated but the three planning timescales must remain separate.

**Outcome 8** This could be integrated with Outcome 7 and the short-term plan, in particular, would provide evidence that the candidate is meeting the Outcome requirements of ensuring that a mix of full-time, part-time, temporary and contractual workers appropriate to the needs of the organisation.

**Outcome 9** The candidate must make sure that resources need to recruit, keep and re-deploy people are available. The evidence submitted to cover

this Outcome would include the reports from Outcome 7, with covering documentation, to the Human Resources department illustrating the future plans for the candidate's area of responsibility and allowing them to plan their resources to meet those needs in terms of recruitment. Similarly, in terms of keeping the workforce there is likely to be correspondence with Human Resources department in terms of the labour market and comparisons with other organisations in terms of remuneration packages that are likely to retain the workforce. The candidate could review the policies on employment and recruitment related to the report in Outcome 7. Finally, in respect of re-deployment this would be covered again by correspondence with Human Resources or the Training Department if one exists, in order to plan resources for training or re-training the workforce.

**Outcome 10** The candidate must make sure that plans incorporate contingency arrangements to deal with unforeseen circumstance. The evidence should be covered by the reports in previous Outcomes and would look at the use of part-time and contract workers and perhaps sub-contracting the work to other organisations as necessary. The evidence would therefore have to be linked to this Outcome.

**Outcome 11** The candidate must communicate the workforce plans to relevant people for information. The evidence will be the workforce plans from the previous Outcomes together with covering documentation. However, not all of the recipients would necessarily be shown the full plan. For example, the candidate may send an extract of the short-term plan and perhaps a short summary of the medium-term plan to an employment agency outlining the possible requirements in terms of skills and experience that the organisation may need.

The evidence to senior management could take the form of a presentation showing the reports and plans of the previous Outcomes for discussion and agreement. Evidence could include feedback from the management to show they have considered the report/plans. This would allow the employment agency to start their research into what is available, or is likely to be available in the employment market. The evidence provided by the candidate would therefore be the reports plus explanatory letters to the employment agency and other relevant people.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA, Skills for Logistics or Management Standards Centre.**



## Unit MSC E2     **Manage finance for your area of responsibility (DR5T 04)**

### **Note for Assessors**

This Unit is a Management Unit and as such it **does not** follow the same layout and context of the previous Units. The principle difference is in the evidence requirements.

In the Management Units the evidence requirements include:

- ◆ Outcomes of Effective Performance
- ◆ Behaviours which Underpin Effective Performance
- ◆ Knowledge and Understanding
  - General Knowledge and Understanding
  - Industry/Sector Specific Knowledge
  - Context Specific Knowledge and Understanding

**All** of these have to be complied with **in full** to complete this Unit. Therefore, assessors should ensure the candidate is fully aware of these differences. The assessor should ensure the evidencing of these Units will need comprehensive changes to the assessment plan, etc. However, there are opportunities to integrate Outcomes, behaviours and contextual knowledge and understanding.

In addition to these differences assessors should examine the **assessment strategy for management Units** as there are issues of currency, consistency, authenticity and sufficiency which need to be addressed in the evidence of this award.

### **Unit Summary**

This Unit provides the candidate with an opportunity to provide evidence that they can manage finance for their area of responsibility. Finance is an important function in any organisation and if not managed effectively can create many problems. The candidate will need to know exactly what their financial responsibilities are and in order to do this they will need to be able to gather and evaluate the financial information available for their area; they should be able to delegate responsibility for budgets for defined activities; they should be able to discuss and agree provisional budgets with colleagues; and they should develop a realistic master budget and subsequently negotiate that budget with those with authority to approve the budgets. The importance of finance as a function was mentioned above and the candidate has a responsibility to establish systems to allow them to monitor and evaluate performance against the budget. Any significant variances need to be identified and appropriate action taken to resolve the situation.

Proposed revision must be agreed with appropriate personnel.

The candidate is expected to provide ongoing information on financial performance of their area of responsibility and should they discover any fraudulent activity this will have to be notified as soon as possible. Again most organisations have, or should have, a culture of continuous improvement and the candidate should encourage their colleagues to identify ways of reducing expenditure and increasing income. Finally, the candidate should review the financial performance of their area of responsibility in relation to the stated objectives.

## Standards

<b>Outcomes of Effective Performance</b>	
1 Confirm your financial responsibilities, including the limits of your authority, with those to whom you report.	8 Identify the causes of any significant variances between what was budgeted for and what actually happened and discuss and ensure prompt corrective action is taken, obtaining agreement from the relevant people if required.
2 Gather and evaluate available financial information and the objectives and associated plans for your area and consult with colleagues to identify priorities, potential problems and risks.	9 Propose revisions to the master budget, if necessary, in response to variances and/or significant or unforeseen developments and discuss and agree revisions with the relevant people.
3 Identify and make use of opportunities to delegate responsibility for budgets for clearly defined activities to colleagues in your area, providing them with the required ongoing support and resources.	10 Provide ongoing information on the financial performance of your area to relevant people in your organisation.
4 Discuss and, if appropriate, negotiate delegated budgets with colleagues and agree provisional budgets.	11 Advise the relevant people as soon as possible if you have identified evidence of any potential fraudulent activities.
5 Consult on and develop a realistic master budget for your area and submit it to the relevant people in the organisation for approval and to assist the overall financial planning process.	12 Encourage colleagues in your area to think about and identify ways of reducing expenditure and increasing income, selecting and pursuing those ideas which have potential for implementation.
6 Discuss and, if appropriate, negotiate the proposed master budget for your area with the relevant people in the organisation and communicate the final budget to colleagues in your area.	13 Review the financial performance of your area, particularly in relation to achievement of the stated objectives, and identify improvements for the future.

7 Establish systems to monitor and evaluate performance against delegated budgets and the master budget and put contingency plans in place.	
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<b>Behaviours which Underpin Effective Performance</b>	
1 You act within the limits of your responsibility.	6 You comply with, and ensure others comply with, legal requirements, industry regulations, organisational policies and professional codes.
2 You are vigilant for potential risks.	7 You prioritise objectives and plan work to make best use of time and resources.
3 You develop systems to gather and manage information and knowledge effectively, efficiently and ethically.	8 You use communication styles that are appropriate to different people and situations.
4 You clearly agree what is expected of others and hold them to account.	9 You take and implement difficult and/or unpopular decisions, if necessary.
5 You respond quickly to crises and problems with a proposed course of action.	

<b>Knowledge and Understanding</b>	
<i>General Knowledge and Understanding</i>	
1 The purposes of budgetary systems	9 The importance of contingency plans and the type of contingencies that may occur.
2 The importance of agreeing financial responsibilities, including the limits of your authority, for your area, with those to whom you report.	10 The main causes of variances and how to identify them.
3 Where to get and how to evaluate the available financial information in order to be able to prepare a realistic master budget for you area.	11 What different types of corrective action could be taken to address identified variances?
4 The importance of taking account of the objectives and associated plans of your area in developing and operating the master budget.	12 The importance of agreeing revisions to the budget and communicating the changes
5 How to identify opportunities and delegate responsibilities for budgets.	13 The importance of providing regular information on the financial performance of your area to relevant people and what they might want to know.
6 The importance of consulting with colleagues and identifying priorities, potential problems and risks and generally preparing the budget for your area.	14 Types of fraudulent activities and how to identify them.
7 How to discuss, negotiate and confirm budgets with colleagues in your area and with people who control the finance and the key factors that should be covered.	15 How to encourage colleagues to think about ways of reducing expenditure and increasing income.
8 How to establish systems to monitor and evaluate performance against budgets.	16 How to review the financial performance of your area against the stated objectives.
<i>Industry/Sector Specific Knowledge and Understanding</i>	
1 Factors, processes and trends that are likely to affect financial management in your industry/sector.	2 Legal, regulatory and ethical requirements in the industry/sector.

<b>Knowledge and Understanding (continued)</b>	
<i>Context Specific Knowledge and Understanding</i>	
1 The scope and nature of your area of responsibility including the vision, objectives and operational plans.	7 Organisational guidelines and procedures for the preparation and approval of budgets and for monitoring and reporting of performance against budgets and revising budgets.
2 Your financial responsibilities, including your limit of authority.	8 The agreed master budget for your area including delegated budgets.
3 The people you report to in your organisation.	9 Systems established for managing and evaluating performance against budgets.
4 Financial information available in your organisation.	10 Contingency plans put in place.
5 Activities for which budgets have been delegated.	11 What to do and who to contact if you suspect fraud has been committed.
6 The budgeting period(s) used in your organisation.	12 Who needs information on the financial performance of your area, what information they need, when they need it and in what form.

### **Assessment Guidance**

The assessor should ensure the candidate meets all the performance requirements in full (Outcomes of Effective Performance, Behaviours which Underpin Effective Performance and Knowledge and Understanding). The assessor should examine evidence from the candidate derived from the work environment in the shape of product evidence, personal statements or reports primarily, but may be supplemented by assignments or case studies. Witness statements can be used but this should only be used where a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should assess the knowledge gain of the candidate and test the knowledge of the candidate in the subjects of this Unit thoroughly in **all** of the **application of knowledge and understanding** aspects of the standards. The assessor achieves this by integrated questions, product evidence, observation and oral or written questions.

There are several integration opportunities available to assessors in these Outcomes.

**Outcome 1** The candidate must produce evidence to show that they can confirm their financial responsibilities, including the limits of their authority, with those to whom they report. The evidence for this Outcome will be the

document describing the responsibilities and limits of authority. The candidate will also be required to provide evidence showing their position in the organisation, policies relating to levels of authority, eg revenue/capital expenditure and the budgetary scope of their role. This evidence can be confirmed with a personal statement, professional discussion or witness testimony.

**Outcome 2** The candidate must gather and evaluate available financial information and associated plans for their area and consult with colleagues to identify priorities, potential problems and risks. This is where the candidate will be looking at what is required to meet the organisation's requirements, potential sales and costs of those sales. There are a variety of sources where evidence can be obtained, for example the organisation's strategy, aims, objectives and associated plans should already be available as the candidate should have been involved in devising and agreeing those with their line manager. Costs of materials, equipment, services and overheads should be available from the costing department, or similar. The cost of labour, overtime and holiday rates should be available from the payroll department, or similar. Sales and revenue figures should be available from the sales department. Evidence should be available from discussions with colleagues regarding priorities, potential problems and risks in the form of notes or a report and it may also include a risk assessment, SWOT Analysis and perhaps a PESTLE or STEEPLE Analysis. Most, if not all of these, should be presented as evidence.

**Outcome 3** The candidate must provide evidence that they can identify and make use of opportunities to delegate responsibility for budgets for clearly defined activities to colleagues in their area, providing them with the required ongoing support and resources. This may come about because of the way that the candidate's area is structured. For example, colleagues may each have a responsibility for a product and subsequently the budget related to that product. Alternatively, a special project may arise and the candidate will appoint someone as project manager, again with budgetary responsibility. Evidence could be provided in a number of formats. If the candidate's area is organised by product, as above, then a work plan illustrating the responsibilities of each colleague, including that of the delegated responsibility for a budget, would be suitable. This would also apply to the project scenario. Evidence relating to ongoing support and resources could be in the form of e-mails, memos, etc. and possibly a personal statement.

**Outcome 4** A likely scenario is that the candidate will have submitted an operational plan, based on the organisation's strategic plan, aims and objectives, including the cost of achieving the plan. Once senior management have reviewed the plan it will be amended depending on the organisation's requirements. The amended plan will then be returned to the candidate and it is at this point the candidate should discuss the plan and, if appropriate, negotiate delegated budgets with colleagues and agree provisional budgets. If the candidate provides appropriate evidence

then it should meet the assessment requirements for this Outcome. The evidence is likely to be product evidence and will include an operational plan, or similar, notes of meeting that were held with colleagues to agree the provisional budgets, delegated budgets e-mails, memos related to the discussions and agreements and the candidate may include a personal statement. Some of the evidence can be integrated with Outcome 3. Note that some figures, and other evidence, may need to be altered for confidentiality purposes.

**Outcome 5** Once the delegated budgets have been discussed and agreed with colleagues the candidate should develop a realistic master budget for their area which will be submitted to the relevant people in the organisation, line manager, and the appropriate senior management team, for approval and this will assist with the overall planning process. Evidence submitted for assessment purposes should be the master budget for the candidate's area of responsibility plus any covering documentation such as letters, memos, note, etc, and also evidence of discussions with other senior management. This would be supported with professional discussion, personal statements or witness statements. Figures may be altered for confidentiality purposes. There will be some integration with the previous two Outcomes.

**Outcome 6** Once the master budget had been looked at and incorporated with budgets from other areas they will be reconciled with the organisation's financial plan and amended where appropriate. After this the candidate is likely to be given the opportunity to discuss the final budget for their area of responsibility and negotiate changes with the appropriate people, line manager, and members of the senior management team involved in finalising the budgets. Once the final budget has been agreed and issued to the candidate, they need to communicate the final budget to colleagues. The candidate can then submit evidence for assessment purposes to confirm their involvement in the process. The evidence could be product evidence in the form of the final budget for the candidate's area of responsibility, notes of meetings(s) with senior management team, a personal statement and a witness testimony. Evidence for the communication of the final budget could be minutes of a meeting, memo, etc, or it could be part of the personal statement. Figures may be altered for confidentiality purposes and there is likely to be some integration with the previous Outcomes.

**Outcome 7** This Outcome can be integrated with Outcomes 8 and 9 and requires the candidate to establish systems to monitor and evaluate performance periodically, eg each month, against delegated and the master budgets and put contingency plans in place if variances are identified. Once the budgets have been set and agreed for the future period under review, the formal control element of budgetary control is ready to start. This control involves comparison of the plan in the form of the budget with the actual results achieved for the appropriate period. If there are major variances then contingency must be available. Normally a situation may arise where the budget is overspent which in turn may lead

to a cash flow problem. To overcome this situation the organisation may have a number of options such as a short-term injection of cash, improved sales due to a promotion, encourage prompt payment by customers, reduce costs, etc. The evidence, in the form of product evidence is likely to be the budget, (see previous Outcomes), the actual for given periods, and evaluation in terms of a report plus contingency action which may be part of the report or it could take the form of letters, memos, e-mails, etc.

**Outcome 8** There is an opportunity to integrate with Outcomes 7 and 9. This Outcome requires the candidate to identify the causes of any significant variances between what actually happened and discuss and ensure prompt corrective action is taken, obtaining agreement from the relevant people if required. This can be integrated with Outcome 7 and although contingency plans may be put into practice it is important that the cause of the problem is clearly identified to ensure that it doesn't happen again. The candidate will need to relate to their own organisation, and experience, to identify variances and associated problems. One example may be that because of some fault the product may be returned either for scrapping or to be reworked. This will mean additional costs in terms of labour to repair the items or labour and materials to replace the items plus the additional costs incurred as a result of the organisation not being able to produce 'new batches' of the product rework or replacement is being actioned. Evidence could be the budget, the actual and the variance report as in Outcome 7, but in addition the candidate would produce a report identifying the reasons for the variance together with the corrective action to be taken. Depending on the extent of the costs involved in correcting the problem the candidate may have to seek approval for the action from their line manager and perhaps the senior management team members responsible for overseeing the budget, and further evidence would be the proposal with costs, and there may also be a number of e-mails, memos, etc.

**Outcome 9** This Outcome can be integrated with Outcomes 7 and 8 if necessary. This Outcome requires the candidate to provide evidence that they can propose revisions to the master budget, if necessary, in response to variances and or significant or unforeseen developments and discuss and agree the revisions with the relevant people. This will follow on from the previous Outcomes where the candidate has provided evidence on the causes of the variances and has agreed the corrective action. However, it may be that the corrective action may take longer than expected to resolve and may involve additional costs. For example, the equipment that produced the faulty items needs maintenance then there will be the additional maintenance costs plus the costs of the equipment being idle. In this type of situation the candidate may have to revise the master budget accordingly and in doing so may have to discuss and agree the proposal with their line manager and those responsible for controlling the budget. Evidence will be an extended report explaining in more detail the corrective action and the associated costs. In addition there may be notes on the discussions with the appropriate people in order to change the



master budget. This can be supplemented with a personal statement, notes, memos, e-mails, professional discussion or other documentary evidence.

**Outcome 10** The candidate must provide ongoing information on the financial performance of their area of responsibility to relevant people in the organisation. There are probably two main groups of people that this Outcome applies to, although the candidate should ensure that everyone who needs the information does receive it. One group would be the personnel that the candidate is responsible for. They should know how their performance is affecting the financial situation, either good or not so good. This could be done through briefing meetings and the evidence for this may be the notes from the meeting including any discussions that took place with the staff. There is also likely to be a summary of the current situation in the form of a short report. The second group is the members of the senior management team with responsibility for the budget, or those who have a close interest in the overall budget situation. The evidence for this would be a report prepared by the candidate explaining the current situation. There will also be minutes of the meeting, the candidate could submit a personal statement, and there is an opportunity for a witness statement or professional discussion.

**Outcome 11** The candidate must advise the relevant people as soon as possible if they have identified evidence of any potentially fraudulent activities. This is a particularly difficult Outcome for the candidate to submit real evidence as it is very unlikely that there will be evidence of any fraudulent activity, although if there is an example the candidate could submit a report ensuring that anonymity is maintained.

The other possibility is for the candidate to be given a case study from which they would submit a report as assessment evidence. An alternative could also be a review of the proactive steps the organisation could undertake to avoid fraudulent activities.

**Outcome 12** The candidate must provide evidence that they can encourage colleagues in their area to think about and identify ways of reducing expenditure and increasing income, selecting and pursuing those ideas which have potential for implementation. The candidate may look at how they initiate continuous improvement policies within their area of responsibility. They may operate a quality improvement group or similar and once they have identified ideas which have potential for employment they may employ techniques such as 'Pareto' to select the ideas that are most likely to bring about improvement. They would then need to set a time line and review progress on a regular basis. Evidence that the candidate could use for assessment would be minutes of meetings including action points, review reports on potential ideas, results of 'Pareto Analysis' to select the best potential for improvement and action plans for implementation of selected ideas.

**Outcome 13** The candidate must provide evidence to show that they can review the financial area that they are responsible for, particularly in relation to the achievement of the stated objectives, and to identify improvements for the future. This should be a fairly straightforward comparison of actual versus planned but the candidate may use techniques such as ratio analysis to make comparison of the performance of business in previous years and budgeted or planned performance in the current year. The ratios themselves do not tell users what to do, but they do help to point them in the right direction. Ratios should, therefore, make it easier to make better decisions and identify improvements for the future. The evidence that the candidate is likely to submit would be a financial performance report and should include the points mentioned above. The candidate may wish to adjust the actual figures to comply with confidentiality. The report is also likely to contain financial reports supplied by the finance department and the candidate should analyse and comment on the content.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA, Skills for Logistics or Management Standards Centre.**

## Unit MSC F9      **Build your organisation's understanding of its market and customers (DR41 04)**

### **Note for Assessors**

This Unit is a Management Unit and as such it **does not** follow the same layout and context of the previous Units. The principle difference is in the evidence requirements.

In the Management Units the evidence requirements include:

- ◆ Outcomes of Effective Performance
- ◆ Behaviours which Underpin Effective Performance
- ◆ Knowledge and Understanding
  - General Knowledge and Understanding
  - Industry/Sector Specific Knowledge
  - Context Specific Knowledge and Understanding

**All** of these have to be complied with **in full** to complete this Unit. Therefore, assessors should ensure the candidate is fully aware of these differences. The assessor should ensure the evidencing of these Units will need comprehensive changes to the assessment plan, etc. However, there are opportunities to integrate Outcomes, behaviours and contextual knowledge and understanding.

In addition to these differences assessors should examine the **assessment strategy for management Units** as there are issues of currency, consistency, authenticity and sufficiency which need to be addressed in the evidence of this award.

### **Unit Summary**

This Unit provides the candidate with an opportunity to provide evidence that they can build their organisation's understanding of its market and customers. For any organisation to be successful it will need to have a clear understanding of its customers' needs and the organisation's position in the market place. In order to meet this requirement the candidate must be able to identify the customers' current and future needs and expectations and predicted future demand levels. They must also be able to identify the market for their organisation's products and/or services and any market segments. To be able to achieve these elements the candidate must be able to identify and assess current and future developments in their sector, including competitors' activities. They should also be able to identify and assess opportunities to expand into new markets and for innovations that meet customers' needs. If the organisation is successful the candidate should be able to identify the reasons why customers use products and/or services from their organisation rather than from their competitors. As part of this, the candidate should identify and assess any threats to, and weaknesses, in their organisation's products and/or services.

Candidates must make sure that there is a shared understanding of their customers and the competitive position in the market across their organisation and they must use information about customers and the market to help managers make decisions.

### Standards

<b>Outcomes of Effective Performance</b>	
1 Identify your customers' current and future needs and expectations and predict future demand levels.	5 Identify the reasons why customers use products and/or services from your organisation rather than from your competitors.
2 Identify the market for your products and/or services and any market segment.	6 Identify and assess any threats to, and weaknesses in, your organisation's products and services.
3 Identify and assess current and future developments in your sector, including competitors' activities.	7 Make sure there is a shared understanding of your customers and your competitive position in the market across your organisation.
4 Identify and assess opportunities to expand into new markets and for innovations that meet customers' needs.	8 Use information about customers and the market to help managers make decisions.

<b>Behaviours which Underpin Effective Performance</b>	
1 You analyse and structure information to develop knowledge that can be shared.	4 You anticipate likely future scenarios based on a realistic analysis of trends and developments.
2 You develop systems to gather and manage information and knowledge effectively, efficiently and ethically.	5 You identify the implications or consequences of a situation.
3 You recognise your own strengths and limitations, play to your strengths and use alternative strategies to minimise the impact of your limitations.	6 You articulate the assumptions made and the risks involved in understanding a situation.

<b>Knowledge and Understanding</b>	
<i>General Knowledge and Understanding</i>	
1 Where you can get information about your customers and the market and the advantages and disadvantages of different sources.	8 The legislative and ethical restrictions relating to the collecting, storing and sharing information.
2 How you can get information on competitors or similar organisations.	9 The importance of checking users' understanding of the process for collecting information and their role supporting it.
3 How to assess sources of information about your customers and the market to see how suitable they are to use.	10 The principles of cost-benefit analysis.
4 Sources of professional market-research expertise.	11 The principle that customers buy products and/or services for the benefits they give them.
5 Methods of gaining customer feedback, and the costs and benefits associated with them.	12 The principle of trying to secure competitive advantage so that more customers will prefer the products and/or services of your organisation.
6 How to analyse, measure and assess data and turn it into information that is suitable for business purposes.	13 Principles of market segmentation and why this is important.
7 Awareness of how information software products can help you collect and analyse information.	
<i>Industry/Sector Specific Knowledge and Understanding</i>	
1 The sector and market in which your organisation works.	3 Sources of specific information about the market and about the customers.
2 Legal and regulatory restrictions that may affect your products and/or services (or both).	
<i>Context Specific Knowledge and Understanding</i>	
1 Your organisation's products, services, technologies and processes.	3 The information about markets and customers that is available within your organisation, and the systems that are used for collecting and storing the

	information.
2 Opportunities for collecting existing and new information about the market and customers.	

### Assessment Guidance

The assessor should ensure the candidate meets all the performance requirements in full (Outcomes of Effective Performance, Behaviours which Underpin Effective Performance and Knowledge and Understanding) The assessor should examine evidence from the candidate derived from the work environment in the shape of product evidence, personal statements or reports primarily, but may be supplemented by assignments or case studies. Witness statements can be used but this should only be used where a recognised and competent person can verify the candidate's competence in the workplace.

In addition the assessor should assess the knowledge gain of the candidate and test the knowledge of the candidate in the subjects of this Unit thoroughly in **all** of the **application of knowledge and understanding** aspects of the standards. The assessor achieves this by integrated questions, product evidence, observation and oral or written questions.

There are several integration opportunities available to assessors in these Outcomes.

**Outcome 1** The candidate must produce evidence to show that they can identify customers' current and future needs and expectation of predicted future demand levels. How this is done will depend on the type of organisation and the product/service they provide. Current needs should be reasonably straightforward and may be obtained from current customers' orders and future demands will depend on the type of relationships that exist with the customers. For example, if the organisation is involved in a supplier partnership then the organisation would normally have received an advanced schedule for the next three months. If there is no partnership arrangement then the organisation may have to rely on the use of forecasting techniques. The evidence for assessment purposes may also vary and may include advanced schedules together with related correspondence. It may be that it is a forecast report with related notes of explanation, etc.

**Outcome 2** The candidate must identify the market for the organisation's products and/or services and any market segments. This will very much depend on the type of product and/or service provided by the organisation although there are a number of segmentations that are available such as gender, family size, social class/income, even education. An example of different segments can be found in the motor car industry and variations could include family saloons, sports cars, 4x4, luxury such as Rolls Royce,

Bentley or alternatively those that cannot afford the luxury range may settle for Fords, Honda, etc.

The evidence submitted for assessment purposes may be a report that identifies the market and segment and should include the rationale for the system of segmentation used by the candidate to determine the market and segmentation for their organisation.

**Outcome 3** The candidate must produce evidence to indicate that they can identify and assess current and future developments in their sector, including competitors' activities. This is always a difficult area to assess, especially when the organisation is in a highly competitive market. The first stage will be to establish, by analytical methods, that a product idea has market potential. There will normally be a stage where prototypes are produced. Various functions within the organisation need to become involved, physical and marketing activities will need to be carried out and at the end of it all there has to be a decision whether or not the organisation should proceed. This is always a hard decision because of the money already spent in getting the development to this stage but if it is not accepted by the market place there would be more money wasted by continuing into production. In terms of competitors, the organisation may find that a competitor has taken the development even further and is more likely to gain market advantage. It could however be that everything looks good and the decision is taken to proceed. The evidence required for assessment purposes would be a report by the candidate that describes the elements above and how a decision is arrived at —whether it is to abandon the development or proceed.

**Outcome 4** The candidate must provide evidence that they can identify and assess opportunities to expand into new markets and for innovations that meet customers' needs. This Outcome reflects the changes that have taken place in recent years. Product design has moved from being product oriented to customer focused and because of changes in the competitive environment this may be coupled with a change from sequential development, where the development proceeded through clearly identified function areas, to an holistic approach where the development process is organised around multifunctional teams.

The evidence for this Outcome could again be a report by the candidate that explains the organisation for customer focused design and may include reference to the quality function deployment (QFD) process. They could also report on the holistic approach to development mentioned above and for the more advanced organisations in certain markets they may even make reference to inter-company collaboration where activities reflect each company's competences and the process is shared by different members of the supply chain. Evidence could also be use of a STEEPLE/SWOT analysis to examine market opportunities.

Note It may be that candidates will not be able to report on these activities and therefore it may be necessary at the assessment planning stage of

the qualification to produce an appropriate case study for assessment purposes.

**Outcome 5** The candidate must provide evidence that they can identify the reasons why customers use products and/or services from their organisation rather than from their competitors. This is about meeting customer expectation and to find the evidence the candidate will need to research the customer needs to determine what it is that satisfies the customer and their expectation for the future, bearing in mind that customer expectations change. There are a number of methods that the candidate can use depending on the type of product/service being provided and the size of the customer base. If the customer base is relatively small the candidate may wish to meet with a sample of the customers to capture their thoughts on the candidate's organisation, products and/or services. If it is a larger customer base the candidate may wish to design and process a customer satisfaction survey. The candidate should be aware that even though customers prefer their organisation this may not always be the case and they should hopefully receive comments about how customers feel that the organisation can do better. This is to be welcomed provided the organisation takes the appropriate action. Evidence submitted for assessment may be varied as described above but if it is achieved through a number of meetings, the minutes/notes of these meeting should be included, together with an analysis of the main points and the proposed action for the organisation. If a customer satisfaction survey is used the evidence should include the survey itself and perhaps a rationale, an analysis of the survey, conclusion about the survey and again proposed action for the organisation.

**Outcome 6** The candidate must produce evidence that they can identify any threats to, and weaknesses in, their organisation's products and services. Evidence for this Outcome can be integrated up to a point, with the evidence from Outcome 6, but this will have to be broadened to look more at what the organisation's competitors are doing and it is likely that the evidence will also include a SWOT analysis.

**Outcome 7** The candidate must produce evidence to show that they can make sure there is a shared understanding of the organisation's customers and competitive position in the market across the organisation. This is an important function within any organisation in that everyone has a role to play and everyone is responsible for ensuring satisfied customers and subsequently the organisation's competitive position in the market. The problem for the candidate is how they make sure that this happens. It could be achieved by a series of regular briefing meetings or the use of an intranet which can be used to distribute all the relevant information. The candidate should therefore provide evidence in terms of communication documents whether they are transcripts of the briefing meetings or the information from the intranet, or similar. The candidate may also wish to consider the advantages and disadvantages of different methods.



**Outcome 8** The final Outcome asks the candidate to provide evidence that they can use information about customers and the market to help managers make decisions. This Outcome can use evidence from all of the previous Outcomes and the evidence produced can vary considerably and may consist of reports, letters, memos, e-mails etc, depending on the conditions relating to the evidence. It may be that the candidate has been asked by a manager to assist with improving some aspect of the business, whether it is new product introduction, extending the life of an existing product, or improving customer service, etc.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA, Skills for Logistics or Management Standards Centre.**

## **Unit M5 Plan projects to develop the supply chain (DX6M 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to set up a project plan that can be used to develop a supply chain. The stages will follow the standard project planning format which consists of identifying a process that can be developed and gathering appropriate information. The aims and objectives of the project need to be established and agreed with the candidate's manager. Once agreed, the candidate will need to identify the tasks required to complete the project and set them out clearly in a project plan. Human, financial and physical resources will need to be considered and any risks clearly identified and problems identified and discussed fully. The final Outcome should be a project plan that is submitted to all relevant colleagues for consultation and discussion.

**Outcome 1** The candidate must obtain information on the requirements of the project and depending on the chosen topic, candidates should look to obtain information from records, colleagues, suppliers and/or customers. The sources of the information need to be suitable and any information that is not relevant to the project should be discarded.

**Outcome 2** This involves setting the aims and objectives for the project. Once the candidate has established these, it would be normal practice to have them approved by their line manager and if a third party's operation is part of the project then someone in authority in that organisation should also approve the aims and objectives and ensure their feasibility.

**Outcome 3** When Outcomes 1 and 2 have been completed the candidate will be in a position to identify all the project tasks which should be clearly specified along with the project milestones.

**Outcome 4** When Outcome 3 is completed the candidate should identify the dependencies and timescales for each task which will allow them to schedule the tasks, identify any lead times and lags and determine the overall duration of the project. The candidate can also identify any contingencies which need to be considered.

**Outcome 5** The candidate will need to determine the resources required to achieve the project objectives. These should be illustrated in a table or Gantt chart against each task and where there is any doubt about availability alternative resources should be identified.

**Outcome 6** Each task should be fully costed covering all resources employed using an appropriate costing system. Some financial analysis tools, eg cost/benefits can be used.

**Outcome 7** When the project has been costed the candidate should identify and assess any risks to the organisation, supply chain, customers and the success of the project.

**Outcome 8** This is similar to Outcome 7: the candidate must identify any problems associated with the project and these should be resolved.

**Outcome 9** The final part of this Unit is for the candidate to produce a project plan and to discuss it fully with their colleagues. The presentation of the planned project to colleagues could be done at a meeting and evidence of discussion/feedback given.

### **Assessment**

Most of the evidence for assessment will be in the form of product evidence. Suggested assessment methods are shown below.

**Outcome 1** The assessment for this Outcome is likely to be by product evidence which may consist of file(s) containing all the information gathered. The assessor should also be satisfied that the information in the file is relevant and there is evidence that the candidate has been selective. The sources of the information should also be identified. The file may be a physical file, electronic or a combination of both. An explanation of the reason why the project is required could be given.

**Outcome 2** The assessment is again likely to be by product evidence and should be a statement of the aims and objectives of the project and this should be signed and dated by the candidate, their line manager and, where appropriate, any third party who is directly involved with the project.

**Outcome 3** The assessment method is likely to be by product evidence in the form of a listing of all the tasks required to complete the project and

the time/durations involved. Milestones recording the key achievement dates should be included.

**Outcome 4** The assessment method is likely to be by product evidence in the form of a completed project plan, a network diagram and/or a Gantt Chart. Evidence is needed of consideration having been given to scheduled and unscheduled key factors.

**Outcome 5** Assessed by product evidence that could be an enhancement of the Gantt Chart showing clearly the resources required for each task.

**Outcome 6** Assessed by product evidence in the form of a spreadsheet, or similar, showing the complete costing for the project to include personnel, resources, capital spend, budget and overheads, where appropriate. This should be supported by an example of a financial analysis tool, eg Cost/Benefit.

**Outcome 7** Product evidence in the form of a complete risk assessment showing the ratings and actions and the effect they may have on the organisation, supply chain, customers and the success of the project.

**Outcome 8** This Outcome is likely to be assessed by both product evidence and perhaps by observation. The candidate should produce a list and description of problems that have been identified.

The problems should then be discussed fully with appropriate colleagues with a view to resolving the problems. During this session the candidate could be observed to see how the resolutions of the problems are achieved.

Further product evidence will be the written Outcome of the meeting with the resolution of the problems clearly noted. Alternatively, an explanation and narrative to support the interaction with others could be used.

**Outcome 9** Assessed by product evidence in the form of a report. The final plan will be circulated, and presented to colleagues to discuss. Feedback gained provides evidence.

A meeting to discuss the plan and seek the views of the candidate's colleagues could be arranged and for assessment purposes the candidate could be observed at this meeting.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit M6    Manage projects to develop the supply chain (DX60 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that the candidate should manage a project. This will involve the candidate ensuring that the project plan is accurate, the aims and objectives are clear and feasible and there is sufficient detail in the plan to allow the project to be completed successfully.

The candidate will have to allocate tasks to colleagues and to provide support where necessary.

The candidate will be required to monitor the progress of the project in terms of meeting the aims and objectives, and timescales and to control the costs.

The candidate must ensure that any problems that may arise are identified and resolved effectively and finally the candidate should produce progress reports on the results and Outcomes of the project.

### **Outcome 1**

The candidate must obtain information on the requirements of the project. This information will be obtained from the completed project plan and through discussions with colleagues. Alternatively, the information can be drawn from the workplace, research and other sources.

**Outcome 2** The candidate must ensure that the aims and objectives of the plan are clear and achievable and that there is sufficient detail in the plan

to ensure that it can be achieved. This will involve the candidate in reviewing the plans and the feasibility of the project, ensuring that they are compatible with the aims and objectives and that the details on time and cost are accurate and achievable.

**Outcome 3** When the candidate is satisfied that the plans are feasible the next task will be to allocate tasks to themselves and to colleagues. This will involve the candidate discussing the requirements with colleagues to ensure that they understand what is required and that they are available to complete the tasks within the timescales.

**Outcome 4** After they have allocated tasks the candidate must be available to support colleagues for the duration of the project by achieving tasks and milestones. This may be achieved through progress meetings, e-mails or face-to-face depending on their needs.

**Outcome 5** When the tasks have been allocated the candidate will be required to monitor the progress of the project. Depending on the size and/or complexity of the project this may be done manually or through the use of proprietary software such as Microsoft Project or manually by PERT or GANTT charts showing progress.

**Outcome 6** In addition to monitoring the progress of the project the candidate will need to ensure that the costs are being adhered to in addition to the timing of the project. This may be done using software or by means of a spreadsheet, or similar system.

**Outcome 7** It is important that the progress of the project is communicated to all those involved or with an interest. To do this the candidate should submit regular reports to those involved and hold regular progress meetings.

**Outcome 8** Should any problems arise with the project in terms of progress, resources, costs, etc. the candidate will be required to identify the problems and take steps to ensure that they are resolved. This will mean that the candidate must work closely with colleagues to ensure the best possible Outcome.

**Outcome 9** When the project has been completed the candidate should compile a report that shows clearly how the project has performed in terms of the aims and objectives and its impact on the supply chain. A final costing should be prepared and compared with the plan. These reports should be circulated to those involved or with an interest in the project.

### **Assessment**

A variety of assessment methods are likely to be used for this Unit. Suggested assessment methods are shown below.

**Outcome 1** For assessment purposes there may be product evidence in terms of an annotated project plan and information obtained from colleagues. However, it may be better to ask the candidate to produce a personal statement explaining how they collected information from suitable sources on the requirements of the programme.

**Outcome 2** As in Outcome 1 there may be product evidence in the form of written notes by the candidate but this probably lends itself to a personal statement explaining how the candidate clarified the aims, objectives and plans of the project. The feasibility of the proposed project should be provided in the notes.

**Outcome 3** Evidence for assessment should be done through product evidence and will probably be in the form of a document showing the tasks assigned to each member of staff, including the candidate, and the expectations in terms of completion of each task. This can be supplemented with the PERT/GANTT charts or similar project management software.

**Outcome 4** The assessment method for this Outcome lends itself more to observation and would cover progress meetings and face-to-face discussions. However, there may also be the opportunity to assess through product evidence by examining memos and/or e-mails to show the tasks and milestones have been achieved on time.

**Outcome 5** The assessment is likely to be done by product evidence as the candidates would be expected to produce progress reports that will monitor the progress of the project against the plan with a supporting narrative.

**Outcome 6** The assessment is likely to be done by product evidence. The costs and timescales of the project would be controlled by recording progress either through a software system, a spreadsheet or similar system showing any deviation in cost from the original costs.

**Outcome 7** There may be two methods of assessment employed as the candidate will be expected to produce progress reports and therefore product evidence would be used. The candidate is also likely to hold briefing meetings to provide information on the progress of the project and therefore observation could be used or reports of the meeting may suffice.

**Outcome 8** The assessment is likely to be done by product evidence. Although problems are likely to come to light through meetings, written evidence from colleagues or through personal experience they will have to be logged and the action taken to resolve the problems should be clearly documented.

**Outcome 9** The assessment is likely to be done by product evidence as the candidate is expected to produce a final report on the results and Outcomes of the project. The assessor should bear in mind that one of the



achievement criteria is that confidentiality of information is to be maintained.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M7 Negotiate for supplies (DX6E 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should carry out a negotiation for supplies which involves them obtaining all the necessary information, determining what is required by all the relevant parties, ensuring that the negotiating parameters are specified, ensuring that the organisation's objectives are being met, being able to adapt to situations that arise during the negotiation, improving the supply chain, disseminating the results and ensuring that all legal and regulatory requirements are met.

**Outcome 1** The candidate must obtain information from a number of sources, including colleagues that will enable negotiations to be executed. The type of information will depend very much on the type of product that is being negotiated but is likely to include things such as costs, production, sales, deliveries, etc. Also the recent history of the contract/agreement and reasons why the situation needs a negotiated solution.

**Outcome 2** The candidate must explore what is required by all the parties involved in the negotiations. This will depend very much on the type of product that is being negotiated but it is likely that the supplier will want to know quantities, delivery schedules, a specification, etc, whereas the organisation will want to know if the supplier will be capable of producing to the specification and delivery schedule, the costs involved, etc. There may also be other issues depending on whether or not it is an adversarial negotiation or that of a partnership.

**Outcome 3** For a candidate to carry out an effective negotiation they must know the limits of their authority and authorisation must be obtained from an appropriate colleague, most likely their line manager. For example, if the organisation had a price in mind for the product being purchased and this differed from the price expected by the supplier the candidate will need to know what authority they have for agreeing a variation on the price and the limit of this variation.

**Outcome 4** The candidate is required to carry out the negotiation to achieve the objectives of the organisation. Once all the information has been gathered and the limits of authority have been established a strategy for the negotiation will be agreed and the candidate should conduct the negotiation along the agreed lines.

**Outcome 5** Part of the strategy should allow for flexibility as the negotiation may throw up some new or unexpected circumstances, which the candidate will have to deal with, and this may involve seeking the advice of relevant people.

**Outcome 6** The candidate must be aware of improvements to the supply chain that can be identified to help the organisation achieve its objectives more effectively. There could be a variety of areas where improvement could be made in terms of lead-times, delivery arrangements, quality improvements, cost reductions, etc. These could be summarised into benefits gained.

**Outcome 7** When the negotiation has been completed the candidate should report on the Outcomes to all relevant personnel. A variety of methods can be used to achieve this.

**Outcome 8** The candidate must ensure that when the negotiation is completed the results comply with all the relevant legal and regulatory requirements and those meet organisational requirements. The candidate may need to refer to relevant legislation including European legislation.

### **Assessment**

A variety of assessment methods are likely to be used for this Unit. Suggested assessment methods are shown below.

**Outcome 1** The assessment for this Outcome is likely to be by product evidence which may consist of information file(s) containing all the information gathered. The assessor should also be satisfied that all relevant information has been considered. The assessor may, however, also wish to observe the candidate discussing the information with colleagues. The file submitted for product evidence may be a physical file, an electronic file or a combination of both.

**Outcome 2** For assessment purposes there should be some product evidence gathered by the candidate and this is likely to be in note form, although there may be letters and e-mails, etc. This can be supplemented by a personal statement or narrative explaining the situation.

**Outcome 3** Establishing the parameters for negotiating the terms and conditions for the supplies are likely to be done at a meeting of the candidate and an appropriate colleague, most likely the candidate's line manager. There may be product evidence produced, in the form of notes, that can be used for assessment purposes, but it may be better if the assessor could observe the meeting. This may not be possible if there are any sensitive issues or anything of a confidential nature, in which case there could be a witness statement prepared by the candidate's line manager or whoever conducts the meeting with the candidate.

**Outcome 4** Involves the actual negotiation strategy itself. Ideally the assessor would be able to observe the candidate during the process of the negotiation but for various reasons, not least being confidentiality, this may not be possible. If the assessor cannot observe the negotiation then the candidate should provide a personal statement explaining the strategy for the negotiation including how the agreed negotiation strategy was followed, tactics deployed, BATNA (Best Alternative to a Negotiated Agreement) profiles of suppliers and research undertaken, and how goodwill was maintained.

**Outcome 5** Is to do with adapting the strategy to cope with new circumstances and it would be ideal if the assessor could observe the proceedings but failing that a personal statement explaining the circumstances and how the negotiation strategy was adapted to accommodate the situation could be used for assessment purposes.

**Outcome 6** it is important that supplies meet the supply chain requirements of the organisation and wherever possible improvements are made. This may be assessed by the candidate providing a personal statement explaining how the requirements are met and what improvements have been established. These are likely to be elimination of waste perhaps in terms of reduced inventory or elimination of excessive handling etc, or it may be that the supplier has been able to reduce lead times etc. Where improvements to the supply chain have been made these should be summarised and documented and can therefore be assessed through product evidence. The assessment may also take the form of a personal statement.

**Outcome 7** Providing information on the results of the negotiation can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to inform their colleagues by means of a briefing meeting then observation would be the most probable method of assessment. If, however, the candidate decides on a memo or a report then there will be product evidence to support the assessment.

**Outcome 8** Deals with the legal and regulatory requirements. There should be an agreement or written contract following the negotiations, which will include the agreement and the terms and conditions of the contract. The candidate should show how the statutory legal framework

has been complied with by quoting relevant laws relating to this negotiation/s. This can therefore be presented for assessment as product evidence. If, however, there are any sensitive or confidential issues the candidate may have to produce a personal statement explaining the requirements in general terms and how the organisational requirements are being met.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

#### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M8 Contract with other organisations (DX54 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that candidates should be able to contract with other organisations which will mean that they have to specify the details of the contract, seek the advice of others ensuring that confidentiality is maintained, ensure that the details are correct and meet the needs of the organisation, resolve any problems that may arise, ensure that the contracts are signed by appropriate personnel and that they have the authority to do so, provide information with regards to the contracts and ensure that the contracts comply with legal and other regulatory requirements.

**Outcome 1** The candidate must specify the details to be included in the contract. This will comprise the terms and conditions of the contract and are likely to include any definitions that are deemed necessary, general terms which will relate to how the contract will be conducted and will include an agreement on changes, variations etc.

The terms and conditions will also set out the commercial provisions for both the purchaser and supplier together with payment terms. It may also have secondary commercial provisions to cover intellectual property, warranties, termination, etc. Finally, they will include standard clauses such as severability, waivers, force majeure, law, and jurisdiction.

**Outcome 2** The candidate will gather the information from a number of sources and once specified the candidate will need to provide the information that they have assembled for the contracts to all relevant

colleagues, ensuring that confidentiality is respected. This task can be achieved by a number of methods such as briefing meetings, memos, etc.

**Outcome 3** When the information has been provided to the relevant colleagues and any feedback is actioned the candidate should do a final check to ensure that the contract details are correct and completed in full, eg the contract detail and schedule.

**Outcome 4** When the candidate is satisfied with the contract they should ensure that the contract is fully evaluated, meets the needs of the organisation, and that the objects can be achieved, by checking out the details of the contract against stated objectives or policies. Improvements to the supply chain should also be identified, such as elimination of waste, reduced lead times, etc.

**Outcome 5** If any problems are found with the contracts, such as unrealistic delivery schedules, quantities, etc, the candidate needs to ensure that they are clearly identified as soon as possible and then resolved satisfactorily.

**Outcome 6** When the contracts have been finalised the candidate needs to ensure that it is signed by the appropriate individuals with authority to do so at an appropriate level.

**Outcome 7** When the contracts have been completed the candidate should report on the content to all relevant personnel. A variety of methods can be used to achieve this.

**Outcome 8** The candidate needs to ensure that when the contracts have been completed they comply with all the relevant legal and regulatory requirements and those meet organisational requirements. The candidate may need to refer to relevant legislation including European legislation.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** The candidate is likely to produce a list of what will be included in the terms and conditions of the contracts and therefore the assessment method is likely to be product evidence. The candidates must also explain the need for the contract, relevant costs, timescale and other information related to the requirement.

**Outcome 2** The information about the contract is likely to be in the form of letters, memos, e-mails, etc., which would include researching the supply market, availability, outline costs etc, in which case the assessment method would be by product evidence. There may, however, be the possibility that the candidate presents the information to colleagues in a

report or whilst briefing others at a meeting and this could be observed by the assessor. The assessor must also ensure that confidentiality is respected throughout the process.

**Outcome 3** When the contract has been completed the candidate needs to check it thoroughly. This could be done by annotating a copy of the (draft) contract or by producing notes on the (draft) contract, also showing the schedule and information needed by the supplier. Therefore it is most likely to be assessed through product evidence.

**Outcome 4** When the candidate is satisfied that the contract is acceptable it will be checked carefully against the organisation's stated objectives or policies. As in Outcome 3 above the candidate may annotate a copy of either the contract or the organisation's policy documents, or, the candidate may produce relevant notes. Whichever method the candidate uses this would most likely be assessed by product evidence.

**Outcome 5** It is possible that problems relating to the completion of contracts will arise and the candidate will be required to identify them as soon as possible and then to resolve them. Any problems found should be logged and the steps taken to resolve the problem should be recorded.

Assessment therefore can be done through product evidence ensuring that the methods employed in resolving the problem and the solutions cause the minimum disruption to the supply chain.

**Outcome 6** Involves the candidate obtaining authorisation and signatures of an appropriate level to complete the contract. For assessment purposes there should, therefore, be product evidence in terms of the signed contract documents. If, however, the document is not available due to sensitivity or confidentiality then a witness testimony from the person authorising the document would be appropriate for assessment purposes.

**Outcome 7** Providing information on the content of the contracts can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to inform their colleagues by means of a briefing meeting then observation may be the most probable method of assessment. If, however, the candidate decides on a memo or a report then there will be product evidence to support the assessment.

**Outcome 8** Ensures that the contract complies with all relevant requirements. This Outcome is possibly best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements are complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the



recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M9 Review the Outcomes of contracts (DX70 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is that the candidate evaluates the outcomes of contracts. To do this the candidate will have to obtain information on the outcomes of the contracts, look at how the contract process may be improved, correct any existing problems, communicate the results to relevant individuals and recommend improvements.

**Outcome 1** The candidate must obtain information on the outcomes of the contract. In order to do this they will need to consult with colleagues and suppliers to seek their views on the contracts process. Depending on the product there will be various pieces of information that can be obtained but this may include delivery on time in full, damage to product, product to specification, etc.

**Outcome 2** The candidate must evaluate the information on the outcomes of the contract and this will depend upon the type of information obtained in Outcome 1. The candidate should clearly demonstrate the use of an evaluation process.

**Outcome 3** When the outcome of the contracts has been evaluated, the candidate is required to decide what improvements can be made to the supply chain. Any improvements should ensure that organisational objectives can be achieved more effectively while the interests of the organisation are protected.

**Outcome 4** The candidate should review the contracts carefully and if any problems are found with the contracts, such as unrealistic delivery

schedules, quantities, etc, the candidate needs to ensure that they are clearly identified as soon as possible and then resolved satisfactorily. The candidate should also ensure that there is minimum disruption to the supply chain while any problems are being resolved.

**Outcome 5** When the review of problems arising from the Outcomes of the contract is complete, the candidate should report on the results to all relevant personnel. A variety of methods can be used to achieve this.

**Outcome 6** When feedback has been obtained from discussions with appropriate personnel, the candidate should recommend improvements to the contracting process, and should ensure the feasibility of the recommendations.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** The assessment for this Outcome is likely to be by product evidence in the form of contracts, reports, e-mails, memos, etc, but the assessor should establish why the candidate feels that the source of information is suitable.

The assessor should also be satisfied that the candidate has obtained the information from a number of sources of information such as contracts, users, and individuals such as team members, other department personnel, customers, etc.

**Outcome 2** For assessment purposes there should be product evidence either in the form of a report, notes or memo showing clearly an evaluation of the information in terms of the outcomes of the contracts. The assessor should be satisfied that the information has been evaluated in terms of what the contract is meant to achieve and also that a suitable evaluation process has been employed.

**Outcome 3** It is important that outcomes of the contract meet the supply chain requirements of the organisation and wherever possible improvements are made. This may be assessed by the candidate providing a personal statement on how the requirements are met and what improvements have been established. These are likely to be improved contract scheduling, elimination of waste (perhaps in terms of reduction in reserves used in the contract), reduced inventory, contract performance, and elimination of excessive handling, etc, or it may be that the supplier has been able to reduce lead times, etc. If improvements to the supply chain have been made, these should be documented and can therefore be assessed through product evidence. A personal statement from the candidate may also be acceptable.

Once the candidate is satisfied that the improvements to the contract are feasible they should be checked carefully against the organisation's stated objectives or policies. The candidate is likely to produce notes showing that the process has been carried out and therefore assessment will be by product evidence.

**Outcome 4** It is possible that problems relating to the contracts will arise and the candidate will be required to identify them as soon as possible and then to resolve them. Any problems found should be logged and the steps taken to resolve the problem should be recorded.

Assessment therefore can be done through product evidence. The assessor should also be satisfied that the method employed in resolving the problem and subsequent solutions cause minimum disruption to the supply chain.

**Outcome 5** The results of the review should be discussed with the candidate's colleagues. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to inform their colleagues by means of a briefing meeting then observation would be the most probable method of assessment. If, however, the candidates decide on a presentation, memo or a report then there will be product evidence to support the assessment.

The outcome of the review should also be provided to a wider audience, which may include management and suppliers, for example, and the achievement criteria states that they should be presented at the appropriate time and place. Assessment of this can be achieved through product evidence in the form of a copy of the presentation or the assessor could observe the presentation.

**Outcome 6** The candidate must recommend improvements to the contracting process. This can ideally be done as a report that clearly states the action required and also provides details of how the recommendations will be achieved. The assessment for this will therefore be by product evidence.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

**Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit M10 Evaluate information on the procurement of supplies in the supply chain (DX5F 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to evaluate information on the procurement of supplies in the supply chain and the candidate must obtain a variety of information such as risks and benefits and ensuring that any resource implications are clearly identified. The candidate will also be required to identify demand for supplies in the supply chain and examples of information that may be obtained as in Outcome 1 this could be customer orders, forecasts, schedules, specification and quality. The candidate will evaluate the relevant information on the procurement of supplies and ensure that appropriate evaluation processes are used. The candidate will also have to ensure that the results of the evaluation are relevant to both the organisation and the supply chain. The results should be discussed with colleagues after the results have been presented to them and their views taken into account.

**Outcome 1** The candidate must obtain information on the procurement of supplies in the supply chain. In order to do this they will need to consult with colleagues, suppliers, customers to seek their views on the procurement of supplies. Depending on the product or service there will be different types of information that will have to be obtained and this may include information on new products or services, new suppliers, order patterns/history, contracts of supply, appraisal of existing suppliers, demand history, forecasts of demand, changes to schedules, etc.

**Outcome 2** The candidate must identify the critical factors that affect the procurement of supplies in the supply chain and to achieve this they must

look at the benefits and risks involved and ensure that they are fully analysed. Some critical factors may involve resources and their implications must be clearly identified. There will be a variety of critical factors that could arise including shortages of materials, supply chain difficulties, pending strikes at the supplier or in the transport system, inadequate specification of the supplies, tardy processing of orders, type of procurement agreement with suppliers, etc.

**Outcome 3** The candidate must identify the demand for supplies in the supply chain — ensuring that the quantity and rate of supplies (rate of supply = quantity/time, eg 10 per week over 8 weeks) demanded is clearly identified as are the specification and quality. This could be a major task depending on the type of organisation involved. It could involve the candidate examining historic data, customers' orders, customers' schedules, new product introduction, etc.

**Outcome 4** The candidate must evaluate the information on the demand for supplies gleaned from Outcome 3. The candidate should clearly demonstrate the use of an appropriate evaluation process.

**Outcome 5** The candidate must ensure that the results of the evaluation carried out in Outcome 4 are provided in a way that helps to improve the performance of the supply chain and that they are also relevant to the organisation and the supply chain. For example, if the candidate is looking at historical data then the results may not be relevant unless they are smoothed or factored. Similarly, if there is a change to the customer schedule, the results should ensure that the organisation is capable of coping with the changes and that other customers do not suffer as a result.

**Outcome 6** When the review/evaluation of the information is complete and the candidate is satisfied that the information is relevant they should then present these results to their colleagues. The results can then be discussed with colleagues and a consultation process carried out.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** The assessment for this Outcome is likely to be by product evidence in the form of reports, e-mails, memos, letters, etc and the assessor should be satisfied that the candidate has selected the sources of information and sufficient depth of evidence in relation to the procurement of supplies in the organisation.

**Outcome 2** The assessment for this Outcome could be by product evidence in the form of supplier agreements and the candidate will need to assess the risk and benefits of these agreements. For example, is it a single source supplier? Alternatively, there may be problems with

suppliers or transport in which case evidence may be obtained from meetings with the supplier or the transport company and the evidence may be a personal statement or a report of the meeting, or ideally the assessor may be able to observe the meeting. However, this may not be possible because of confidentiality. In addition, the candidate should identify the resource issues that the risks and benefits analysis shows, eg 'We need to find a new supplier for this commodity as the current one is not reliable in delivery'.

**Outcome 3** The assessment for this Outcome is most likely to be by product evidence in the form of historic evidence and the candidate may have to carry out smoothing on the information to obtain more accurate demand for supplies. The demand may also come from supply contracts, customer orders or schedules, new product introduction, forecasting, etc. In addition, the candidate will need to provide evidence relating to the requirements of the customer in terms of product specification and quality features.

**Outcome 4** There is an opportunity to integrate Outcomes 4, 5 and 6. Alternatively, there should be product evidence either in the form of a report, notes or memo showing clearly an evaluation of the information on the procurement of supplies. The assessor should be satisfied that the information has been evaluated appropriately and also that a suitable evaluation process has been employed.

**Outcome 5** There is an opportunity to integrate Outcomes 4, 5 and 6. Alternatively, the assessment for this Outcome could take the form of a report or memo explaining how the results of the evaluation in Outcome 4 are relevant to the organisation and how it improves the performance of the supply chain. There should therefore be product evidence to be assessed. An example of what could be achieved is — better communication with customers to ensure that information on likely demand is as accurate as possible and that the time horizon is adequate for the organisation to take appropriate action. Another example may be better communication with material suppliers to ensure that they are receiving the most up-to-date information on the organisation's requirements in order that they can respond within given time limits.

**Outcome 6** There is an opportunity to integrate Outcomes 4, 5 and 6. Alternatively, the results of the evaluation should be discussed with the candidate's colleagues. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to inform their colleagues by means of a briefing meeting then observation may be the most probable method of assessment. If, however, the candidate decides on a memo or a report then there will be product evidence to support the assessment.

The Outcome of the evaluation should also be provided to a wider audience, which may include management and suppliers for example and



the achievement criteria states that they should be presented at the appropriate time and place. Assessment of this can be achieved through product evidence in the form of a copy of the presentation or the assessor could observe the presentation.

There should also be consultation with colleagues to hear their views and the assessment for this achievement criterion may be achieved by observing the consultation process. Evidence may also be obtained from memos and/or reports and responses from colleagues and feedback, in which case the assessment will be through product evidence.

Note: In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M11 Select suppliers for the supply chain (DX79 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to select suppliers for the supply chain. The candidate must determine the demand for the supply chain and will look at forecasts and establish other demands; obtaining information on sources of supply which will involve investigating key features of potential suppliers; establishing a criteria for selecting suppliers which will involve the candidate in determining the factors that are important to the selection process and the requirements of the supply chain; ensuring that supply specifications are provided to suppliers and in doing so ensure that they are detailed and complete and they have been compiled and delivered to the supplier appropriately; select appropriate suppliers ensuring that they are capable of providing the required supplies and can work effectively in the supply chain and that they are measured against evaluation criteria, which could include financial viability, production capacity and facilities, human resources, quality, etc.; assessing all relevant factors and risks that could affect the procurement of supplies which will include some of the criteria above and also the risk of single sourcing and sourcing from abroad; identify and resolve any problems with the selection of suppliers and to provide information to colleagues.

**Outcome 1** The candidate must forecast the demand for supplies by the supply chain and the first achievement criterion is that forecasts take account of all relevant factors. This will depend on the type of product that is being considered. For example, it may be a new product in which case the forecast is likely to have been arrived at by a market research study and the candidate will have to be aware of the likely anomalies that can

occur such as the design of the questionnaire or the honesty of the respondents.

If it is an existing product the candidate would have to consider the customer base and if there are any new customers to consider, are existing customers likely to change their demand and/or schedules, and is the product susceptible to seasonal or cyclical trends? An alternative source could be the order history established over a period of time.

When the candidate takes the above factors into consideration they will then be in a position to meet the second achievement criterion which is to clearly identify the demand for supplies.

**Outcome 2** The candidate must obtain information on the sources of supply from the supply market. This will be based on the achievements of Outcome 1 as supplies need to be accessed to meet the demand. To access suitable sources of information candidates need to consult with colleagues and suppliers. The candidate will have to consider all relevant information drawn from the supplies market, eg internet, directories.

**Outcome 3** There is an opportunity to integrate Outcomes 3, 4 and 5. Alternatively the candidate can choose to do the Units individually. The candidate must establish criteria for selecting suppliers. This will be determined by the type of product(s) the company is involved with and may include a number of factors such as production capacity – will the supplier be able to supply in sufficient quantity; production facilities – does the supplier have the appropriate equipment and appropriate range; human resources – does the supplier have employees with suitable skills to meet your requirements?; information technology – does the supplier have the IT equipment and expertise that is compatible to your requirements? These are just some examples and there will be other requirements that will need to be considered to ensure that the needs of the supply chain are being met.

**Outcome 4** There is an opportunity to integrate Outcomes 3, 4 and 5. This Unit requires the candidate to ensure that supply specifications are provided to suppliers and that they are detailed and complete. Specifications need to be drawn up in an appropriate format to meet the needs of the organisation. It will depend on the product and requirements may include various characteristics of the product, how the product will be expected to perform, what is the life expectancy of the product, how will quality be checked against the specifications, etc.

The candidate must also ensure that the supplier receives the specification in appropriate format using appropriate methods.

**Outcome 5** There is an opportunity to integrate Outcomes 3, 4 and 5. This Unit requires the candidate to select suppliers that are capable of meeting the specifications and capable of providing the required supplies and working effectively in the supply chain. The candidate will measure the

suppliers against the evaluation criteria. The candidate will have gathered information from the suppliers, will have met with them, and based on the discussion(s) and the information will be able to evaluate the suppliers' capability and come to a decision with regard to those suppliers who are capable of meeting the specification, eg track record, delivery, quality standards, costs, references, capacity.

**Outcome 6** The candidates must assess all the relevant factors and risks that could affect the procurement of supplies. To do this the candidate will have to analyse the benefits and risks fully and clearly identify any resource implications. There will be a number of factors to consider, single sourcing and sourcing from abroad were mentioned in the general introduction but the candidate may also look at financial robustness, alternatives, split business, competitor and contract duration plus maintenance plans to ensure equipment is kept in good working condition, transportation, number of days lost to strikes in the past, etc.

**Outcome 7** The candidate must identify and resolve any problems with the selection of suppliers, therefore they must be clearly identified and resolved in such a way as to improve the effectiveness of the operation. In order to benefit fully from this process, candidates should discuss the process and the Outcomes with their colleagues.

**Outcome 8** When the problems with the selection of suppliers have been resolved, the candidate should provide the information to all relevant colleagues and seek their views on the results. A variety of methods can be used to achieve this.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** The evidence for this Outcome is likely to be forecast reports which will include adjustments by way of smoothing, such as moving averages, seasonal, cyclical, etc. and there should be a gross requirement report possibly in the form of a Material Requirements Planning (MRP) report for manufacturing organisations. Therefore, assessment will be by product evidence.

**Outcome 2** The evidence for this Outcome is likely to be by product evidence in the form of reports, e-mails, memos, letters, etc, and the assessor needs to be satisfied that the candidate considers the range of information to be relevant and the sources available in the supplies market are suitable.

**Outcome 3** The evidence for this Outcome will be criteria for selected suppliers set out in a written form that will ensure that the overall requirements of the supply chain are taken into account. Therefore the assessment will be by product evidence. The assessor needs to be

satisfied that the candidate has provided suitable reasons for the criteria therefore a supporting rationale should be provided, as evidence.

**Outcome 4** The evidence for this Outcome will be a variety of written documents that include the specification, together with letters, e-mails, etc, but depending on the type of specification there may be a presentation to the suppliers. The assessment therefore will be by product evidence and, if a presentation is done, by observation or a personal statement from the candidate.

**Outcome 5** The evidence for this Outcome will probably be in the form of a report or at least a set of notes that shows the process for determining how the suppliers that are capable of meeting the specifications were identified, and ensuring that they are capable of providing the required supplies and working effectively in the supply chain. The candidate must provide evidence that the suppliers are being measured against the criteria set. The assessment will therefore be by product evidence.

**Outcome 6** The evidence for this Outcome is likely to be a risk assessment report and the candidate will need to ensure that the report contains analysis of the benefits and risks associated with the procurement of supplies. They must also identify any resource implications whether it is equipment, human and/or financial. The assessment will be by product evidence.

**Outcome 7** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process for selecting suppliers, including the setting of criteria. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved. To comply with the third achievement criteria the candidate will have to produce evidence that they have discussed any difficulties in resolving the problems. The assessment could be achieved through observations of meetings with the candidate and colleagues. It may also take the form of briefing notes, memos, etc.

**Outcome 8** Once the problems have been identified, and solved, information on the selection of suppliers should be provided to all relevant colleagues and they should be consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult colleagues by means of a briefing meeting or presentation then observation may be the most probable method of assessment. If, however, the candidate decides on a memo or a report then there will be product evidence to support the assessment. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might be possible or the candidate would be expected to take notes which can be presented as product evidence and feedback given.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M12 Produce specifications for supplies (DX6X 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to produce specifications for supplies and the candidate must obtain information on the supplies that are required, followed by the production of information on these supplies to include specification, quality, quantity, rate of supply, delivery schedules and any other requirements that may be appropriate.

Once compiled, the specifications should be confirmed with colleagues who should also be consulted on their views. Candidates need to ensure that the specifications are presented clearly and that they comply with both organisational and legal requirements, ensuring that confidentiality and security of specifications is maintained.

Finally, the candidate should arrange delivery of the specification to suppliers and confirmation of receipt where necessary.

**Outcome 1** The candidate must obtain information on the supplies that are required. Some of this information will be available from Unit 11 where the candidate was asked to forecast demand for supplies but in addition to the forecast demand the candidate will be required to obtain information about actual customer orders, inter works orders, spares etc, and this will provide the necessary information to determine the supplies required.

**Outcome 2** The candidate must use the information obtained from Outcome 1 to produce information on the supplies. The candidate will need to ensure that all items are clearly identified specifications and the quality standards expected for each item are also clearly identified.

When the demand has been established, then the overall quantity for each item and the rate at which the supplies are required will need to be identified probably from a Master Production Schedule (MPS), order history or similar pattern of demand.

Once the rate of supply is known, the candidate will be able to provide delivery schedules and other requirements for the supplies which may be obtained from an MRP system or similar system.

**Outcome 3** Before issuing any instructions the candidate needs to ensure that the specifications are correct and should do this by confirming the specifications with colleagues. A variety of methods can be used to achieve this.

**Outcome 4** The next stage in the process of producing specifications is for the candidate to ensure that the specifications are drawn up using the appropriate formats and media. The specifications could be drawings, either on paper or on computer, for ease of transport to the supplier, or they could be descriptions such as a technical specification or a combination of both. It is also important for the candidate to ensure that the specification contains all the relevant details.

**Outcome 5** The candidate must ensure that the specifications produced meet the organisational guidelines and legal requirements. Using the car as an example, a requirement will be that in future, organisations will need to ensure that new cars meet new legal requirements for carbon emissions. This may also apply to labelling of products for example with children's toys that have small removable parts will need the packaging to state clearly that the toy is unsuitable for children under a certain age. Candidates will also need to ensure that confidentiality and security of specifications is maintained.

**Outcome 6** Once all the above steps have been completed satisfactorily the final Outcome for this Unit is for the candidate to ensure that the specifications are delivered to the suppliers using appropriate methods such as electronic transfer, courier or by mail. In many cases it is important that receipt of confirmation of specifications is obtained.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** The assessment for this Outcome is likely to be by product evidence in the form of reports, such as a Master Production Schedule, customer schedules, or similar, and the assessor should be satisfied that the candidate shows that the sources of information are appropriate and all the demand has been considered.



**Outcome 2** The evidence for this Outcome is likely to be by product evidence in the form of reports, such as orders, contracts, a Master Production Schedule report for manufacturing organisations, customer schedules, or similar detailing the quality standards, clear specification, quantity, rate of supply and delivery schedule/delivery arrangements. These may be supported by e-mails, memos, letters etc, and the assessor should be satisfied that all information on the supplies has been considered.

**Outcome 3** The evidence for this Outcome is likely to be by product evidence in the form of e-mails, memos, and the specifications. The second achievement criterion may also include annotated specifications as product evidence if the candidate's colleagues feel that changes are required. The assessor should be satisfied that a suitable confirmation process has been employed and evidence of feedback has been confirmed.

**Outcome 4** The assessment for this Outcome is likely to be by product evidence and for the first achievement criterion it would be the specification either in written form or electronic form. For the second achievement criterion the specifications will be produced as part of the evidence and may be accompanied by a marked-up checklist that covers all the relevant details. The assessor should be satisfied with the presentation and completeness of the specification.

**Outcome 5** The evidence for this Outcome will be by product evidence and may take the form of a report or marked-up checklist that confirms the specification, conforms to organisational guidelines and meets any legal requirements. There should also be evidence to show how the confidentiality and security of specifications is maintained, and this could be supported with a personal statement.

**Outcome 6** The evidence for this Outcome is likely to be a personal statement by the candidate describing the method of delivery to the suppliers and also the method of confirming receipt of the specification by the suppliers. The assessor should be satisfied with the appropriateness of the methods used. It may also be possible for the assessor to observe the process.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

**Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit M13 Evaluate information on the procurement of supplies in the supply chain (DX5F 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to evaluate the capability of suppliers to meet supply specification. The candidate is asked to provide evidence that they can confirm the types of supplies that are required. The initial work for this would be done in Unit M12 but the candidate should check that the information produced is correct. The candidates need to provide evidence that they have obtained information from suppliers on their capability to provide supplies in terms of costs, timescales and quality. They must then evaluate this information, using an appropriate evaluation process, and establish evaluation criteria. The candidates must then identify the suppliers that are capable of meeting the specifications based on the previous two Outcomes and measuring them against the criteria established in Outcome 3.

The candidate then has to assess all relevant factors and risks, clearly identifying all the factors affecting the supply chain and their impact on the supply chain. Following this, they should provide the results of the evaluation to their colleagues and consult them on their views. The candidate must provide evidence that the evaluation procedure meets the legal and regulatory requirements and that organisational requirements are complied with.

**Outcome 1** The first step in evaluating the capability of suppliers to meet supply specifications is for the candidate to confirm the type of supplies that are required. Those candidates who have done Unit M12 will have already produced the information required in Outcome 2 but they are now

required to confirm this information and ensure that it covers the type of supplies required.

**Outcome 2** The candidate must obtain information from suppliers on their capability to provide supplies. To access suitable sources of information, eg internet, supplier database, candidates need to consult with suppliers and perhaps other individuals, including colleagues, who have dealt with the suppliers previously. It may mean that the candidate will have visit the supplier to view the work that they do and also to discuss the elements of costs, timescales and quality.

**Outcome 3** Once the information has been obtained, as in Outcome 2 above, the candidate is required to evaluate the information on the capability of suppliers The candidate should clearly demonstrate the use of an evaluation process and they must establish evaluation criteria. The actual criteria will depend on the type of product involved, for example with regard to timescales, for fresh food the timescale is a major consideration especially if it is likely to perish. Whereas for medical equipment quality may have a greater impact on the selection of criteria.

**Outcome 4** Once Outcome 3 is completed the candidate is asked to identify the suppliers that are capable of meeting the specifications. Once the candidate has evaluated the costs, timescales, and quality, and has identified the suppliers that are capable of meeting the specifications then these suppliers need to be measured against the criteria established in Outcome 3.

**Outcome 5** The candidates must assess all the relevant factors and risks of using suppliers. To do this the candidate will have to identify factors that will affect the supply chain and assess the risks for their impact on the supply chain. An example might be sourcing goods from an overseas supplier which, depending on the transportation method, could lead to late deliveries that in turn may have a serious impact on the end customers receiving their goods on time, and if there are several transfers of the goods at different depots along the way then damage may also be a consideration. If the risks are considered to be too high then a decision may have to be made regarding alternative transportation arrangements which may be much more costly but this assessment must be made against the criteria established in Outcome 3.

**Outcome 6** When the evaluation of information on the capability of the suppliers and Outcome 4 and 5 has been completed the candidate should provide the information to all relevant colleagues and seek their views on the results. A variety of methods can be used to achieve this.

**Outcome 7** The candidate needs to ensure that the procedures for evaluating the capability of suppliers comply with all the relevant legal and regulatory requirements and also meet organisational requirements. The candidate may need to refer to relevant legislation, including European legislation.

## **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates who have completed Unit M12 will be able to access evidence on the supplies that are required, from Outcome 2 of that Unit. Those that haven't done Unit M12 will have to access this information from various reports, e-mails, memos and letters and candidates will be assessed on their confirmation that the type of supplies required are clearly identified in terms of specification, quality, quantity, rate of supplies required, delivery schedules and any other requirements relating to the supplies. These however must be clearly specified. The evidence required may take the form of a report on the confirmation of the supplies that are required or the candidate may submit a personal statement. The assessment method is most likely to be product evidence.

**Outcome 2** The evidence required for this Outcome may vary depending on the circumstances. It could for example take the form of a visit report if the candidate decides that the best way to obtain information from suppliers on their capability would be to visit their organisation to see first hand the work being done and to be able to question the supplier on various aspects of the supply. Alternatively, supply questionnaires could be used to check the supplier capability. The candidate may decide to obtain information from colleagues or other organisations, willing to provide information, in which case the evidence will be a number of letters and/or e-mails. To meet the achievement criteria the assessor will be looking to establish that the candidate has identified suitable sources of information and that information on costs, timescales and quality is considered. The assessment method is likely to be by product evidence.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of an evaluation report which should make clear the evaluation criteria that were established. The assessor will also be looking to see that appropriate evaluation processes have been used.

**Outcome 4** The assessment for this Outcome is likely to be by product evidence in the form of an evaluation report that identifies the suppliers that are capable of meeting the specifications. The items to be evaluated are cost, timescales and quality. The candidate must identify suppliers that are capable of providing the required supplies and they must be measured against the evaluation criteria that were established in Outcome 3.

**Outcome 5** The assessment for this Outcome is likely to be by product evidence in the form of a risk assessment report and to meet the achievement criteria the candidate's report must clearly identify the factors affecting the supply chain and the potential risks are assessed for their impact on the supply chain.

**Outcome 6** Once the evaluation has been completed, information on the risk assessment should be provided to all relevant colleagues and they

should be consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult colleagues by means of a briefing meeting then observation would be the most probable method of assessment. If, however, the candidates decide on a presentation, memo or a report then there will be product evidence to support the assessment. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might be possible or the candidate would be expected to take notes which can be presented as product evidence.

**Outcome 7** This Outcome is possibly best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements relevant to the organisation are complied with and secondly how the organisational requirements are complied with.

Note: In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit M14 Schedule and approve the placing of orders (DX71 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is for the candidate to schedule and approve the placing of orders. The candidate is asked to specify information on the supplies that need to be ordered. The initial work for this would be done in Units M12 and M13 but the candidate now needs to identify the specifications and quality of the supplies; the quantity and rates of supply, and clearly specify delivery schedules and other requirements. The candidate needs to confirm the specification with all relevant colleagues and consult them on their views; they then needs to schedule the orders to meet the requirements of the supply chain and then ensure that the orders are placed with suppliers. If any problems are identified they must be resolved as soon as possible and finally the candidate must ensure that the placing of orders complies with all relevant requirements.

**Outcome 1** The first task the candidate needs to provide evidence for is specifying information on the supplies that need to be ordered. Those candidates that have done Unit M12 will have already produced the information that is required for Outcome 2 of that Unit and if they have done Unit M13 they will have confirmed the type of supplies that are required. Now they must specify information on the supplies that need to be ordered and will do that from their own experience or by interacting with colleagues, including suppliers.

**Outcome 2** The candidate must confirm the specifications from outcome 1 with their colleagues. They will therefore have to discuss the information gathered in Outcome 1 and seek the views of their colleagues to ensure

that the information is accurate and appropriate. Colleagues may include their peers, their line manager, suppliers and in some instances their customers.

**Outcome 3** The candidate must schedule orders to meet the requirements of the supply chain. This can sometimes be a relatively straight forward process depending on the type of product. For example, if you are a stationery supplier the schedule will normally be to replenish stocks based on customer and forecast information and the lead times from the supplier will be known and are likely to be fairly stable.

A more complex example may be that of a packaging supplier, who has to purchase the cardboard and inks and must allow time to print the card, process the card into the desired blank shape and then to form the packaging into its correct form prior to despatch to the customer. The scheduling operation for the initial supplies of card and ink must allow for the receipt of these items in time to allow the other processing to take place so that the customer receives the good in time to allow their product to be packed ready for distribution to the final customer or retailer. The organisation's product will determine the complexity of the scheduling process.

**Outcome 4** The candidate must place an order with the suppliers and this will need to be done with reference to the specifications and timing already established and will be drawn up in line with organisational requirements. An appropriate method of delivering the orders should be demonstrated.

**Outcome 5** The candidate must identify and resolve any problems with orders, therefore they must be clearly identified and resolved in such a way that minimises disruption to the supply chain.

**Outcome 6** The candidate needs to ensure that the procedures for placing the orders comply with all the relevant legal and regulatory requirements relevant to the organisation and also meet organisational requirements. The candidate may need to refer to relevant legislation, including European legislation.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Those candidates who have completed Units M12 and/or M13 will be able to access evidence on the supplies that are required, from Outcome 2, Unit 12 and the confirmation of the type of supplies from Outcome 1, Unit 13. Those that haven't done Units M12 and/or M13 will have to access this information from various reports, e-mails, memos and letters and candidate will be assessed on the specific information on the supplies that need to be ordered. This information will need to be clearly identified/specified in terms of specification, quality, quantity, rate of



supplies required, delivery schedules and any other requirements relating to the supplies. The evidence required may take the form of item specifications, demand report for each item showing clearly the quantity and rates of supply, and delivery schedules for each item plus any other requirements that are deemed necessary. The assessment method is therefore most likely to be by product evidence.

**Outcome 2** The evidence for this outcome is likely to be by product evidence in the form of e-mails, memos, reports and the specifications. The second achievement criterion may also include annotated specifications as product evidence if the candidate's colleagues feel that changes are required. The assessor should be satisfied that a suitable confirmation process has been employed and feedback has been received.

**Outcome 3** The candidate is required to produce schedules for orders that meet the requirements of the supply chain. The candidate must ensure that the timing of the orders, in terms of delivery is appropriate to the needs of the supply chain and the placement of the orders give sufficient time for the supplier to process the orders and meet the delivery requirements. The evidence produced will be product evidence in the form of order schedules.

**Outcome 4** The candidate is required to place the order with suppliers. The evidence required will be product evidence and will include the specifications, schedules and completed purchase orders drawn up according to organisational guidelines. The candidate will need to indicate the method(s) used to deliver the orders – by post, hand or electronically.

**Outcome 5** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the process placing the orders. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved. The candidate should also ensure that when resolving problems minimum disruption is caused to the supply chain.

**Outcome 6** This Outcome is possibly best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements for placing orders are complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit M15 Evaluate the performance of suppliers (DX5M 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to evaluate the performance of suppliers and to do this the candidate must confirm that supplies have been ordered; obtain information on the supplies – mainly costs, timescales and quality; evaluate information on the performance of the suppliers against evaluation criteria; assess the risk to the supply chain of continuing to use suppliers; provide the results of the evaluation to colleagues; and ensure that the evaluation complies with procedures for evaluating the performance of suppliers.

**Outcome 1** The candidate needs to provide evidence to confirm that supplies have been ordered. Candidates who have completed Unit M14 will have already produced the information that is required for Outcome 1 of that Unit which specified the information on the supplies that need to be ordered. Now the candidate must confirm what has been ordered. They will be able to do this from purchase orders, schedules and through discussions with colleagues, which may include suppliers. This evidence could be in the form of contracts or agreements confirmed showing the goods to be supplied, quantities, quality standards etc. The evidence should cover the supply over a period of time to evaluate performance of the suppliers; and the records of performance that were incorporated in the contract or agreement.

**Outcome 2** The candidate must obtain information on the supplies provided by the suppliers. To access suitable sources of information the candidate needs to consult with suppliers and other colleagues. It may mean that the candidate will have to visit the supplier to view the work that

they do and also to discuss the elements of costs, delivery, quantities, lead time, timescales and quality.

**Outcome 3** Once the information has been obtained, as in Outcome 2 above, the candidate is required to evaluate the information on the performance of suppliers. The candidate should clearly demonstrate the use of an evaluation process and must establish evaluation criteria. The actual criteria will depend on the type of product involved, but it is likely to include quality, delivery, speed, dependability, flexibility, cost and lead times, and the candidate should be aware that different products will require different emphasis on each of the criteria, whether they are the five examples given or other criteria. Candidates in a manufacturing organisation should not forget the internal suppliers. Evidence should include a clear evaluation method and a clear explanation of the methods used.

**Outcome 4** Once Outcome 3 is completed the candidate must identify the suppliers that have achieved the criteria established in Outcome 3. In addition, the candidate needs to have evaluated the costs, timescales and quality of the supplies. The use of a vendor rating system, benchmarking or similar system would provide suitable evidence.

**Outcome 5** When the evaluation is complete and the candidate has identified suppliers that achieved the criteria they must clearly identify any factors affecting the supply chain. Although the suppliers met the specification, were any problems encountered with any of the suppliers, for example, did they supply the order on time and in full or did they supply part of the order on time and have to follow up with the remainder a few days later? The questions that candidates will have to ask is that if a similar situation gets any worse what are the knock on effects and the likely impact on the supply chain?

**Outcome 6** When the evaluation of performance and the risk assessment has been completed the candidate should provide the information to all relevant colleagues and users to seek their views on the results. A variety of methods can be used to achieve this.

**Outcome 7** The candidate needs to ensure that the procedures for evaluating the performance of suppliers comply with all the relevant legal and regulatory requirements and also comply with organisational requirements. The candidate may need to refer to relevant legislation, including European legislation.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Those candidates who have completed Unit M14 will have access to information about the supplies that need to be ordered. The

evidence for this Unit must show that the candidate can confirm that supplies have been ordered. This can be achieved by product evidence in the form of a number of documents that will include the product specification, incorporating the quality requirements; a supply contractor agreement; a requirement report, or similar that shows clearly the quantity of the product required and the rate at which it is required by the organisation; and finally delivery schedules showing the timing of the requirements together with any other evidence that may be relevant. The documentation may be supported by additional evidence such as e-mails, memos and other reports.

**Outcome 2** The evidence required for this Outcome may vary depending on the circumstances. It could for example, take the form of a visit report if the candidate decides that the best way to obtain information from suppliers is to visit their organisation to see first-hand the work being done and to be able to question the supplier on various aspects of the supply. The candidate may decide to obtain information from colleagues, including suppliers, in which case the evidence may be letters, monitoring of performance, reports and/or e-mails. Evidence from a vendor rating system or benchmarking would also give good evidence. To meet the achievement criteria the assessor will be looking to establish that the candidate has identified suitable sources of information and that information on costs, timescales and quality is considered. Other types of report may therefore include a cost report, goods received report(s), or if it is delivered to the point of use it may be an inventory report(s), and an incoming inspection/quality report. The assessment method is most likely to be by product evidence.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of an evaluation report which should make clear the evaluation criteria that were established. The assessor will also be looking to see that appropriate evaluation processes have been used and methods applied, eg evaluation elements such as qualities, delivery, lead times etc

**Outcome 4** The evidence for this Outcome will tie in with the evidence produced for Outcome 2 and once this has been identified the candidate will need evidence to show that they have been able to use the information to identify those suppliers whose performance achieved the specifications and performed well in supplying the goods or service. The evidence is likely to be product evidence and will be in the form of a report that clearly shows how the supplier's performance measured against the evaluation criteria in Outcome 3. Evidence of a vendor rating system or similar would be acceptable evidence.

**Outcome 5** The assessment for this Outcome is likely to be by product evidence in the form of a risk assessment report and to meet the achievement criteria the candidate's report must clearly identify the factors affecting the supply chain and the risks that are assessed for their impact on the supply chain.

**Outcome 6** Once the evaluation on the information on the performance of suppliers and the risk assessment is completed, candidates should provide evidence to show that all relevant colleagues have received the results and have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult colleagues by means of a briefing meeting then observation would be a possible method of assessment. If, however, the candidates decide on a presentation, memo or a report then there will be product evidence to support the assessment. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence.

**Outcome 7** This Outcome is possibly best assessed by a personal statement by the candidate that explains firstly how the legal and regulatory requirements relevant to the organisation are complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit M16 Schedule the flow of supplies in the supply chain (DX72 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to schedule the flow of supplies in the supply chain and to do this the candidate will have to obtain the appropriate information on the supplies and confirm the availability of the resources required. Once this has been done the candidate can schedule the flow of the supplies to meet the requirements of the supply chain. As with previous Units, the candidate must then assess all the factors and risks, identify and resolve any problems, let everyone involved know what is happening and seek their views, and finally they should ensure that the process complies with all relevant requirements.

**Outcome 1** The candidate must obtain information on the supplies to be moved through the supply chain. They must clearly identify the specification and quality of supplies. This information should be readily available if the candidate has chosen several of the other Units. Also available from previous Units will be the quantity and delivery schedules of supplies which must also be clearly identified. This process will vary depending on the complexity of the supplies in that the more 'links' in the supply chain, the more complex it is going to be to ensure that all the relevant information is available and that everyone involved knows exactly what is expected in terms of quality, quantity and delivery schedules.

**Outcome 2** The candidate must confirm the availability of resources to ensure the flow of supplies. This could be relatively straight forward or complex depending on the product or services involved, but the candidate should be looking at the human resources, materials, equipment and

money required. Where necessary, candidates should also identify alternative resources in case any problems arise.

**Outcome 3** Once the information has been obtained and the resources confirmed, the candidate must schedule the flow of supplies to meet the requirements of the supply chain. In doing so, the candidate must sequence the use of resources in the correct order to maintain the flow of supplies and the timescales involved should take account of lead and lag times. For example if the candidate's organisation supplies and fits bathrooms, the bathroom furniture will have to be ordered from the wholesaler who may have the items in stock or they may have to order them from the manufacturer. The manufacturer in turn may have to order materials from suppliers and ensure that human resources and equipment are available to produce the items.

Therefore, when the candidate is scheduling the flows of supplies they will need to establish a delivery time from the supplier and, based on this timing, will schedule resources to remove the old bathroom furniture and install the new furniture. The candidate must also ensure that there is cash available to purchase the furniture from the supplier as it is unlikely that they will receive cash from the customer until the work has been completed.

To make this example a bit more complex — if the candidate's organisation also completed the whole bathroom by tiling the walls and floors, painting the ceiling etc, then the scheduling will need to include all the resources involved in these additional processes and they must all be scheduled in the correct sequence. For example, the walls cannot be done until the bath and the rest of the furniture is in place, likewise the floor.

**Outcome 4** The candidate must assess all the relevant factors and risks that could affect the scheduling of supplies. To do this, the candidate will have to identify factors that will affect the supply chain and assess the risks for their impact on the supply chain. An example might be sourcing goods from an overseas supplier which, depending on the transportation method, could lead to late deliveries which in turn may have a serious impact on the end customers receiving their goods on time, and if there are several transfers of the goods at different depots along the way then damage may also be a consideration. If the risks are considered to be too high then a decision may have to be made regarding alternative arrangements which may be much more costly.

**Outcome 5** The candidate must identify and resolve any problems with the scheduling of supplies, therefore they must be clearly identified and resolved in such a way as to improve the effectiveness of the operation. In order to benefit fully from this process, candidates should discuss the process and the Outcomes with colleagues.

**Outcome 6** When the problems with the scheduling of supplies have been resolved, the candidate should provide the information to all relevant



colleagues and seek their views on the results. Any concerns and issues raised by colleagues should be discussed fully. Colleagues may include customers, suppliers and colleagues from within the organisation. A variety of methods can be used to achieve this Outcome.

**Outcome 7** The candidate needs to ensure that the scheduling complies with all the relevant legal and regulatory requirements and also complies with organisational requirements. The candidate may need to refer to relevant legislation, including European legislation. For example, this may include transportation and times that drivers are allowed to drive in a 24-hour period.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates may be able to access evidence on the supplies that need to be moved from work done on previous Units. If not, they will be able to gather evidence from various reports, e-mails, contracts, memos, letters, orders, etc. The assessment method is therefore likely to be by product evidence.

**Outcome 2** The assessment evidence for this Outcome is likely to come from a variety of sources and for the candidate to confirm the availability they will probably need a staffing list for the human resources, inventory report for materials, equipment inventory for equipment, including transport, and a budget and perhaps cash flow report for the monetary aspects. The assessor will also have to be satisfied that the candidate has looked at alternative resources in case of shortages and this may include subcontractors, alternative material suppliers, employment agencies for temporary staff and perhaps, through the finance department, look at short-term loan facilities.

**Outcome 3** This Outcome is the main activity within the Unit and candidates must present evidence from a number of sources. It is likely that they will need to access customer orders and or a demand report to establish the quantities of orders and their timing. They may have to access purchase orders to establish materials and/or items ordered from suppliers, again looking at quantities and the agreed schedules. They may be required to meet with suppliers to establish lead times for future orders, especially if the supply chain extends beyond the immediate supplier and the candidate may also have to ensure that the supplier has appropriate and sufficient information to provide the requirements within a given time scale, therefore a meeting report may be used as evidence.

If the candidate is in a manufacturing environment they may require evidence to ensure that the internal supply chain is planned to ensure quantity and timing of orders and this may come in the form of a material requirements planning report.

Finally, the candidate should provide evidence to show how the customer will receive the product in the quantities required and on time. A distribution planning report would serve as evidence for this.

If it is a major contract involving various resources then the candidate may have to develop a network analysis and perhaps a Gantt chart showing the schedule and sequence of work to be done and also the schedule of resources required.

The method of assessment will be mainly product evidence but if a visit is required to suppliers, for example, then a visit report or perhaps a personal statement would be produced.

**Outcome 4** The assessment for this Outcome is likely to be by product evidence in the form of a risk assessment report and to meet the achievement criteria the candidate's report must clearly identify the factors affecting the supply chain and the potential risks assessed for their impact on the supply chain.

**Outcome 5** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the scheduling of supplies. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation. If difficulties are encountered, the report should clearly show that the process of resolving the problems was discussed with colleagues.

**Outcome 6** Once the scheduling of the flow of supplies and the risk assessment is completed the candidate should provide evidence to show that all relevant colleagues have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult colleagues by means of a briefing meeting or presentation, then observation would be a possible method of assessment. If, however, the candidate decides on a memo or a report then there will be product evidence to support the assessment. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. Regardless of the method chosen the candidate must demonstrate that concerns and issues raised by colleagues were discussed.

**Outcome 7** This Outcome is possibly best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements of scheduling the flow of supplies are complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit M17 Specify the requirements for the storage of supplies (DX7D 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to specify the requirements for the storage of supplies. There are many different aspects that may have to be considered but the Unit asks that the candidate obtains information on the supplies being stored and this will have a bearing on the requirements of the storage facilities. The candidate will then have to confirm the availability of resources to ensure the storage of supplies and following this element they can provide specifications for storage locations and facilities. As in previous Units candidates are then asked to assess all relevant factors and risks that could affect the storage of the supplies, inform colleagues, and ensure that the storage specifications comply with all relevant requirements.

**Outcome 1** The candidate must obtain information on the supplies being stored. There are many factors that can influence the storage facilities and the candidate must therefore know exactly what it is that has to be stored so specifications can be extremely important especially if the items are chemicals. Another factor is size because if there are bulky items then that will have a bearing on the size of the facilities. If the items are perishable then a system must be in place to ensure strict rotation of items and if, for example the product is spirits then the storage facility will have to be 'bonded' and come under the control of Customs and Excise. In addition to knowing the specification candidates also need to know the quantities and the scheduled delivery of the items into storage. The candidate should also ensure the quality of the goods stored and ensure they are adequately protected to maintain the quality.

**Outcome 2** The candidate must confirm the availability of resources to ensure storage of supplies. Some factors were discussed in Outcome 1 but other resources will also be necessary, dependent on the type of product or service. It may seem fairly simple, but for example a doctor's surgery where patient records have to be stored, there has to be an appropriate system in place for storage and retrieval of the records and trained personnel to carry out the task.

Another example may be a large wholesale warehouse with a diverse range of products to store, perhaps for distribution to retailers. This system will probably be more sophisticated, certainly taking up more space than the office in the doctor's surgery, and storage and retrieval may have to be controlled by computer.

In both examples the candidate needs to identify alternative resources if necessary. For example if the office in the doctor's surgery is to be redecorated – what happens to the records? They must still be available and therefore temporary accommodation, either in the practice or adjacent to the practice, would be required. Similarly, with the wholesale warehouse what happens if they run out of space or what happens if the computer breaks down? Is there sufficient knowledge for the staff to carry out storage and retrieval manually?

Manufacturing candidates may also have to consider storage at point of use and the equipment that may be required. This would be on a Just-in-Time basis and facilities would be required to allow goods to be delivered direct to the factory and the manufacturing facility. For some goods there may need to be a hub warehouse either controlled by the organisation or perhaps by a third party, under contract.

**Outcome 3** The candidate must provide specifications for storage locations and facilities and the type of factors to be considered will depend very much on the type of product or service involved. Size must be considered and this will be determined by the type of product. Location is another factor that the candidate must consider and using the two examples from Outcome 2, it would be of no use to the doctor if the patient's files were stored a few miles away as they must be readily available. On the other hand the goods required by the retailers could be stored at any number of locations and exactly where is likely to be decided on demographic considerations and cost of transport. Site position is a further consideration for the candidate and has already been mentioned, but another factor is that of access. Most storage facilities are limited to authorised personnel but some may have stricter conditions required for access. For example, bank vaults need a minimum of two people for access, chemical stores need protective clothing, and specialised training, may be necessary, etc.

The final considerations for the candidate are the cost and condition of the storage locations and facilities. With the wholesale warehouse example given above, in terms of the cost of location, the organisation may be able

to take advantage of 'cheaper' areas of the country to locate the warehouse provided the transport infrastructure is suitable. In terms of facilities it may mean that special conditions are required, for example the storage of vaccines in hospitals and health centres may have to be stored at strictly controlled temperatures.

**Outcome 4** The candidate must assess all the relevant factors and risks that could affect the storage of supplies. To do this the candidate will have to identify factors that will affect the supply chain and assess the risks for their impact on the supply chain. An example might be the storage of chemicals and the impact of any leakages and the effect that could have on access. Consideration will also have to be given to fire risk or risk of explosion. If a fire or explosion occurred then this could seriously affect the supply chain and the impact could be devastating.

**Outcome 5** When the storage specifications and facilities have been determined and all the relevant factors and risks have been considered the candidate should provide the information to colleagues and seek their views on the results. Any concerns and issues raised by colleagues should be discussed fully. Colleagues may include suppliers and also colleagues from within the organisation. A variety of methods can be used to achieve this Outcome.

**Outcome 6** The candidate needs to ensure that the storage specifications comply with all the relevant legal and regulatory requirements and also complies with organisational requirements. The candidate may need to refer to relevant legislation, including European legislation. For example if chemicals are involved there will be conditions for storage and use provided by the manufacturer in addition to the legislation on the Control of Substances Hazardous to Health, ie the COSHH regulations.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates may be able to access evidence on the supplies that need to be stored including specification, quality, quantities and delivery schedules from various reports, e-mails, memos, letters, orders, etc. and depending on the type of product, information may also be available from the user, supplier, or manufacturer. The assessment method is therefore likely to be product evidence.

**Outcome 2** The assessment evidence for this Outcome is likely to come from a variety of sources and for the candidate to confirm the availability they will probably need access to storage and facilities specifications. In addition, they will also need to confirm the availability of human resources and any special requirements in terms of training plus any special handling equipment etc. The assessor will also have to be satisfied that the candidate has looked at alternative resources in case of lack of space, special conditions, temporary arrangements, etc. The candidate should

show the plan of locations and capacity of storage area. The plan should show geographic location and facilities with relevant budget costs for the storage location and facilities. The assessment method is therefore likely to be product evidence.

**Outcome 3** There is an opportunity to integrate Outcome 3 and Outcome 4. The alternative assessment for this Outcome is likely to be by product evidence in the form of a number of reports and/or other documentation based on the supplies being stored, as defined in Outcome 1, the candidate will be able to provide evidence on the specification for the size and facilities required.

The evidence can be in the form of an examination of a particular location and a report outlining the above key elements.

The candidate will also have to produce a report or other documentation which explains the process for determining the specification for the site position and access for storage and facilities. This will be determined by the type of product or service being offered by the organisation.

Based on the evidence provided in Outcome 2 the candidate must produce evidence on the specification of the costs and conditions required for the storage locations and facilities.

**Outcome 4** There is an opportunity to integrate Outcome 3 and Outcome 4. The alternative assessment for this Outcome is likely to be by product evidence in the form of a risk assessment report and to meet the achievement criteria the candidate's report must clearly identify the factors affecting the supply chain and the risks assessed for their impact on the supply chain.

**Outcome 5** Once the specification for storage location and facilities, and the risk assessment, is completed candidates should provide evidence to show that all relevant colleagues have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult colleagues by means of a briefing meeting then observation would be a possible method of assessment. If, however, the candidates decide on a presentation, memo or a report then there will be product evidence to support the assessment. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. Whichever method is chosen the candidate must demonstrate that concerns and issues raised by colleagues were discussed.

**Outcome 6** This Outcome is possibly best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements for storage specifications are complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.



## **Unit M18 Select locations and facilities for storing supplies (DX75 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to select locations and facilities for storing supplies. To be able to do this the candidate needs to confirm the type of storage locations and facilities that are required and then obtain information on storage locations and facilities. Once this information has been obtained the candidate then needs to evaluate the information to determine the suitability of storage locations and facilities and then identify those locations and facilities that meet the specifications. As in previous Units the candidate is then asked to assess all relevant factors and risks of using storage locations and facilities, identify and resolve any associated problems, and provide the results of the selection to colleagues.

**Outcome 1** The candidate must confirm the type of storage locations and facilities that are required. For those candidates who have completed Unit M17 this information would have been established in Outcome 3 and the type of factors to be considered will depend very much on the type of product or service involved.

The factors to be considered in particular are size and location; site position and access for storage locations and facilities; and cost and condition of storage locations and facilities.

**Outcome 2** The candidate must obtain information on storage locations and facilities. Based on the requirements established in Outcome 1 the candidate may have to carry out some research to identify suitable locations that meet the needs of the organisation and the products.

Candidates will also need to look at associated cost and availability in terms of timescales. Candidates may also be required to research special requirements such as temperature control, access to the site, control of potentially dangerous substances and security. They may also review existing facilities owned by the organisation elsewhere.

**Outcome 3** Once the information has been obtained, as in Outcome 2 above, the candidate is required to evaluate the information on the suitability of storage locations and facilities. The candidate should clearly demonstrate the use of an evaluation process and they must establish evaluation criteria. The actual criteria will depend on the type of product involved, but it is likely to include quality, suitability, cost, dependability, flexibility, and cost and the candidate should be aware that different products will require different emphasis on each of the criteria, whether it is the five examples given or other criteria. Candidates in a manufacturing organisation should not forget the internal supply chain and/or the use of third party warehousing.

**Outcome 4** Once Outcome 3 is completed the candidate must identify the storage locations and facilities and ensure that they are measured against the evaluation criteria established in Outcome 3. Storage cannot be considered on its own and any decisions should be made in the full knowledge of the requirements of procurement, transportation and the distribution systems. This will depend on the attributes of the products being considered. For example, is procurement accessing items on a Just-in-Time basis that will be delivered to point of use? Will this require a 'hub' storage facility? If so how will this be managed? How will the goods be transported from the supplier? Will the suppliers use their own transport or will it be by a third party logistics company? How will the finished goods be distributed? Is the transportation infrastructure suitable – roads, rail, air, etc?

**Outcome 5** The candidate must assess all the benefits and risks of using storage locations and facilities. To do this the candidate will have to identify benefits to the organisation and the supply chain. The benefits may relate to the transportation infrastructure or to the proximity of suppliers and/or a trained labour force.

The candidate must also identify risks that are realistic and significant to the organisation. For example, there may be a good pool of trained labour in the area but not much unemployment which may drive up the cost of hiring personnel to a cost greater than the organisation can afford. Another example may be that while the location is suitable for the transport infrastructure it may meet with opposition from local residents, especially if the organisation is dealing with noxious substances, which may in turn affect the smooth running of the operation.

**Outcome 6** The candidate must identify and resolve any problems with location and facilities, therefore they must be clearly identified and resolved in such a way as to improve the effectiveness of the operation. In

order to benefit fully from this process, candidates should discuss the process and the Outcomes with their colleagues.

**Outcome 7** When any problems have been identified and resolved and the benefits and risks have been assessed, the candidate should provide the results of the selection to all relevant colleagues and consult them on their views. This Outcome shows the final selection and the circulation of this decision to the relevant part of the organisation and others. Therefore, there should be evidence of discussion and feedback from interested parties. A variety of methods can be used to achieve this.

**Outcome 8** The candidate needs to ensure that the locations and facilities comply with all the relevant legal and regulatory requirements and also comply with organisational requirements. The candidate may need to refer to relevant legislation, including European legislation.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** The candidate must confirm the type of storage locations and facilities that are required. Evidence should be available from Outcome 1 of Unit M17 the most likely of which will be reports on the work carried out when the location and facilities were being specified. Also the candidate should provide evidence of potential costs, conditions and facilities. There may also be information sheets from specification of the goods being stored and from manufacturers if the materials involved are toxic, etc. The evidence therefore is likely to be product evidence.

**Outcome 2** There is an opportunity to integrate with Outcomes 3, 4 and 5. Alternatively, the Outcome requires the candidate to obtain information on storage locations and facilities, and evidence will most probably be product evidence in the form of reports.

One report would provide evidence on the investigation or research into potential sites and a second report would provide evidence on the investigation into the availability of the facilities required which could include facilities for dealing with chemicals, cold storage, racking systems and or perhaps proximity to specific transportation links, especially if the organisation's products had a high proportion of export/import. The evidence presented should reflect the requirement of the organisation and its products. The evidence should include cost, access, timescales and the quality standards of the storage facilities.

**Outcome 3** There is an opportunity to integrate with Outcomes 2, 4 and 5. Alternatively, the assessment for this Outcome is likely to be by product evidence in the form of an evaluation report which should make clear the evaluation criteria that were established. The assessor will also be looking to see that appropriate evaluation processes have been used.

**Outcome 4** There is an opportunity to integrate with Outcomes 2, 3 and 5. Alternatively, the evidence for this Outcome will tie in with the evidence produced for Outcome 2 and once this has been identified the candidate will be required to produce evidence to show that they have been able to use the information to identify the storage locations and facilities that are capable of meeting the specifications. The evidence is likely to be product evidence and will be in the form of a comprehensive report that clearly shows how the identification of storage locations and facilities are measured against the evaluation criteria established in Outcome 3. The evidence must also show that the identification of storage locations and facilities were not just based on the cost and/or availability of the provisions but also considered the effect on the procurement, transportation and distribution systems.

**Outcome 5** There is an opportunity to integrate with Outcomes 2, 3 and 4. Alternatively, the assessment for this Outcome is again likely to be by product evidence in the form of a risk assessment report and to meet the achievement criteria the candidate's report must clearly identify the benefits to both the organisation and the supply chain. The candidate must also demonstrate that the risks are realistic and their significance to the organisation. It may be that the candidate will also carry out a SWOT analysis and/or a PESTLE analysis.

**Outcome 6** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the identification and/or assessing the benefits and risks of using the storage locations and facilities. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation. If difficulties are encountered, the report should clearly show that the process of resolving the problems was discussed with colleagues.

**Outcome 7** Once the requirements of Outcomes 4, 5 and 6 have been completed the candidate should provide evidence to show that all colleagues have received the results and have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult their colleagues by means of a briefing meeting then observation would be a possible method of assessment. If, however, the candidate decides on a memo or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. The evidence should show the final decision and the feedback from the relevant parties in the organisation.

**Outcome 8** This Outcome is possibly best assessed by a personal statement by the candidate that explains how firstly the legal and

regulatory requirements for locations and facilities for storing supplies are complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M19 Evaluate information on the storage of supplies (DX5E 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to evaluate information on the storage of supplies and to do this the candidate must confirm that supplies are being stored and obtain information on this storage; they must then evaluate the information and identify the supplies that are available in the supply chain; they then need to resolve any problems that exist with the storage of supplies, assess all the relevant factors and risks of storing supplies and provide the results of the evaluation to colleagues.

**Outcome 1** The first task that the candidate needs to provide evidence for is to confirm that supplies are being stored. Those candidates that have done Units M15 and M17 will have already produced the information that is required for Outcome 1 of both these Units which confirmed the supplies that had been ordered and specified the information on the supplies being stored. Those that haven't completed these Units will be able to obtain evidence from purchase orders, schedules, warehouse records, stock checks, etc, and through discussions with colleagues, which may include suppliers.

**Outcome 2** The candidate must obtain information on the storage of supplies. To access suitable sources of information, candidates may need to consult with suppliers and perhaps other individuals, including colleagues, and it may mean that the candidate will have visit the storage facility to view the supplies. The candidate should ensure that all relevant information is considered and this may include cost of storage, inventory

reports, damage reports, reports on missing items, capacity, racking capacities, shelf loadings, access, mechanical handling equipment etc.

**Outcome 3** Once the information has been obtained, as in Outcome 2 above, the candidate must evaluate the information on the storage of supplies. The candidate should clearly demonstrate the use of an evaluation process and they must establish evaluation criteria. The actual criteria will depend on the type of product involved, for example it is necessary to track certain items because of short shelf lives and it is important that a suitable tracking system is in place.

**Outcome 4** The candidate has to identify the supplies available in the supply chain in terms of the availability of supply levels, their location and condition. This may be fairly straight forward depending on the type of product being stored. The example below relates to a fuel depot that supplies garages with petrol and diesel. Normally there is no major problem and as storage tanks are emptied they are replenished until the OPEC countries decide to cut back on production or to halt supplies completely. Apart from price increases, to try to reduce demand, storage depots have a finite storage capacity and if they run out then this could affect the movement of all sorts of goods and products. The candidate will therefore need to seek evidence on the type of supplies all the way down the supply chain to raw materials if necessary. Another element that the candidate may wish to consider is the service levels agreed with customers and the amount of inventory required to maintain those levels.

**Outcome 5** Once the supplies available in the supply chain have been identified, the candidate must ensure supplies are stored to meet the requirements of the supply chain. To do this the candidate should ensure that the use of resources is sequenced in the correct order to maintain the storage of supplies and that timescales and durations take account of lead and lag times.

In Unit M16 we used the example of a bathroom supplier and fitter. For this Unit we will look at a more complex example which is that of a car assembly line. Car manufacturers may have a system where local suppliers deliver direct into the point of use. However, even this will require specially designed storage areas and not only does the supplier deliver on a Just-in-Time basis, the parts may have to be stored in a specific sequence.

For example – when cars come down the assembly line each car is likely to be a different colour and therefore will require a specific colour of trim, if the trims are not stored in the correct sequence it could cause serious problems for the manufacturer.

Another car example — if the items are not in place when the assembly process requires them to be then the line will stop. Therefore, the supplier must know exact timescales for the delivery and they can then calculate their lead time to accommodate the assembly line. These examples may

be a bit extreme compared to some organisations but when candidates are covering this Outcome they will need to ensure that they have covered all the aspects of their company's requirements for storage in relation to the supply chain.

**Outcome 6** The candidate must identify and resolve any problems with the storage of supplies, therefore they must be clearly identified and resolved in such a way as to improve the effectiveness of the organisation. In order to benefit fully from this process, the candidate should discuss the process and the Outcomes with their colleagues, eg storage capacity, racking limits, access, equipment reaches etc.

**Outcome 7** The candidates must assess all the relevant factors and risks with the storage of supplies. To do this the candidate will have to identify factors that will affect the supply chain and assess the risks for their impact on the supply chain. An example might be that the storage system employed makes it difficult for stores personnel to easily identify stock and therefore a different system may need to be considered. Consideration may also have to be given to risk of damage and again a different storage system may alleviate problems of this nature. Any problems, such as the examples given above can have a knock on effect in the supply chain leading to delays and ultimately dissatisfied customers.

**Outcome 8** When all the information has been evaluated and the risk assessment has been completed the candidate should provide the information to all relevant colleagues and seek their views on the results. A variety of methods can be used to achieve this.

**Outcome 9** The candidate needs to ensure that the procedures for evaluating the information on the storage of supplies comply with all the relevant legal and regulatory requirements and also comply with organisational requirements.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Those candidates who have completed Units M15, M16 and/or M17 will have to access to information about the supplies that are to be stored. The evidence required for this Unit requires the candidate to confirm that supplies are being stored. This can be achieved by product evidence in the form of a number of documents that will include the inventory reports; goods receipt documentation; storage location documentation; delivery schedules showing the timing of the requirements together with any other requirements. The details on the specification and quality of goods being stored with volumes and rates of supplies should be provided. The documentation may be supported by additional evidence such as e-mails, memos and other reports. The assessment method is therefore likely to be by product evidence.



**Outcome 2** The evidence required for this Outcome may vary depending on the circumstances and products. It could, for example, take the form of a visit report if the candidate decides that the best way is to obtain information from storage equipment suppliers or from product suppliers if any specific requirements are needed. The candidate may also decide to obtain information from colleagues. Sources of evidence may include catalogues, specifications, product information, letters, reports and/or e-mails. Other sources could be information on the storage, eg racking capacities and loads, mechanical handling equipment, access . To meet the achievement criteria, the assessor will be looking to establish that the candidate has identified suitable sources of information and that information on costs, timescales and quality is considered. The assessment method may be a combination of observation and product evidence or just product evidence.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of an evaluation report which should make clear the evaluation criteria that were established. The assessor will also be looking to see that appropriate evaluation processes have been used.

**Outcome 4** The assessment for this Outcome is likely to be by product evidence in the form of inventory reports which may show receipts, demands, load planning, docking capacity, but the candidate may also review the service level agreements made with customers to ensure that the supply levels are adequate. For certain goods where there is a shelf life or where items are likely to be damaged in some way the candidate needs to access stock reports for evidence purposes.

**Outcome 5** The assessment for this Outcome is likely to be by product evidence in the form of stock reports, but also kitting schedules and picking error reports. The evidence should show the resources used, eg manpower requirements, equipment needed, and material flows and how these are affected by lead times. Depending on the product involved, especially for manufacturing, the candidate may be required to consider the assembly schedules.

**Outcome 6** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen with the storage of supplies. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation. If difficulties are encountered, the report should clearly show that the process of resolving the problems was discussed with colleagues. Depending on the extent of the problems other forms of evidence may include e-mails, memos, letters, etc.

**Outcome 7** The assessment for this Outcome is likely to be by product evidence in the form of a risk assessment report and where appropriate accident reports may also be used. In order to meet the achievement

criteria the candidate's report must clearly identify the factors affecting the supply chain and the risks assessed for their impact on the supply chain, eg, supplies markets, shortages.

**Outcome 8** Once the requirements of Outcomes 2 to 7 have been completed the candidate should provide evidence in the form of a comprehensive report to show that all relevant colleagues have received the results and have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult their colleagues by means of a briefing meeting then observation would be a possible method of assessment. If, however, the candidates decide on a memo, presentation or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes on the feedback which can be presented as product evidence.

**Outcome 9** This Outcome is possibly best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements of the organisation and the procedures for evaluating information on the storage of supplies are complied with. Also how the organisational requirements and goals are achieved by this Unit.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M20 Specify the requirements for the distribution of supplies (DX7C 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to specify the requirements for the distribution of supplies and to do this the candidate must obtain information on the supplies being distributed, confirm the availability of resources to ensure the distribution of supplies and provide specifications for the distribution of supplies including positioning and movement; role of suppliers and customers: and distribution requirements for different types of supplies. The candidate is also required to assess all relevant factors and risks that could affect the distribution of supplies, inform colleagues of the distribution requirements, and ensure that the distribution requirements comply with all relevant requirements

**Outcome 1** The information required by the candidate will depend on the type of supplies to be distributed, for example if chemicals are involved the candidate should be aware of the supplier's requirements for the safe transportation of the supplies and also information provided in case of spillage, etc. Other information that is likely to be required by the candidate is feedback on the current distribution of supplies by their organisation, are they meeting the specifications and requirements agreed with the customer? The candidate may refer to existing contracts and service agreements with customers. They may also seek direct feedback from the customers or it may be a letter of complaint from the customer that highlights any shortcomings of the organisation distributing the supplies.

**Outcome 2** For most candidates the resources will be fairly standard and will include appropriate personnel, transportation, lifting equipment, despatch and receiving facilities, and storage facilities both at the supplier's premises and that of the customer.

However, the candidate should be aware of additional resources that may be required under specific circumstances. For example, if a company is transporting a large, heavy, bulky item then normal lifting equipment may not be suitable and a crane may be required, not only at the supplier's premises but also the customer's premises. There will be a responsibility on the part of the supplier to inform the customer of the requirements.

On the same lines as the example above it may not just be the lifting equipment that is specialised but a specialised transportation vehicle may also be required, such as a low loader, and if the item exceeds the width of the vehicle then it may also require a police escort. While this example may be extreme, there are other examples of specialised vehicles for the distribution of supplies such as refrigerated vehicles, car transporters, milk and chemical tankers, etc.

The candidate will also need to provide evidence that they have identified alternative resources, which may include the use of couriers if the supplier is late or if the customer is prepared to pay a premium for a shorter lead time.

**Outcome 3** The distribution of supplies must be clearly specified and there are many different methods of distribution. A popular method is to supply the goods from a warehouse direct to customers who have placed an order via the internet. However the supplier can provide additional services that are clearly specified when the customer places the order. For example, on many internet purchases the customer can trace the stage of the distribution through the internet right up to the point where it reaches a local depot and the customer then knows that delivery should be imminent. All the arrangements for the movement of the goods need to be planned (specified) in advance.

It is important that the candidate identifies the roles of suppliers and customers within the supply chain and they should also be aware of the internal supply chain and the suppliers and customers involved. For example, a company may use its own transport to pick up items/products from suppliers overseas to bring back to the UK for assembly into a finished product, such as a car. When the company's transport picks up the supplies from the supplier then it could be accepted that the distribution had been completed. However, once the company has taken possession of the supplies there will follow a series of other moves (distribution) internal to the organisation before a final product is distributed to the end customer.

Each internal supplier and customer has the same responsibilities as external suppliers and customers. The supplier should deliver the goods

on time, they should be to the agreed quality levels and the customer should expect to receive the items in good condition. If the goods are received late or they are damaged in any way the customer should inform the supplier immediately but probably more important is the responsibility to inform the customers down the line.

The final achievement criterion asks the candidate to provide evidence that they have identified the distribution requirements of different types of supplies. This to some extent was covered in Outcome 2 but the evidence available to the candidate will be determined by the type of supplies their organisation and customers require.

**Outcome 4** The candidate must assess all the relevant factors and risks that could affect the distribution of supplies. To do this the candidate will have to identify factors that will affect the supply chain and assess the risks for their impact on the supply chain. An example might be that the distribution system employed means that the customer picks up their items from a number of suppliers on a 'milk run' basis. When a supplier does not quite have the items ready this may delay the system which in turn means that the end customer will not receive their goods on time. This also means that the reputation of the company will suffer and may lead to loss of business. Consideration will therefore have to be given to risk of damage to the company and they will have to look at how the impact of this situation can be eliminated, perhaps by changing suppliers or, as happened with one organisation, the contract with the supplier stated clearly that once an agreement is reached regarding the time of pick up of supplies then it is expected that the supplier will honour that agreement. If not, the driver will have instructions to leave the supplier premises so that they are in time for the next pick up at the next supplier and it will become the responsibility of the supplier, who did not meet the terms of the agreement, to deliver the supplies to the company by a predetermined date and time.

**Outcome 5** When the distribution of supplies have been specified and all the relevant factors and risks have been considered, the candidate should provide the information to all relevant colleagues and seek their views on the results. Any concerns and issues raised by colleagues should be discussed fully. Colleagues may include suppliers and also colleagues from within the organisation. The candidate should provide evidence of feedback from the consultations, eg narrative or e-mails. A variety of methods can be used to achieve this Outcome.

**Outcome 6** The candidate needs to ensure that the distribution requirements comply with all the relevant legal and regulatory requirements of the organisation and also comply with organisational requirements. This can be done by a personal statement providing details of those factors relating to this Unit.

## **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates should be able to access evidence on the supplies to be distributed from various reports, e-mails, memos, letters, orders, etc and depending on the type of product; information may also be available from the manufacturer. The assessment method is therefore likely to be product evidence.

**Outcome 2** The assessment evidence for this Outcome is likely to come from a variety of sources and for the candidate to confirm the availability of resources they will probably need access to planning documentation, memos, e-mails, minutes of meetings, discussions with colleagues, etc. In addition, they will also need to confirm the availability of human resources and any special requirements in terms of type of product being distributed and any special handling equipment etc.

The assessor will also have to be satisfied that the candidate has looked at alternative resources in terms of the supplies to be distributed. Some of these have been mentioned above. The assessment method is therefore likely to be product evidence.

**Outcome 3** There will be a variety of evidence documentation available to the candidate and it will depend on the type of distribution method employed by the candidate's organisation.

In terms of positioning and movement of supplies the evidence is likely to take the form of a delivery schedule or flow chart or similar showing the supply chain with narrative explaining the stages and this may be supported by e-mails, letters, etc. Evidence on the role of the suppliers and customers may be shown by the relationship they have with the supply chain or specified in agreements between the supplier and the customer. These may be supported by e-mails, letters, etc. Finally, evidence on the distribution requirements of different types of supplies may also be specified in agreements between the supplier and the customer but in addition may be influenced by legal requirements, demand patterns, size of customer, strategic choices. Other evidence may come from handling information sheets, e-mails, letters, etc.

The evidence is likely to be all product evidence although some observation of discussions with customers and colleagues is also a possibility.

**Outcome 4** The assessment for this Outcome is likely to be by product evidence in the form of a risk assessment report and to meet the achievement criteria the candidate's report must clearly identify the factors affecting the supply chain and the risks assessed for their impact on the supply chain.

**Outcome 5** Once the specification for the distribution of supplies and the risk assessment is completed, candidates should provide evidence to show that all relevant colleagues have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult their colleagues by means of a briefing meeting then observation would be a possible method of assessment. If, however, the candidate decides on a memo or a report then there will be product evidence to support the assessment. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. Whichever method is chosen the candidate must demonstrate that concerns and issues raised by colleagues were discussed.

**Outcome 6** This Outcome is possibly best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements for distribution requirements are complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit M21 Select distribution methods for supplies (DX74 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to select distribution methods for supplies and the candidate will need to ensure that the information on the supplies being distributed is confirmed. They then need to obtain information on the distribution methods that are available and evaluate those that are suitable. Once this has been achieved, the candidate should select the distribution methods that are capable of meeting the specifications followed by assessing the benefits and risks, identifying and resolving any problems with the distribution methods, informing colleagues of the decisions made and ensuring that the distribution methods employed comply with all relevant requirements.

**Outcome 1** The information on the supplies being distributed was obtained in Unit M20 and the task that the candidate must now carry out is to confirm that information. A suggested approach from Unit M20 was that the distribution of supplies must be confirmed and there are many different methods of distribution. A popular method is to supply the goods from a warehouse direct to customers who have placed an order via the internet. However, the supplier can provide additional services that are clearly specified when the customer places the order. For example, on many internet purchases the customer can trace the stage of the distribution through the internet right up to the point where it reaches a local depot and the customer then knows that delivery should be imminent. All the arrangements for the movement of the goods need to be planned (specified) in advance.



It is important that the candidate confirms the roles of suppliers and customers within the supply chain and they should be aware of the internal supply chain and the suppliers and customers involved. For example, a company may use its own transport to pick up items/products from suppliers overseas to bring back to the UK for assembly into a finished product, such as a car. When the company's transport picks up the supplies from the supplier then it could be accepted that the distribution had been completed. However, once the company has taken possession of the supplies there will follow a series of other moves (distribution) internal to the organisation before a final product is distributed to the end customer.

Each internal supplier and customer has the same responsibilities as external suppliers and customers. The supplier should deliver the goods on time, they should be to the agreed quality levels and the customer should expect to receive the items in good condition. If the goods are received late or they are damaged in any way the customer should inform the supplier immediately but probably more important is the responsibility to inform the customers down the line.

The final achievement criterion asks the candidate to provide evidence that they have confirmed the distribution requirements of different types of supplies. This to some extent was covered in Outcome 2 of Unit M20 but the evidence available to the candidate will be determined by the type of supplies their organisation and customers require.

**Outcome 2** The candidate is asked to provide evidence that they can access suitable sources of information on the distribution methods that are available to their organisation. This must include information on costs, timescales, and quality and there are other factors that may be considered. The extent of the evidence will be determined by the type of product the company is selling. For example, if a company is selling to customers based on their order and the distribution is direct to the customer then there are two possible distribution methods available. If the customer is purchasing a car from a dealer then they will first of all agree their requirements with the dealer who will in turn arrange for the distribution from either a central depot or direct from the manufacturer. The final part of the distribution method is that the customer will arrange with the dealer to collect the final item from the car showroom. The other method has been described in a previous Unit and that is where organisations sell direct to the end customer by way of the internet and the item(s) are shipped to the customer, usually from a central warehouse, by a logistics organisation.

A more complex system is best described by an actual example where a manufacturer of domestic electronic goods who based their demand on historic records and forecasts, operated a make to stock system and distributed their goods throughout Europe to a warehouse in each of the countries where they sold their products. Each country's warehouse, in turn, distributed the goods to various retail outlets based on what they

thought they could sell. When this method of distribution was analysed it was discovered that the company was not able to match the product and model of product with the demand at each retail outlet. As a result there were further ancillary distributions taking place where retail outlets tried to move products around to meet the actual demand. This led the company to take action to reduce the additional non-value adding activities of additional distribution and they achieved this by building a large super warehouse at a strategically placed location in Europe that was suitable for distribution from the manufacturing Unit. Instead of running a warehouse in each of the countries as before, the 'hub' warehouse distributed direct to the retail outlets based on actual demand and promised delivery within 24 hours. Each retail outlet kept a minimum stock of all the products, mainly for display purposes, and the 'hub' warehouse held stock based on historic demand and forecasts aggregated for the whole of Europe.

Other considerations that the candidate may take into consideration are the physical methods used to control distribution. With the simplest type of distribution system the company may simply use distribution reports that list the items each day or each week to be distributed. With the more complex distribution methods the companies are most likely to use a Distribution Requirements Planning system (DRP).

**Outcome 3** Once the information has been obtained, as in Outcome 2 above, the candidate is required to evaluate the information on the distribution methods available. The candidate should clearly demonstrate the use of an evaluation process and they must establish evaluation criteria. The actual criteria will depend on the type of product involved, and the candidate will be guided by the method currently employed in their organisation, although they may discover reasons why the organisation may wish to adopt another method.

**Outcome 4** Once Outcome 3 is completed, the candidate is asked to select the distribution methods that are capable of meeting the specifications and to ensure that they are measured against the evaluation criteria established in Outcome 3. Distribution cannot be considered on its own and any decisions should be made in the full knowledge of the requirements of procurement, transportation and the storage systems. This will depend on the attributes of the items products being considered. For example, is procurement accessing items on a Just-in-Time basis that will be delivered to point of use? Will this require a 'hub' storage facility? If so, how will this be managed? How will the goods be transported from the supplier? Will the suppliers use their own transport or will it be by a third party logistics company? How are the supplies to be stored? Are there adequate facilities, storage area, etc, to meet requirements? Who is responsible for the goods, eg insurance, damage, ownership?

**Outcome 5** The candidates must assess all the benefits and risks of using distribution methods. The candidate will have to identify benefits to the organisation and the supply chain. The benefits may relate to the design of

the distribution method and the example shown in Outcome 2 would also be appropriate for this Outcome.

The candidate must also identify risks that are realistic and significant to the organisation. The company may decide to use a single logistics company to carry out whichever method of distribution is decided. However any problems, such as strikes, could cause serious disruption. There will be several more examples that will depend on the distribution method to be used, and candidates should examine the company's method of distribution and consider the risks to the supply chain carefully.

**Outcome 6** The candidate must identify and resolve any problems with the distribution methods, therefore they must be clearly identified and resolved in such a way as to improve the effectiveness of the operation. In order to benefit fully from this process, candidates should discuss the process and the Outcomes with their colleagues, customers, suppliers, distributors etc.

**Outcome 7** When any problems have been identified and resolved, and the benefits and risks have been assessed, the candidate should provide the results of the selection to all relevant colleagues and consult them on their views. A variety of methods can be used to achieve this, eg a presentation with slides or circulation of a report. There should be evidence of feedback from colleagues.

**Outcome 8** The candidate needs to ensure that the distribution methods comply with all the relevant legal and regulatory requirements and organisational requirements. The candidate may need to refer to relevant statutory legislation, including European legislation.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below. There is an opportunity to integrate Outcomes into a comprehensive report and presentation incorporating Outcomes 2, 3, 4, 5, 6 and 7.

**Outcome 1** There will be a variety of evidence documentation available to the candidate and it will depend on the type of distribution method employed by the candidate's organisation.

In terms of positioning and movement of supplies, evidence is likely to take the form of a delivery schedule and this may be supported by e-mails, letters, a flowchart of the goods from receipt to customer, etc. Evidence on the role of the suppliers and customers may be specified in agreements between the supplier and the customer. These may be supported by e-mails, letters, contracts etc. Finally, evidence on the distribution requirements of different types of supplies may also be specified in agreements between the supplier and the customer but in addition may be influenced by legal requirements. Other evidence may come from handling information sheets, e-mails, letters, contracts etc.

The evidence is likely to be all product evidence although some observation of discussions with customers and colleagues is also a possibility.

**Outcome 2** The candidate must obtain information on distribution methods/options that are available and evidence will most probably be product evidence in the form of reports. One report would provide evidence on the investigation or research into suitable sources of information and a second report would provide evidence on costs, time scales, quality and other factors considered to be important. The evidence presented should reflect the requirements of the organisation and its products.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of an evaluation report which should make clear the evaluation criteria that were established. The assessor will also be looking to see that appropriate evaluation processes have been used.

**Outcome 4** The evidence for this Outcome will tie in with the evidence produced for Outcome 2 and once this has been identified the candidate will be required to produce evidence to show that they have been able to use the information to identify the distribution methods that are capable of meeting the specifications. The evidence is likely to be product evidence and will be in the form of a report that clearly shows how the identification of distribution methods are measured against the evaluation criteria established in Outcome 3 leading to a recommendation. The evidence must also show that the identification of distribution methods were not just based on the cost but also considered the effect on the procurement, transportation and storage systems.

**Outcome 5** The assessment for this Outcome is again likely to be by product evidence in the form of a risk assessment report and to meet the achievement criteria the candidate's report must clearly identify the benefits to both the organisation and the supply chain. There should also be evidence of a formal risk assessment process being used to form the report. The candidate must also demonstrate that the risks are realistic and their significance to the organisation. It may be that the candidate will also carry out a SWOT analysis and/or a PESTLE analysis.

**Outcome 6** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the identification and/or assessing the benefits and risks of using the distribution methods. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation. If difficulties are encountered, the report should clearly show that the process of resolving the problems was discussed with colleagues, customers, suppliers, distributors etc.

**Outcome 7** Once the requirements of Outcomes 4, 5 and 6 have been completed the candidate should provide evidence to show that all relevant colleagues have received the results and have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult their colleagues by means of a briefing meeting then observation would be a possible method of assessment. If, however, the candidate decides on a memo, presentation or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. Regardless of the method of consultation the candidate should have evidence of feedback from the colleagues in the form of e-mails or narratives of verbal accounts.

**Outcome 8** This Outcome is possibly best assessed by a personal statement from the candidate that explains how firstly the legal and regulatory requirements relevant to the organisation for the distribution methods are complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M22 Schedule the distribution of supplies (DX7W 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to schedule the distribution of supplies and to do this the candidate must first of all confirm the supplies that are being distributed and obtain information on them. The candidate should then confirm the distribution of supplies with all relevant colleagues including customers and then schedule the distribution of supplies to meet the requirements of the supply chain. Once this has been achieved the candidate should assess all relevant factors and risks that could affect the distribution schedule, identify and resolve any problems with the distribution schedule, inform all relevant colleagues of the schedules and ensure that the scheduling complies with all relevant requirements.

**Outcome 1** In Unit M21 the candidate confirmed the information on the supplies being distributed and the task for this Unit is that the candidate must confirm the supplies that are physically being distributed and that will include the positioning and movement of these supplies. The candidate should schedule the distribution based on customer requirements or for example on the requirements of regional warehouses if the goods are being distributed to a warehouse. This could involve the candidate specifying the route for the distribution especially where there are multi-delivery points. If this is the case the timing of each delivery should be clearly identified and this, perhaps with other documentation, will meet the first achievement criterion.

The second part of the criteria involves the candidate identifying the specifications and quality of supplies. The requirements for this will depend on the type of product being distributed but is likely to include

service level agreements and contracts with the customer, and the candidate should be looking at the best method to satisfy both the needs of the customer and of their own organisation.

If distribution is taking place to regional warehouses, for example, and the company cannot meet all the forecast demand for each warehouse, the candidate may have to introduce a 'fair shares' distribution policy and this may be achieved through the use of a Distribution Requirements Planning system (DRP).

**Outcome 2** The candidate is asked to provide evidence that they can access suitable sources of information on the supplies that need to be distributed, eg customers, locations, distances, weights, bulk, handling considerations. The extent of the evidence will be determined by the type of product the company is dealing with and the candidate will be expected to obtain information on any special requirements for the distribution of the supplies, for example any special handling requirements. If chemicals are involved what safety information is required and do bulky loads need permission to travel on certain routes and perhaps a police escort? It is likely that candidates will have to consult with appropriate personnel for some of the information that may be required.

**Outcome 3** Following the completion of Outcomes 1 and 2 the candidate is required to confirm the distribution of supplies with their colleagues. They will therefore have to discuss the information obtained and seek the views of their colleagues to ensure that the information is accurate and appropriate. Colleagues may include their peers, their line manager, suppliers and customers. In addition to the information already mentioned, there may be a need for the candidate to comment on the effectiveness of the distribution system in relation to the supply chain in terms of performance being recorded against expectations.

**Outcome 4** The candidate must schedule the distribution of supplies to meet the requirements of the supply chain. The candidate will therefore need to know the preferred method of distribution and be satisfied that this method is appropriate to meet the needs of customers and of their organisation. There should also be some consideration of the factors shown in Outcome 2. It may be that the organisation deals with its own distribution in which case the candidate will need to schedule the distribution and make appropriate arrangements with customers and/or warehouses. Alternatively, the organisation may outsource the distribution to a third party logistics organisation and there should be agreements in place that will define the responsibility of all parties involved with the distribution.

The candidate must also ensure that the use of distribution methods is sequenced in the correct order. This may be a situation where distribution is being made direct on to an assembly line and the supplies must be sequenced in the order required by the customer. Similarly, if the distribution of supplies is to a number of warehouses spread around the

country then the supplies must be sequenced in the order based on the planned distribution route.

Finally, the candidate is required to ensure that the scheduling takes care of all key factors. Some of these have already been mentioned such as lifting equipment, police escorts but others may include special packaging, maximum loads on vehicles, labour requirements, etc.

**Outcome 5** The candidate must assess all the relevant factors and risks that could affect the distribution schedule. To do this the candidate will have to assess the risks for their impact on the organisation. There are a number of risks for any schedule in relation to distribution. Some may be unavoidable such as those caused by the weather, eg flooding may cause lengthy delays which may in turn mean a missed schedule. This could be overcome by consulting the meteorological office if there is any doubt about the weather. Accidents and road works are another cause of delay and again there are ways of overcoming this type of problem with satellite navigation systems that can advise on hold ups due to accidents or road works and recommend an alternative route. There is one major element in all of this and that is communications. There is no reason why any delay cannot be communicated to the customer which may help the organisation reduce the impact of any problems that occur. There are many other reasons why the schedule could be affected.

The candidate must also identify risks that are realistic and significant to the organisation. The company may decide to use a single logistics company to carry out whichever method of distribution is decided. However, any problems, such as strikes, could cause serious disruption. There will be several more examples that will depend on the distribution method to be used, and candidates should examine the company's method of distribution and consider the risks carefully.

**Outcome 6** The candidate must identify and resolve any problems with the distribution schedule and they must be clearly identified and resolved in such a way as to improve the effectiveness of the operation. In order to benefit fully from this process, candidates should discuss the process and the Outcomes with their colleagues.

**Outcome 7** When the distribution of supplies has been scheduled and all the relevant factors and risks have been considered, the candidate should provide the information to all relevant colleagues and seek their views on the results. Any concerns and issues raised by colleagues should be discussed fully. Colleagues may include customers and also colleagues from within the organisation. A variety of methods can be used to achieve this Outcome.

**Outcome 8** The candidate needs to ensure that the scheduling complies with all the relevant legal and regulatory requirements and also complies with organisational requirements. The candidate may need to refer to relevant legislation, including European legislation.



## **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates must produce evidence to confirm that supplies are being distributed and in terms of positioning and movement of supplies, evidence is likely to take the form of a delivery schedule, contract, service agreement, DRP and orders showing the specific goods eg, frozen, palletised and quantities, eg forecasts in supplies in the distribution system. These may be supported by e-mails, letters, etc.

In terms of identifying specifications and quality of supplies, candidates should be able to access evidence from various reports, e-mails, memos, letters, orders, contracts etc.

The assessment method for both achievement criteria is therefore likely to be product evidence.

**Outcome 2** The candidate must obtain information on the supplies that need to be distributed and evidence will most likely be product evidence in the form of reports, letters, e-mails, etc. The evidence should also include details of volumes, handling issues, equipment needs, locations, distances, access etc. The evidence presented should reflect the requirements of the organisation and its products.

**Outcome 3** The evidence for this Outcome is likely to be product evidence in the form of e-mails, memos and reports to all relevant colleagues. The second achievement criterion may include similar evidence but from colleagues confirming receipt of evidence relating to the distribution of supplies and also containing their views and/or suggestions. The assessor should be satisfied that a suitable confirmation process has been employed.

**Outcome 4** The candidate must produce schedules for the distribution of supplies that meet the requirements of the supply chain. The evidence will be in the form of schedules whether produced manually or through a DRP system. In addition, the candidate will need to produce evidence confirming the preferred methods of distribution; possibly from the organisation's 'Operations Manual' and that they are available, probably from agreement or contract documents. To ensure that the use of distribution methods is sequenced correctly the candidate will have to produce evidence in the form of a route schedule and/or distribution schedule. The evidence of the account of key factors may be evidenced from the above and/or service agreements and allocation of resources for examples of manifestos, route planning, picking lists and goods received notes could be evidence of this.

**Outcome 5** The assessment for this Outcome is likely to be by product evidence in the form of a risk assessment report and to meet the achievement criteria the candidate's report must clearly identify that the

risks have been assessed for their impact on the organisation. There should also be evidence of a formal risk assessment process being used to produce the report. The candidate must also demonstrate that the risks are realistic and their significance to the organisation. It may be that the candidate will also carry out a SWOT analysis and/or a PESTLE analysis.

**Outcome 6** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the identification and/or assessing all relevant factors and risks that could affect the distribution schedule. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation. If difficulties are encountered, the report should clearly show that the process of resolving the problems was discussed with colleagues. Therefore, the evidence should include discussions, meetings and actions.

**Outcome 7** Once Outcomes 4, 5 and 6 have been completed, candidates should provide evidence to show that all relevant colleagues have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult their colleagues by means of a briefing meeting then observation would be a possible method of assessment. If, however, the candidate decides on a memo, presentation or a report then there will be product evidence to support the assessment. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. Whatever method is chosen the candidate must demonstrate that concerns and issues raised by colleagues were discussed and give adequate evidence of feedback.

**Outcome 8** This Outcome is best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements relevant to the organisation for the scheduling complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

**Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## **Unit M23 Select methods to receive returned supplies (DX78 04)**

### **Assessment Guidance**

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to select methods to receive returned supplies and to do this the candidate must confirm information on the supplies being returned and obtain information on the supply return methods that are available. The candidate is then asked to evaluate the information on the suitability of the supply return methods and identify the supply return methods that are capable of meeting the specifications. The candidate should then assess the benefits and risks of using the supply return methods, identify and resolve any problems with the supply return methods, provide the results of the selection to colleagues and ensure the supply return methods comply with all relevant requirements.

**Outcome 1** The candidate is required to confirm information on the supplies being returned and the first achievement criteria is for the candidate to clearly identify the positioning and movement of the supplies. There is a considerable amount of information that may be required, not least of which is to establish the reasons for the returns. Are the supplies being returned for repair? Are they to be replaced? Are they being returned because the supplier exceeded the quantity required? Are they being returned because the supplies have reached the end of their useful life and the supplier has a responsibility to dispose of the items? With regard to movement it will again depend on the type of supplies and how they were distributed to the customer. It may be that the customer has to arrange the return or the supplier may make arrangements for the supplies to be uplifted. However, all arrangements for the return of supplies should be specified in advance. The second achievement criterion asks the

candidate to clearly identify the role of the suppliers and customers within the distribution system and the main responsibility of the customer is likely to be that they inform the supplier that goods will have to be returned and provide them with a valid reason for this requirement. The customer may also have a responsibility to ensure that the supplies are returned to the customer using a suitable distribution method of their choice or perhaps one that is defined by the supplier. The responsibility of the supplier, on the other hand, is likely to be to investigate the reason why supplies are being returned, they may also decide on the method that the customer must use to return the supplies or they may have the responsibility of ensuring that the supplies are collected from the customer.

The final achievement criterion for this Outcome asks the candidate to identify the distribution requirements for different types of supplies. This will be determined by the type of product but may involve the use of special lifting equipment, special vehicles, etc.

**Outcome 2** The candidate is asked to provide evidence that they can access suitable sources of information on the distribution methods that are available to their organisation. This must include information on costs, timescales, and quality and there are other factors that may be considered. The extent of the evidence will be determined by the type of product involved.

For example, if a product has been supplied direct to a customer and it fails under warranty, the customer may have a choice of returning the item direct to a local agent for repair. Alternatively, the supplier may make arrangements for the item to be uplifted from the customer and return it to the supplier for repair or in some instances replacement.

Depending on the type of product there may have to be specialised equipment and/or specialist personnel made available at the customer's premises to uninstall the equipment in order to return it to the supplier. The supplier may also have to supply an alternative piece of equipment while the original is being repaired or replaced.

The supplier must have a returns policy which sets out how returns are to be dealt with and will include the costs and timescales, who is responsible, and the limit of costs. The conditions relating to quality must also be specified.

**Outcome 3** Once the information has been obtained, as in Outcome 2 above, the candidate is required to evaluate the information on the supply return methods available. The candidate should clearly demonstrate the use of an evaluation process and they must establish evaluation criteria. The actual criteria will depend on the type of product involved, and the candidate will be guided by the method currently employed in their organisation, although they may discover reasons why the organisation may wish to adopt another method.

**Outcome 4** Once Outcome 3 is completed, the candidate must select the supply return methods that are capable of meeting the specifications and ensure that they are measured against the evaluation criteria established in Outcome 3. Distribution cannot be considered on its own and any decisions should be made in the full knowledge of the requirements of procurement, transportation and the storage systems.

This will depend on the attributes of the items/products being considered. For example, is procurement accessing items on a Just-in-Time basis that will be delivered to point of use? Where is the customer likely to find a problem with the supplies? If it is at a 'hub' warehouse then there may be opportunities for the supplier to supply more items and use the same transport to return the faulty items? If the problem is discovered on the assembly line, this will be much more critical and special arrangements may have to be made for the return and perhaps 'inspection' of the items? Quarantine arrangements have to be identified and parking arrangements must be shown as adequate for transit needs. Depending on the situation it may also mean that special transport arrangements need to be made to return the goods such as a special courier and the question of storage facilities at either end must be considered carefully.

**Outcome 5** The candidate must assess the benefits and risks of using supply return methods. To do this, the candidate will have to identify benefits to the organisation. One consideration in terms of the supply return method used is that if the organisation uses its own method then it has more control over the whole process, whereas using a third party or allowing the customer to determine when supplies are returned may put the organisation at a disadvantage especially if there is any chance that the organisation may lose a contract.

**Outcome 6** The candidate must identify and resolve any problems with the supply return methods, therefore they must be clearly identified and resolved in such a way as to improve the effectiveness of the operation. In order to benefit fully from this process, candidates should discuss the process and the outcomes with their colleagues.

**Outcome 7** When any problems have been identified and resolved and the benefits and risks have been assessed, the candidate should provide the results of the selection to all relevant colleagues and consult them on their views. A variety of methods can be used to achieve this.

**Outcome 8** The candidate needs to ensure that the supply return methods comply with all the relevant legal and regulatory requirements and also complies with organisational requirements. The candidate may need to refer to relevant legislation, including European legislation.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** There will be a variety of evidence documentation available to the candidate and it will depend on the type of supply return method employed by the suppliers. A clear returns note system with details of the goods original order number, reason for the return, quantities, arrangements relating to the return, eg collections.

In terms of positioning and movement of supplies, evidence may take the form of an agreed system of returns, perhaps a warranty, and legal requirements such as the Sale of Goods Act, etc and these may be supported by e-mails, letters, reports etc.

Evidence on the role of the suppliers and customers may be specified in agreements between the supplier and the customer. These may be supported by e-mails, letters, etc.

Finally, evidence on the distribution requirements of different types of supplies may also be specified in agreements between the supplier and the customer but may also be influenced by legal requirements. Other evidence may come from handling information sheets, original order or contract details, returns documentation, credit notes, e-mails, letters, etc.

The evidence is likely to be all product evidence although some discussion with customers and colleagues is also a possibility.

**Outcome 2** This can be integrated with Outcomes 3 and 4, and requires the candidate to obtain information on distribution methods that are available. Evidence will most likely be product evidence in the form of reports. One report would provide evidence on the investigation or research into suitable sources of information and a second report would provide evidence on costs, time scales, quality and other factors considered to be important. The evidence presented should reflect the requirements of the organisation and its products.

**Outcome 3** This can be integrated with Outcomes 2 and 4. The assessment for this Outcome is likely to be by product evidence in the form of an evaluation report which should make clear the evaluation criteria that were established. The assessor will also be looking to see that appropriate evaluation processes have been used.

**Outcome 4** This can be integrated with Outcomes 2 and 3. The candidate must produce evidence to show they have been able to use the information to identify the supply return methods that are capable of meeting the specifications. The evidence is likely to be product evidence and will be in the form of a report that clearly shows how the identification of supply return methods are measured against the evaluation criteria established in Outcome 3. The evidence must also show that the identification of supply return methods were not just based on the cost but also considered the effect on the procurement, distribution, transportation and storage systems.

The candidate may also wish to consider a reverse logistics policy for the organisation.

**Outcome 5** The assessment for this Outcome is likely to be by product evidence in the form of a formal risk assessment report. To meet the achievement criteria, the candidate's report must clearly identify the benefits to both the organisation and the supply chain. The candidate must also demonstrate that the risks are realistic and their significance to the organisation. It may be that the candidate will also carry out a SWOT analysis and/or a PESTLE analysis.

**Outcome 6** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the identification and/or assessing the benefits and risks of using the supply return methods. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation. If difficulties are encountered, the report should clearly show that the process of resolving the problems was discussed with colleagues. Evidence of meetings, discussions and actions taken could also be shown in the evidence.

**Outcome 7** Once the requirements of Outcomes 4, 5 and 6 have been completed, the candidate should provide evidence to show that all relevant colleagues have received the results and have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult their colleagues by means of a presentation or briefing meeting then observation would be a possible method of assessment. If, however, the candidate decides on a memo or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. There should also be evidence of feedback from colleagues to confirm the consultative process is completed.

**Outcome 8** This Outcome is best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements for the return supply methods are complied with and secondly how the organisational requirements are complied with, eg financial return of funds to the organisation evidence of credits being issued.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers



to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M24 Select transport methods for supplies (DX7A 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to select transportation methods for supplies and the candidate will need to confirm information on the supplies being transported. They must then obtain information on the transportation methods available and evaluate information on the suitability of transport methods. The next requirement is for the candidate to identify those transport methods that are capable of meeting the specifications. The candidate then needs to assess the benefits and risks of using transportation methods, identify and resolve any problems with the transportation methods, provide the results of the selection to colleagues and ensure the transportation methods comply with all relevant requirements.

**Outcome 1** There are a number of different transportation methods that organisations could use and the candidate is asked to identify the positioning and movement of supplies. This will depend on the transportation methods already employed by the organisation and the candidate should examine those methods and analyse its effectiveness in terms of the criteria. The candidate will hopefully confirm that the current transportations are effective or they may recommend alternative methods that would be more beneficial to the organisation.

To meet the second achievement criterion the candidate needs to ensure that the transportation methods of different types of supplies are identified. This will depend on the range of supplies being transported by the organisation but where there are different types the candidate should

confirm that the current methods employed are effective or they may recommend alternative methods.

**Outcome 2** The candidate is asked to provide evidence that they can access suitable sources of information on the transport methods that are available to their organisation, this must include information on costs, timescales and quality and there are other factors that may be considered. The extent of the evidence will be determined by the type of product involved.

This will be decided by the type of product that the company wishes to transport and also the market place where the demand lies. For example it could be an organisation transporting small, but fairly expensive, electronic components. If they are dealing with individual customers in the UK, then they may decide to use the postal service as this will be relatively inexpensive, fairly reliable, and the customer is likely to be asked to pay postage and packing they will receive a good quality service and they can access a bit more security by using the recorded delivery service.

If they are transporting electronic components in bulk to other organisations in the UK they will have other options available to them. They may still use the mail service but send by parcel post, perhaps not such a speedy service and sometimes less reliable. They could use a courier service which would more expensive but depending on the quantities involved would still be relatively cheap. They will be able to achieve a speedy delivery and will be able to seek specific guarantees on the quality of the service.

Most of the examples so far have used road as the main transport method, but what if the organisation needs to transport large quantities of the electronic components overseas? The organisation has a choice of two main transportation methods – air or sea. For the type of item discussed above, the most likely method would be air freight. The items are likely to be relatively light and expensive so in relative terms air freight may be a reasonable price to pay. Shipping may be less expensive but the items will probably be shipped in a container along with other products, there will be a long lead time to get to the customer and may not be suitable.

Some products being transported abroad may have no option but to be transported by sea. If the organisation deals with items that are bulky and/or heavy then it is likely that air transport would be too expensive.

It should also be remembered that whichever of the two methods is used to transport items overseas there will still have to be road transport of some description at both the supplier's end and the customer's end.

**Outcome 3** Once the information has been obtained, as in Outcome 2 above, the candidate must evaluate the information on the transportation methods available. The candidate should clearly demonstrate the use of an evaluation process and they must establish evaluation criteria. The

actual criteria will depend on the type of product involved, and the candidate will be guided by the method currently employed in their organisation, although they may discover reasons why the organisation may wish to adopt another method, but will probably include cost, speed of delivery, reliability and flexibility.

**Outcome 4** Once Outcome 3 is completed, the candidate must identify the transportation methods that are capable of meeting the specifications and ensure that they are measured against the evaluation criteria established in Outcome 3. Transportation cannot be considered on its own and any decisions should be made in the full knowledge of the requirements of procurement, distribution and the storage systems, eg handling considerations, costs, returnables (eg, pallets).

**Outcome 5** The candidate must assess the benefits and risks of using transportation methods. To do this, the candidate will have to identify benefits to the organisation. The benefit of transport methods to the organisation are likely to be identified from Outcome 3 and may include costs, speed of delivery to the customer, flexibility of the transport system to perhaps pick up returns, packaging etc to be brought back to the organisation, and reliability in terms of being able to guarantee times of delivery to customers. The risks may arise if the organisation does not perform as expected and this may be caused by a number of factors such as strikes, production not producing when required, weather, mistakes, etc. These may be alleviated by regular dialogue with the customers and dealing with the feedback received from the supply chain as a whole.

**Outcome 6** The candidate must identify and resolve any problems with the transportation methods, therefore they must be clearly identified and resolved in such a way as to improve the effectiveness of the operation. In order to benefit fully from this process, candidates should discuss the process and the Outcomes with their colleagues, and review the transportation system on a regular basis.

**Outcome 7** When any problems have been identified and resolved, and the benefits and risks have been assessed, the candidate should provide the results of the selection to all relevant colleagues and consult them on their views. A variety of methods can be used to achieve this and may involve meetings with customers to appraise the service levels obtained and perhaps to introduce new systems where necessary.

**Outcome 8** The candidate needs to ensure that the transportation methods comply with all the relevant legal and regulatory requirements relevant to the organisation and also complies with organisational requirements. The candidate may need to refer to relevant legislation, including European legislation, such as driver hours.

## **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates must produce evidence to confirm information on a variety of supplies being transported and in terms of positioning and movement of supplies, evidence is likely to take the form of a delivery schedule, contract, service agreement, DRP reports and these may be supported by e-mails, letters, etc.

In terms of identifying the transportation requirements for different types of supplies, evidence may be found in resource schedules, agreements, contracts, and may be supported by letters, e-mails, memos, etc.

Assessment evidence will therefore most likely be product evidence.

**Outcome 2** The candidate must provide evidence on the information on the transportation methods that are available. There will be a variety of suitable sources available and this will depend on the type of supplies being transported. It is expected that the candidate will source product evidence from some of the following – information from their own organisation's transport department if they run their own transport, information sheets/catalogues and perhaps proposals from carriers, couriers, logistics companies, similar from shipping agents and rail freight operators.

Candidates from manufacturing companies may also consider internal transportation methods that may include information on forklift trucks, conveyor belts, automated guided vehicles (AVGs), etc.

The candidate could identify the sources of the research and support their research with factual evidence.

Evidence on costs, timescales and quality are likely to come from formal proposals from various operators and if internally should be contained in policy documents and standard costings.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of an evaluation report which should make clear the evaluation criteria that were established. The assessor will also be looking to see that appropriate evaluation processes have been used and evidence of clearly defined evaluation criteria is essential.

**Outcome 4** The evidence for this Outcome will tie in with the evidence produced for Outcome 2 and once this has been identified the candidate will be required to produce evidence to show that they have been able to use the information to identify the transportation methods that are capable of meeting the specifications. The evidence is likely to be product evidence and will be in the form of a report that clearly shows how the identification of transportation methods are measured against the

evaluation criteria established in Outcome 3. The evidence must also show that the identification of transportation methods were not just based on the cost but also considered the effect on the procurement, distribution, and storage systems. A decision making process should be shown and a recommended outcome provided.

The candidate may also wish to consider the impact of a reverse logistics policy for the organisation.

**Outcome 5** The assessment for this Outcome is likely to be by product evidence in the form of a risk assessment report and to meet the achievement criteria the candidate's report must clearly identify the benefits to both the organisation and the supply chain. The candidate must also demonstrate that the risks are realistic, measured, and their significance to the organisation. It may be that the candidate will also carry out an analysis using SWOT analysis and/or a PESTLE analysis or similar analytical tools.

**Outcome 6** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the identification and/or assessing the benefits and risks of using the transportation methods. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation. If difficulties are encountered, the report should clearly show that the process of resolving the problems was discussed with colleagues. Evidence of discussion and feedback from colleagues and others should be presented.

**Outcome 7** Once the requirements of Outcomes 4, 5 and 6 have been completed, the candidate should provide evidence to show that all relevant colleagues have received the results and have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult their colleagues by means of a presentation or briefing meeting then observation would be a possible method of assessment. If, however, the candidate decides on a memo or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence.

**Outcome 8** This Outcome is best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements for the transportation methods are complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M25 Schedule the transportation of supplies (DX73 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to schedule the transportation of supplies and to do this the candidate must first of all confirm the supplies that are being transported and obtain information on them. The candidate should then confirm the transportation of supplies with all relevant colleagues including customers and then schedule the transportation of supplies to meet the requirements of the supply chain. Once this has been achieved, the candidate should assess all relevant factors and risks that could affect the transportation schedule, identify and resolve any problems with the transportation schedule, inform all relevant colleagues of the schedules and ensure that the scheduling complies with all relevant requirements.

**Outcome 1** In Unit M22 the candidate confirmed the information on the supplies being transported and the task for this Unit is that the candidate confirms the supplies that are physically being transported that will include the positioning and movement of these supplies. The candidate should schedule the transportation based on customer requirements or on the requirements of regional warehouses if the goods are being distributed to a warehouse. This could involve the candidate specifying the route for the transportation especially where there are multi-delivery points. If this is the case, the timing of each delivery should be clearly identified and this, perhaps with other documentation will meet the first achievement criteria.

The second part of the criteria involves the candidate identifying the transportation requirements of different types of supplies. This will also involve the candidate in drawing up transportation schedules but may also



involve liaison with logistics companies and other freight organisations. The candidate may be involved in assessing various transport systems to ensure the effectiveness of the transportation system in relation to the supply chain, based on the types of product that need to be transported.

**Outcome 2** The candidate is asked to provide evidence that they can access suitable sources of information on the supplies that need to be transported. The extent of the evidence will be determined by the types of product the company is dealing with and the candidate will be expected to obtain information from different types of transportation companies such as couriers, carriers, logistic providers. The candidate should also consider other modes of transport, eg road, rail, sea and air but they should also obtain contrast information from their own transportation department where relevant. The candidate should also bear in mind that in some instances it is not possible to transport goods using just one method of transportation and special equipment should also be considered where appropriate.

**Outcome 3** Following the completion of Outcomes 1 and 2 the candidate must confirm the transportation of supplies with their colleagues. They will therefore have to discuss the information obtained and seek the views of their colleagues to ensure that the information is accurate and appropriate. Colleagues may include their peers, their line manager, and customers and in addition to the information already mentioned there may be a need for the candidate to comment on the effectiveness of the transportation system in relation to the supply chain in terms of performance being recorded against expectations.

**Outcome 4** The candidate must schedule the transportation of supplies to meet the requirements of the supply chain. The candidate will therefore need to know the preferred method of transportation and be satisfied that this method is appropriate to meet the needs of customers and of their organisation. It may be that the organisation deals with its own transportation, in which case the candidate will need to schedule the transportation and make appropriate arrangements with customers and/or warehouses in terms of arrival times, any special requirements, etc. Alternatively the organisation may outsource the transportation to a third party logistics organisation and there should be agreements in place that will define the responsibility of all parties involved with the transportation.

The candidate must also ensure that the use of transportation methods is sequenced in the correct order. This may be a situation where the transportation delivers direct to an organisation and the supplies are then transferred, by internal transport direct on to an assembly line and the supplies therefore must be sequenced in the order required by the customer. Similarly, if the transportation of supplies is to a number of warehouses spread around the country then the location of the supplies on the vehicle must be sequenced in the order based on the planned transportation route.

Finally, the candidate is required to ensure that the scheduling takes care of all key factors. These may include special lifting equipment, police escorts, special packaging, maximum loads on vehicles, labour requirements, legal requirements, material handling equipment etc.

**Outcome 5** The candidate must assess all the relevant factors and risks that could affect the transport schedule. To do this, the candidate will have to assess the risks for their impact on the organisation. There are a number of risks for any schedule in relation to transportation. Some may be unavoidable such as those caused by the weather. Flooding, for example, may cause lengthy delays which may in turn mean a missed schedule. This could be overcome by consulting the meteorological office if there is any doubt about the weather. Accidents and road works are another cause of delay and again there are ways of overcoming this type of problem with satellite navigation systems that can advise on hold ups due to accidents or road works and recommend an alternative route. There is one major element in all of this and that is communications. There is no reason why any delay cannot be communicated to the customer which may help the organisation reduce the impact of any problems that occur. There are many other reasons why the schedule could be affected.

The candidate must also identify risks that are realistic and significant to the organisation. The company may decide to use a single logistics company to carry out whichever method of transportation is decided. However any problems, such as strikes, could cause serious disruption. There will be several more examples that will depend on the distribution method to be used, and the candidate should examine the company's method of transportation and consider the risks carefully.

**Outcome 6** The candidate must identify and resolve any problems with the transportation schedule, therefore they must be clearly identified and resolved in such a way as to improve the effectiveness of the operation. In order to benefit fully from this process, candidates should discuss the process and the outcomes with their colleagues.

**Outcome 7** When the transportation of supplies has been scheduled and all the relevant factors and risks have been considered, the candidate should provide the information to all relevant colleagues and seek their views on the results. Any concerns and issues raised by colleagues should be discussed fully. Colleagues may include customers and also colleagues from within the organisation. A variety of methods can be used to achieve this Outcome.

**Outcome 8** The candidate needs to ensure that the scheduling complies with all the relevant legal and regulatory requirements related to the organisation. The candidate may need to refer to relevant legislation, including Transport Acts, Health & Safety Acts and European legislation.

## **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates must produce evidence to confirm that supplies are being transported. This could show the characteristics of the goods being transported, eg weight, volume, handling requirements for a variety of classes of goods. In terms of positioning and movement of supplies, evidence is likely to take the form of a delivery schedule, contract, service agreement, DRP and these may be supported by e-mails, letters, etc.

In terms of identifying specifications and quality of supplies, candidates should be able to access evidence from various reports, e-mails, memos, letters, orders, etc.

The assessment method for both achievement criteria is therefore likely to be product evidence.

**Outcome 2** The candidate must obtain information on the supplies that need to be transported and the transport requirements of different types of supplies. Evidence will most probably be product evidence in the form of reports, letters, e-mails, etc. The evidence presented should reflect the requirements of the organisation and its products being transported. This evidence should show costs, availability, handling needs and access.

**Outcome 3** The evidence for this Outcome is likely to be product evidence in the form of e-mails, memos and/or a report to all relevant colleagues. The second achievement criterion may include similar evidence but from colleagues confirming receipt of evidence relating to the transportation of supplies and also containing their views and/or suggestions. The assessor should be satisfied that a suitable confirmation process has been employed and feedback received from their colleagues.

**Outcome 4** The candidate must produce schedules for the transportation of supplies that meet the requirements of the supply chain. The evidence will be in the form of schedules whether produced manually or through a DRP system. In addition, the candidate will need to produce evidence confirming the preferred methods of transportation; possibly from the organisations 'Operations Manual', and that they are available, probably from agreement or contract documents. To ensure that the use of transportation methods is sequenced correctly, the candidate will have to produce evidence in the form of a route schedule and/or transportation schedule. The evidence of the account of key factors may be evidenced from the above and/or service agreements and allocation of resources. The assessment method for this Outcome is therefore likely to be by product evidence.

**Outcome 5** The assessment for this Outcome is likely to be by product evidence in the form of a risk assessment report and to meet the achievement criteria the candidate's report must clearly identify that the

risks have been assessed for their impact on the organisation. The candidate must also demonstrate that the risks are realistic and their significance to the organisation. It may be that the candidate will also carry out a SWOT analysis and/or a PESTLE analysis or another analysis method related to viewing overall threats.

**Outcome 6** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the identification and/or assessing all relevant factors and risks that could affect the transportation schedule. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation. If difficulties are encountered, the report should clearly show that the process of resolving the problems was discussed with colleagues and show evidence of feedback from colleagues.

**Outcome 7** Once Outcomes 4, 5 and 6 have been completed, candidates should provide evidence to show that all relevant colleagues have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult their colleagues by means of a briefing meeting, or presentation then observation would be a possible method of assessment. If, however, the candidate decides on a memo or a report then there will be product evidence to support the assessment. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence. Whichever method is chosen the candidate must demonstrate that concerns and issues raised by colleagues were discussed: also there should be evidence of feedback showing the involvement of others, eg colleagues, customers.

**Outcome 8** This Outcome is best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements relevant to the organisation for the scheduling are complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

**Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M26 Select methods for exporting supplies (DX76 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to select methods for exporting supplies and to do this the candidate must confirm information on the supplies being exported and obtain information on the export methods that are available. The candidate is then asked to evaluate the information on the suitability of export methods and identify the export methods that are capable of meeting the specifications. The candidate should then assess the benefits and risks of using the export methods, identify and resolve any problems with the export methods, provide the results of the selection to colleagues and ensure the export methods comply with all relevant requirements.

**Outcome 1** The candidate is asked to confirm information on the supplies being exported and the first achievement criterion asks the candidate to clearly identify the positioning and movement of supplies. There are a number of documents that will assist the candidate in providing the necessary evidence and for positioning it is likely that the inventory records for the stores, prior to shipping, would be useful as would export order processing documentation. The latter would also be useful when determining movement as this is likely to contain the shipping dates.

For the second achievement criterion the candidate must identify the export requirements of different types of supplies. Export goods are normally free of VAT but they should still be included in the organisation's VAT return although there are exceptions for some types of supplies. The organisation will have to be aware of this and if necessary obtain help from HM Revenue & Customs. Another aspect of requirements for different

types of goods is that some items require a license for export purposes and again this is something that the organisation needs to be aware of. Chemicals are one example although there are others and it may also depend on the destination of the exports.

**Outcome 2** This Outcome requires the candidate to obtain information on export methods and depending on the amount of expertise that already exists within the organisation there may be considerable information that will be required by the candidate. One source of this information may well be the candidate's export order processing department but if they have to look further afield, two government departments have guides to provide organisations with export advice, namely HM Revenue & Customs and the Department of Trade and Industry (DTI). The DTI also have a Business Link to help exports and for Scotland Business Link advice is available through Business Gateway at Scottish Enterprise, Small Business Services, in Glasgow. Candidates may also find that their local Enterprise Company may have an Export Club. Other sources of information may be the local Chamber of Commerce or the Institute of Export.

From the sources of information above the candidate should be able to consider the costs, timescales and quality information relating to their own supplies.

**Outcome 3** Once the information has been obtained, as in Outcome 2 above, the candidate must evaluate the information on the suitability of export methods. The candidate should clearly demonstrate the use of an evaluation process and they must establish evaluation criteria. The actual criteria will depend on the type of product involved, and the candidate will be guided by the method currently employed in their organisation, although they may discover reasons why the organisation may wish to adopt another method, but will probably include cost, speed of delivery, reliability and flexibility. In terms of exporting, there are also likely to be requirements for information on payments and insurance, which take on a new importance.

**Outcome 4** Once Outcome 3 is completed, the candidates must identify the export methods that are capable of meeting the specifications and ensure that they are measured against the evaluation criteria established in Outcome 3. Export methods cannot be considered on their own and any decisions should be made in the full knowledge of the requirements of procurement, transportation, distribution and the storage systems. There are a number of options available to the candidate's organisation, the main ones being indirect exporting, where the organisation sells their products to a third party or distributor, and the other is direct exporting where the organisation deals with all its own exporting activities.

**Outcome 5** The candidate must assess the benefits and risks of using export methods. To do this the candidate will have to identify benefits to the organisation and the supply chain. The benefit of using exporting methods to the organisation are likely to be that the company is able to expand its business into other countries and while this in itself may also be

a benefit to the supply chain it may be that the company will enter into joint ventures with local organisations in the other countries. The risks may arise if the organisations selected do not perform as expected and the fallout from this situation. Even with direct exporting one of the main risks to an organisation is cash flow because of the delay in customers receiving their goods prior to payment.

**Outcome 6** The candidate must identify and resolve any problems with the export methods, therefore they must be clearly identified and resolved in such a way as to improve the effectiveness of the operation. In order to benefit fully from this process, candidates should discuss the process and the outcomes with their colleagues, and review the transportation system on a regular basis.

**Outcome 7** When any problems have been identified and resolved, and the benefits and risks have been assessed, the candidate should provide the results of the selection to all relevant colleagues and consult them on their views. A variety of methods can be used to achieve this and may involve meetings with customers to appraise the service levels obtained and perhaps to introduce new systems where necessary.

**Outcome 8** The candidate needs to ensure that the export methods comply with all the relevant legal and regulatory requirements and also complies with organisational requirements. The candidate may need to refer to relevant legislation, including European legislation.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates must produce evidence to confirm information on the supplies being exported, and in terms of positioning and movement of supplies, evidence is likely to take the form of a clear specification of the goods supported by an inventory record report, export order processing documents, etc and these may be supported by e-mails, letters etc.

In terms of identifying the export requirements for different types of supplies, evidence may be found in export order processing documents, guidance booklets from HM Revenue & Customs, or the DTI, Incoterms 2000, contract terms etc, and may be supported by letters, e-mails, memos, etc.

**Outcome 2** The candidate must provide evidence on the information on the export methods that are available. There will be a variety of suitable sources and choices available. It is expected that the candidate will source product evidence from some of the following – information from their own organisation's export sales department, information sheets/booklets from various export agencies.



Evidence on costs, timescales and quality are likely to come from the information above, plus company policy on costing. This again will be product evidence perhaps in the form of reports or policy documents.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of an evaluation report which should make clear the evaluation criteria that were established and supported with costs, lead time, modes of transport. The assessor will also be looking to see that appropriate evaluation processes have been used.

**Outcome 4** The evidence for this Outcome will tie in with the evidence produced for Outcome 2 and the type of export method that the organisation decides to adopt. Once this has been identified the candidate will be required to produce evidence to show that they have been able to use the information to identify the export methods that are capable of meeting the specifications. The evidence is likely to be product evidence and will be in the form of a report that clearly shows how the identification of export methods are measured against the evaluation criteria established in Outcome 3. The evidence must also show that the identification of export methods also considered the effect on the procurement, distribution, transportation and storage systems. The evidence should include a clear decision making process considering these factors leading to a decision.

**Outcome 5** The assessment for this Outcome is likely to be by product evidence in the form of a risk assessment report by using a formal system of risk assessment and to meet the achievement criteria the candidate's report must clearly identify the benefits to both the organisation and the supply chain. The candidate must also demonstrate that the risks are realistic and their significance to the organisation. It may be that the candidate will also carry out a SWOT analysis and/or a PESTLE analysis or another analysis method related to viewing overall threats.

**Outcome 6** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the identification and/or assessing the benefits and risks with the export methods. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation. If difficulties are encountered the report should clearly show that the process of resolving the problems was discussed with colleagues and, evidence of feedback from colleagues.

**Outcome 7** Once the requirements of Outcomes 4, 5 and 6 have been completed, the candidate should provide evidence to show that all relevant colleagues have received the results and have been consulted on their views. This can be achieved through a number of methods and the chosen method will in turn determine the method of assessment. For example, if the candidate decides to consult their colleagues by means of a briefing meeting then observation would be a possible method of assessment. If,

however, the candidate decides on a memo, presentation or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence.

**Outcome 8** This Outcome is best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements relevant to the organisation for the export methods are complied with and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

#### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.

## Unit M27 Select methods for importing supplies (DX77 04)

### Assessment Guidance

The assessor should ensure the candidate meets all of the performance requirements in full (Outcomes and Achievement Criteria). The assessor should examine evidence derived from the work environment in the shape of product evidence, personal statements or reports primarily, but this may be supplemented by assignments or case studies. Witness statements can only be used if a recognised and competent person can verify the candidate's competence in the workplace.

In addition, the assessor should test the knowledge of the candidate in **all** of the **application of knowledge** aspects of the standards. The assessor should use integrated questions, product evidence, observation and oral or written questions.

The evidence submitted may cover more than one Unit and where this is the case the candidate must ensure that any evidence submitted is clearly indexed and cross referenced. Evidence submitted may also cover more than one achievement criteria within a Unit and this should be clearly indicated. In both cases, the candidate and the assessor must ensure that any evidence produced is used in the context of the Unit being assessed.

The main objective of this Unit is to select methods for importing supplies and to do this the candidate must confirm information on the supplies being imported and obtain information on the import methods that are available. The candidate is then asked to evaluate the information on the suitability of import methods and identify the import methods that are capable of meeting the specifications. The candidate should then assess the benefits and risks of using the import methods, identify and resolve any problems with the import methods, provide the results of the selection to colleagues and ensure the import methods comply with all relevant requirements.

**Outcome 1** The candidate must confirm information on the supplies being imported and the first achievement criterion asks the candidate to clearly identify the positioning and movement of supplies. There are a number of documents that will assist the candidate in providing the necessary evidence and for positioning it is likely that the procurement records for imported supplies would be useful as would import order processing documentation. The latter would also be useful when determining movement as this is likely to contain the due dates for the supplies.

For the second achievement criterion the candidates are asked to identify the import requirements of different types of supplies. There are a number of conditions that apply to imported supplies and different types of supplies such as agricultural products will need a license. The same may also apply to other types of goods such as fridges or aerosols that have ozone depleting substances. If the candidate's organisation is involved or thinks they are involved in any product that may need a license then the appropriate information needs to be identified.

**Outcome 2** The candidate must obtain information on import methods and depending on the amount of expertise that already exists within the organisation there may be considerable information that will be required by the candidate. One source of this information may well be the candidate's import order processing department but if they have to look further afield, two government departments have guides to provide organisations with export advice namely HM Revenue & Customs and the Department of Trade and Industry (DTI). The DTI also have a Business Link to help export and for Scotland advice through Business Link is available from the Business Gateway at Scottish Enterprise, Small Business Services, in Glasgow. Candidates may also find that their local Enterprise Company may have an Export Club. Other sources of information may be the local Chamber of Commerce and the Institute of Export.

From the sources of information above the candidate should be able to consider the costs, timescales and quality information relating to their own supplies.

**Outcome 3** Once the information has been obtained, as in Outcome 2 above, the candidate must evaluate the information on the suitability of import methods. The candidate should clearly demonstrate the use of an evaluation process and they must establish evaluation criteria. The actual criteria will depend on the type of product involved, and the candidate will be guided by the method currently employed in their organisation, although they may discover reasons why the organisation may wish to adopt another method, but will probably include cost, speed of delivery, reliability and flexibility. In terms of importing there are also likely to be requirements for information on payments and insurance, which take on a new importance.

**Outcome 4** Once Outcome 3 is completed the candidates must identify the import methods that are capable of meeting the specifications and to ensure that they are measured against the evaluation criteria established in Outcome 3. Import methods cannot be considered on their own and any decisions should be made in the full knowledge of the requirements of procurement, transportation, distribution and the storage systems. There are a number of factors to be considered but the organisation can decide the extent to which they become involved by choosing one of two methods available to the candidate's organisation. The main method is direct importing, where the exporting organisation makes all the arrangements for their goods to be delivered to the UK or even direct into their own premises. The second option is for the organisation to use the services of a third party such as an import agent to handle UK customs and engage a freight forwarder to handle onward delivery to the customer's premises.

**Outcome 5** The candidates must assess the benefits and risks of using import methods. To do this, the candidate will have to identify benefits to the organisation and the supply chain. The main benefit of using importing methods to the organisation is likely to be that they will be able to source supplies cheaper, this may also be a benefit to the supply chain if the

lower prices are passed on to the customers and there is no deterioration in quality. There are however a number of risks that may arise if the organisations selected do not perform as expected and perhaps do not deliver the supplies on time and in full.

**Outcome 6** The candidate must identify and resolve any problems with the import methods, therefore they must be clearly identified and resolved in such a way as to improve the effectiveness of the operation. In order to benefit fully from this process, candidates should discuss the process and the outcomes with their colleagues, and review the transportation system on a regular basis.

**Outcome 7** When any problems have been identified and resolved, and the benefits and risks have been assessed, the candidate should provide the results of the selection to all relevant colleagues and consult them on their views. A variety of methods can be used to achieve this and may involve meetings with suppliers to appraise the service levels obtained and perhaps to introduce new systems where necessary.

**Outcome 8** The candidate needs to ensure that the import methods comply with all the relevant legal and regulatory requirements and also complies with organisational requirements. The candidate may need to refer to relevant legislation relating to this importing process, including European/Global legislation.

### **Assessment**

A few assessment methods are likely to be used for this Unit but mainly product evidence. Suggested assessment methods are shown below.

**Outcome 1** Candidates must produce evidence to confirm information on the supplies being imported and in terms of positioning and movement of supplies evidence is likely to take the form of an inventory record report, import order processing documents, etc, and these may be supported by e-mails, letters, etc.

In terms of identifying the import requirements for different types of supplies, evidence may be found in import order processing documents, guidance booklets from HM Revenue & Customs, or the DTI, Incoterms 2000, contract, etc, and again may be supported by letters, e-mails, memos, etc.

The assessment method for this Unit is therefore most likely to be by product evidence.

**Outcome 2** The candidate must provide evidence on the information on the import methods that are available. There will be a variety of suitable sources and choices available. It is expected that the candidate will source product evidence from some of the following – information from their own

organisation's procurement department, information sheets/booklets from various import agencies.

Evidence on costs, timescales and quality are likely to come from the information above plus contracts with suppliers. For assessment purposes this will most likely be by product evidence.

**Outcome 3** The assessment for this Outcome is likely to be by product evidence in the form of an evaluation report which should make clear the evaluation criteria that were established and supported with costs, lead times, and modes of transport. The assessor will also be looking to see that appropriate evaluation processes have been used.

**Outcome 4** The evidence for this Outcome will tie in with the evidence produced for Outcome 2 and the type of import method that the organisation decides to adopt. Once this has been identified, the candidate will be required to produce evidence to show that they have been able to use the information to identify the import methods that are capable of meeting the specifications. The evidence is likely to be product evidence and will be in the form of a report that clearly shows how the identification of import methods are measured against the evaluation criteria established in Outcome 3. The evidence must also show that the identification of import methods also considered the effect on the procurement, distribution, transportation and storage systems. The evidence should include a clear decision making process considering these elements leading to a final decision.

**Outcome 5** The assessment for this Outcome is likely to be by product evidence in the form of a risk assessment report and to meet the achievement criteria, the candidate's report must clearly identify the benefits to both the organisation and the supply chain. The candidate must also demonstrate that the risks are realistic and their significance to the organisation. It may be that the candidate will also carry out a SWOT analysis and/or a PESTLE analysis, or another analytical method which shows the risks judged in an overall way.

**Outcome 6** The assessment for this Outcome is likely to be by product evidence in the form of a report by the candidate identifying any problems that have arisen during the identification and/or assessing the benefits and risks with the import methods. The report should clearly identify these problems and the candidate should have made recommendations as to how the problems can be resolved in a way that improves the effectiveness of the organisation. Where difficulties are encountered the report should clearly show that the process of resolving the problems was discussed with colleagues and evidence of feedback from colleagues.

**Outcome 7** Once the requirements of Outcomes 4, 5 and 6 have been completed, the candidate should provide evidence to show that all relevant colleagues have received the results and have been consulted on their views. This can be achieved through a number of methods and the chosen

method will in turn determine the method of assessment. For example, if the candidate decides to consult their colleagues by means of a briefing meeting then observation would be a possible method of assessment. If, however, the candidates decide on a memo, presentation or a report then there will be product evidence to support the Outcomes. If the candidate decides it is better to consult with colleagues on a one-to-one basis then observation might again be possible or the candidate would be expected to take notes which can be presented as product evidence.

**Outcome 8** This Outcome is best assessed by a personal statement by the candidate that explains how firstly the legal and regulatory requirements relevant to the organisation for the export methods are complied with, and secondly how the organisational requirements are complied with.

**Note:** In addition to any of the suggested assessment methods mentioned above the assessor may wish to gather further evidence by means of a professional discussion, which should be recorded. Where this is used the recording must be indexed to allow both the internal and external verifiers to locate the portion of the recording relating to specific achievement criteria.

**It should also be noted that the above assessment methods are suggestions only and the assessor may choose whichever method is deemed most suitable for the circumstances, whilst adhering to any assessment strategy issued by SQA or Skills for Logistics.**

#### **Application of Knowledge**

The assessor must assess the candidate's knowledge by either oral or written questions, case study or similar to establish the full range of knowledge subjects in the 'Application of Knowledge'.