

# Learning Assessment Guide

## Unit Standard 7456 – Version 2

### Develop and strengthen supplier relationships

### Level 6 – 10 Credits

<b>Assessment Summary</b>			
<b>Learner to complete</b>			
Learner's name:			
Employer:			
NSN no. (ROL):		DOB:	
Signed:		Date:	
<b>Assessor to complete</b>			
<input type="checkbox"/> Meets requirements <input type="checkbox"/> More training required <input type="checkbox"/> More evidence required			
Assessor's name:		Assessor's No.	
Signed:		Date:	

## Before you begin...

- As well as this Learning Assessment Guide, you may also want to refer to the unit standard from the NZQA website (<http://www.nzqa.govt.nz>).
- Read the Trainee Information Kit. The kit contains important information and guidelines for Learners and can be found on the Learning State website (<http://www.learningstate.govt.nz>) under Learners, then Learning Assessment Guides.
- Check the learning resources available for this unit standard on the Learning State website (<http://www.learningstate.govt.nz>) under Learners, then Learning Assessment Guides.

This Learning Assessment Guide is made up of:

- Tasks for you to complete.
- Assessment Results that your assessor will use to assess your competence.

The tasks in this assessment are designed to show your assessor that you can:

- 1 Develop strategic sourcing agreements with selected suppliers.
- 2 Enhance supplier relationships for mutual benefit.

## Assessment Task One – Element 1

This task assesses your ability to develop strategic sourcing agreements with selected suppliers.

### ***Task Instructions***

You must develop strategic sourcing agreements with two suppliers during the course of your work. You will need to provide your assessor with evidence of:

- development of the agreements
- agreements themselves
- reviews.

These can be for agreements currently in progress or developed within the last two years. You are required to show all relevant documents to the assessor.

A checklist is provided for your assessor to complete. They will use one checklist per supplier.

Read the checklist carefully as this gives the requirements. Be prepared to discuss the process of developing strategic sourcing agreements with your assessor.

A Verification Form is also provided for your manager to complete. The purpose of this is to confirm that all work is your own.

Please carefully read the definitions provided with the unit standard, noting in particular the following points:

*Suppliers* and *Customers* can be internal or external to the organisation.

*Strategic Sourcing* – making a long term supply agreement. The purpose of the agreement must be to secure the optimal cost on a continuing basis. This is measured over the whole supply cycle.

## Task One Checklist

(To be completed by the assessor)

**Sourcing Agreement:** \_\_\_\_\_

<i>Task</i>	<i>Evidence</i>	<i>Comments</i>	<i>Y / N</i>
<p>Evaluation of the impact of strategic sourcing on</p> <ul style="list-style-type: none"> <li>• competitiveness</li> <li>• security of supply</li> <li>• other constraints.</li> </ul> <p>This is justified against existing and alternative arrangements and in consultation with direct stakeholders. Be sure to include evidence of consultation, such as minutes of meetings, e-mails etc.</p>			
<p>Evaluation of the implications of the alignment of systems with the supplier. The evaluation must demonstrate net benefits to both parties.</p>			
<p>Description of the nature and form of the arrangement. This must be agreed by both parties and may include:</p> <ul style="list-style-type: none"> <li>• formal contract</li> <li>• informal agreement</li> <li>• joint venture</li> <li>• risk sharing venture</li> <li>• partnering</li> <li>• strategic alliance.</li> </ul>			

<b>Task</b>	<b>Evidence</b>	<b>Comments</b>	<b>Y / N</b>
<p>The agreed scope and content of the strategic sourcing arrangement. This may include:</p> <ul style="list-style-type: none"> <li>• joint resourcing</li> <li>• management arrangements</li> <li>• technical assistance</li> <li>• financial assistance</li> <li>• alignment and implementation of systems</li> <li>• conformance with quality standards and specifications.</li> </ul>			
<p>Evidence of the mutual benefits that both parties may draw from the agreement. These may include:</p> <ul style="list-style-type: none"> <li>• technical assistance</li> <li>• quality assurance</li> <li>• long term strategic and capital planning</li> <li>• savings in inventory costs</li> <li>• utilisation of facilities.</li> </ul>			
<p>Evidence of the review of the agreement at agreed intervals. The review must include consultation with interested parties to effect any required improvements.</p>			

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

### Task One Verification Form

Unit 7456 V2 Develop and strengthen supplier relationships.

To: Manager or Supervisor

\_\_\_\_\_ (name of learner) is currently being assessed for the above unit standard. S/he is required to submit evidence of developing strategic sourcing agreements for two suppliers.

Your knowledge of the learner and his/her work is sought to confirm that the following tasks were completed by the learner to the requirements of the organisation.

**Supplier / Agreement:**

1. \_\_\_\_\_

2. \_\_\_\_\_

Task	Yes/No
The impact of strategic sourcing on competitiveness, security of supply, and other constraints was evaluated and justified against existing and alternative arrangements, and in consultation with direct stakeholders.	
An evaluation of the implications of alignment of systems with the supplier was completed and the net benefits to both parties demonstrated.	
The nature and form of the arrangement was concluded and agreed with all interested parties. Examples of arrangements include: <ul style="list-style-type: none"> <li>• formal contract</li> <li>• informal agreement</li> <li>• joint venture</li> <li>• risk sharing venture</li> <li>• partnering</li> <li>• strategic alliance.</li> </ul>	
Agreement was reached on the scope and content of the arrangement. Scope and content may include: <ul style="list-style-type: none"> <li>• joint resourcing</li> <li>• management arrangements</li> <li>• technical assistance</li> <li>• financial assistance</li> <li>• alignment and implementation of systems</li> <li>• conformance with quality standards and specifications.</li> </ul>	
Evidence of mutual benefits to both parties was provided. Examples of mutual benefits include: <ul style="list-style-type: none"> <li>• technical assistance</li> <li>• quality assurance</li> <li>• long term strategic and capital planning</li> <li>• savings in inventory costs</li> <li>• utilisation of facilities.</li> </ul>	

Task	Yes/No
The agreement was reviewed at agreed intervals in consultation with both parties to effect improvements.	
<i>Comments</i>	
Name of verifier:	E-Mail
Position:	Phone:
Signature:	Date:

## Assessment Task Two – Element 2

This task requires you to provide evidence of enhancing supplier relationships for mutual benefit for two suppliers.

### **Task Instructions**

In order to complete this task you must:

1. Use organisational product or service improvement activities to involve selected suppliers and assist in supplier development. Improvement activities can include:
  - personnel policies and practices
  - work methods and patterns
  - work environment
  - cost factors
  - nature and availability of services and products
  - product and service quality
  - methods to reduce waste and variation
  - new equipment, technology and systems.
2. Manage and develop activities involving the mutual exchange of resources in a manner that reinforces contractual agreements and develops long term commitment. These activities may include:
  - complaint handling
  - audits
  - site visits
  - meetings
  - improvement projects

The resources may include

- information
  - personnel
  - technology.
3. Use supplier development activities to strengthen the capacity of your organisation and the supplier. This must achieve continuing performance improvements and respond to changing circumstances. Improvements to performance may include
    - access to technology
    - cost reduction
    - improved logistics
    - simplification.

You may use work already completed within the last two years or work you are in the process of completing. The types of evidence you may provide could include agreements, proposals, documentation, minutes of meetings etc. Your assessor will want to view all relevant documentation.

A checklist is provided for your assessor to complete. They will use one checklist per supplier. Read the checklist carefully as this gives the requirements. Be prepared to discuss the process of developing strategic sourcing agreements with your assessor.

Ask your manager to complete the Verification Form that follows the checklist. This is to confirm that you have completed the tasks to the requirements of the organisation.

**Task Two Checklist**  
(to be completed by the assessor)

<b>Task</b>	<b>Evidence</b>	<b>Comments</b>	<b>Y / N</b>
<p>Organisational product or service improvement activities are used to involve suppliers and assist in their development. These may include:</p> <ul style="list-style-type: none"> <li>• personnel policies and practices</li> <li>• work methods and patterns</li> <li>• work environment</li> <li>• cost factors</li> <li>• nature and availability of services and products</li> <li>• product and service quality</li> <li>• methods to reduce waste and variation</li> <li>• new equipment, technology and systems.</li> </ul>			
<p>Activities involving the mutual exchange of resources are managed and developed in a manner that reinforces contractual agreements and develops long term commitment. Activities may include:</p> <ul style="list-style-type: none"> <li>• complaint handling</li> <li>• audits</li> <li>• site visits</li> <li>• meetings</li> <li>• improvement projects</li> </ul> <p>The resources may include</p> <ul style="list-style-type: none"> <li>• information</li> <li>• personnel</li> <li>• technology.</li> </ul>			

<b>Task</b>	<b>Evidence</b>	<b>Comments</b>	<b>Y / N</b>
<p>Supplier development activities are used to strengthen the capacity of both the organisation and supplier to achieve continuing performance improvements and respond to changing circumstances.</p> <ul style="list-style-type: none"> <li>• access to technology</li> <li>• cost reduction</li> <li>• improved logistics</li> <li>• simplification.</li> </ul>			

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

### Task Two Verification Form

Unit 7456 V2 Develop and strengthen supplier relationships.

<p>To: Manager or Supervisor</p> <p>_____ (name of learner) is currently being assessed for the above unit standard. S/he is required to submit evidence of enhancing supplier relationships for the mutual benefit of the organisation and the supplier.</p> <p>Your knowledge of the learner and his/her work is sought to confirm that the following tasks were completed by the learner to the requirements of the organisation.</p>	
<p><b>Supplier / Agreement:</b></p> <p>1. _____</p> <p>2. _____</p>	
Task	Yes/No
<p>Learner uses organisational product or service improvement activities to involve selected suppliers and assist in supplier development. Improvements may include:</p> <ul style="list-style-type: none"> <li>• cost factors</li> <li>• nature and availability of services and products</li> <li>• quality of services and products;</li> <li>• new equipment,</li> <li>• technology</li> <li>• systems.</li> </ul>	
<p>Learner manages and develops activities involving the mutual exchange of resources. This must reinforce contractual agreements and develop long term commitments.</p> <ul style="list-style-type: none"> <li>• Examples of activities include complaint handling, audits, site visits, meetings, improvement projects.</li> <li>• Examples of resources include information, personnel, technology.</li> </ul>	
<p>Learner uses supplier development activities to enhance the capacity of your organisation and the supplier to achieve continuing performance improvements and respond to changing circumstances,</p> <ul style="list-style-type: none"> <li>• Examples of improvements include access to technology, cost reduction, improved logistics, simplification.</li> </ul>	
<p><i>Comments</i></p>    	
Name of verifier:	E-Mail
Position:	Phone:
Signature:	Date:

## Assessment Results

These are the judgements that your assessor will use to assess you:

Did the learner evaluate and justify the impact of strategic sourcing on competitiveness, security of supply, and other constraints against existing and alternative arrangements, and in consultation with direct stakeholders?	Yes	No
Did the learner supply an evaluation of the implications of alignment of systems with the supplier and demonstrating the net benefits to both parties?	Yes	No
Did the learner conclude and agree the nature and form of the strategic sourcing arrangement with all interested parties?	Yes	No
Was agreement reached on the scope and content of the strategic sourcing arrangement?	Yes	No
Did the learner provide evidence of mutual benefits of the strategic sourcing agreement to both parties?	Yes	No
Did the learner review the strategic sourcing agreement at agreed intervals in consultation with both parties to effect improvements?	Yes	No
Did the learner use organisational product or service improvement activities to involve selected suppliers and assist in supplier development?	Yes	No
Did the learner manage and develop activities involving the mutual exchange of resources in a manner that reinforces contractual agreements and develops long term commitment.?	Yes	No
Did the learner use supplier development activities to enhance the capacity of the organisation and the supplier to achieve continuing performance improvements and respond to changing circumstances?	Yes	No