National Unit Specification: general information

UNIT   Customers and Suppliers in a Supply Chain (SCQF level 5)

CODE   F4SY 11

SUMMARY

This Unit may be delivered as part of a National Qualification Group Award or as a free-standing Unit. The Unit is suitable for candidates who wish to develop knowledge and understanding of the supply chain in the context of the relationships an organisation will have with its customers and suppliers. The Unit will look at customer requirements and follow the supply chain upstream to the suppliers. Candidates will consider the likely source of customer demand for a product or service together with customer expectations.

Candidates will be aware of any legal requirements, including safe working practices and they will also be able to consider how to identify potential suppliers and any difficulties that could occur between the organisation and the suppliers.

OUTCOMES

1   Explain how an organisation would establish and sustain demand for goods or services.
2   Describe how to determine the legal and regulatory requirements that need to be considered for supplying goods or services.
3   Explain how an organisation would identify potential suppliers and explain any problems that may be experienced in working with suppliers.

RECOMMENDED ENTRY

While entry is at the discretion of the centre, candidates would normally be expected to have attained the following, or equivalent:

♦   Communication   Access 3

National Unit Specification: general information (cont)

UNIT   Customers and Suppliers in a Supply Chain (SCQF level 5)

CREDIT VALUE

1 credit at Intermediate 2 (6 SCQF credit points at SCQF level 5*).

SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates.

CORE SKILLS

There is no automatic certification of Core Skills in this Unit.

Opportunities for developing Core Skills are highlighted in the support notes of this Unit Specification.

National Unit Specification: statement of standards

UNIT   Customers and Suppliers in the Supply Chain (SCQF level 5)

Acceptable performance in this Unit will be the satisfactory achievement of the standards set out in this part of the Unit Specification. All sections of the statement of standards are mandatory and cannot be altered without reference to SQA.

OUTCOME 1

Explain how an organisation would establish and sustain demand for goods or services.

Performance Criteria

(a) Explain how to carry out simple marketing techniques including market research.
(b) Describe the communication techniques required to inform potential customers about a new product.
(c) Explain a suitable feedback communications process from the customer.
(d) Describe how a complaints procedure should operate.
(e) Explain typical actions that may be taken by an organisation to improve their products/services based on customer feedback and/or complaints.

OUTCOME 2

Describe how to determine the legal and regulatory requirements that need to be considered when supplying goods or services.

Performance Criteria

(a) Describe the process of determining the legal and regulatory requirements that need to be considered when supplying goods or services for sale on a speculative basis.
(b) Describe the process of determining the legal and regulatory requirements that need to be considered when supplying goods or services based on customer orders.
(c) Identify and describe the legal/regulatory requirements from given examples.

OUTCOME 3

Explain how an organisation would identify potential suppliers and explain any problems that may be experienced in working with suppliers.

Performance Criteria

(a) Explain how an organisation could obtain information about potential suppliers.
(b) Describe how an organisation would select suppliers to ensure that they will be able to supply to the requirements of the organisation.
(c) Explain potential problems that could arise with a supplier and the likely consequences to the organisation.

National Unit Specification: general information (cont)

UNIT   Customers and Suppliers in the Supply Chain SCQF (level 5)

EVIDENCE REQUIREMENTS FOR THIS UNIT

Written and/or oral evidence is required to demonstrate that candidates have achieved all Outcomes and Performance Criteria.

A holistic approach to generating assessment evidence for all of the Outcomes is recommended. For Outcome 1 candidates must describe a minimum of two communication techniques required to inform customers about new products and a minimum of two actions that may be taken to improve production/services. In relation to Outcome 2 candidates must identify and explain a minimum of **two** examples of legal/regulatory requirements. For Outcome 3, the candidate must explain a minimum of **three** sources that could be used to identify suitable suppliers and explain **three** potential/likely problems that may arise when dealing with suppliers.

Evidence will be produced in open-book conditions on one or more occasions at appropriate points throughout the Unit. The evidence may be derived from practical activity undertaken by the candidate where they have the opportunity to operate their own supply chain or from a case study of a given supply chain model provided by the tutor.

Where the candidate answers orally the assessor must complete an assessor checklist.

The Assessment Support Pack for this Unit provides sample assessment material. Centres wishing to develop their own assessments should refer to the Assessment Support Pack to ensure a comparable standard.

National Unit Specification: support notes (cont)

UNIT   Customers and Suppliers in the Supply Chain (SCQF level 5)

This part of the Unit Specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 40 hours.

GUIDANCE ON THE CONTENT AND CONTEXT FOR THIS UNIT

This Unit is intended for candidates who wish to develop knowledge and understanding of customers and suppliers in the supply chain. The Unit is a mandatory Unit on the National Progression Award in Supply Chain Operations. This Unit may be delivered as part of a National Qualification Group Award or as a free-standing Unit. Where it is being delivered as a Group Award it should be delivered early in the course as the content underpins and will assist candidates in their understanding of other Units.

Outcome 1 looks for candidates to understand how demand for products and services can be established. Candidates should be introduced at this stage to simple market research. They could make up a short questionnaire and carry out a survey. It also looks at how an organisation could inform customers of their products such as leaflets, posters, etc. Candidates could be asked to develop two information documents, one for general feedback on goods or services and the other a complaints procedure.

The final parts of this Outcome will involve the candidate explaining actions that need to be taken to either improve a product or service, based on customer feedback, and to explain how customer complaints should be dealt with.

Outcome 2 looks at the legal/regulatory aspects of the supply of goods or services and candidates should be encouraged, with guidance, to research the information required. This may be web based but alternatives such as contacting the local Trading Standards would also be useful. The candidates should also look at the supply of goods or services that have been ordered by customers and this could create a number of possibilities such as ordering standard goods or services, ordering customised goods or services or ordering goods or services to the customer's specification. Discussions should therefore introduce some very basic Contract Law as well as specifications. Candidates are asked to explain a minimum of two examples of legal/regulatory requirements. This could include contents, weight, safe use, safe disposal, age suitability, etc.

Outcome 3 introduces the candidate to the process of identifying suppliers and this should consist of discussions on where this information can be found. Candidates are asked to describe a minimum of three sources and these may include internet, trade journals, previous knowledge, recommendation by a third party, direct marketing by the supplier, etc. Further discussions should take place on how suppliers would be selected and this might include the request for a quotation. Again it may be a web search where delivery time, price and other attributes may be considered. Candidates should be aware of likely problems that could arise and the possible consequences. Discussions could include errors in specifications, misinterpretation of specifications, suppliers not delivering on time, suppliers delivering short quantities or excess quantities, organisation making an error on the order, etc.

National Unit Specification: support notes (cont)

UNIT Customers and Suppliers in the Supply Chain (SCQF level 5)

GUIDANCE ON LEARNING AND TEACHING APPROACHES FOR THIS UNIT

The delivery of the content should be generic but specific examples should be used to illustrate how both customers and suppliers influence the supply chain. The examples should be kept fairly simple as supply chains can become very complex. Both Manufacturing and Service examples should be explored. For example an MP3 player or similar electronic devices could be used for manufacturing and hairdresser for service.

A range of delivery techniques can be employed, including group discussion and activities, and candidates should be encouraged to draw on any experience they have. They should be encouraged to think about supply chains for any purchases that they make such as games software, clothes, food, for example, but tutors should ensure at this stage that the candidate does not select examples that will be too complex. Where possible, candidates should be encouraged to examine a product that they might consider manufacturing for sale to say school colleagues and /or family members or at trade fair. This will provide them with an opportunity to experience dealing with an actual supply chain and would be an ideal situation for assessment purposes.

Such an approach would reinforce the knowledge and understanding gained from the Unit in a practical, meaningful way.

Candidates should be encouraged to investigate current industry standards and organisational policies through research carried out on the Internet and other sources, such as the Sector Skills Council's website and their Professional Development Stairway.

It would be also be helpful for the candidates to gain some insight into how customers and suppliers interact with a supply chain through a visit, or work experience placement in an appropriate supply chain environment. The information gleaned from the organisation could be shared with other candidates during discussion sessions. It may also be useful to invite external speakers from relevant organisations to provide an input to the group on how they approach supply chain functions.

OPPORTUNITIES FOR CORE SKILL DEVELOPMENT

In this Unit, candidates may have the opportunity to work in groups and could develop their skills of working with others during the course of the Unit, especially if they can agree a common product that they can either manufacture or enhance in some way and sell to customers, ie develop their own supply chain. They are also likely to gain experience in Communication and Problem Solving through working with their own supply chain, as a group, because decisions will have to be made in terms of deciding how much, and the type of stock, that needs to be purchased based on the likely demand for their products. They will also need to ensure their legal and regulatory responsibilities which may mean setting up a dialogue with their local trading standards office. These skills could also be enhanced through work experience by seeing, first hand, how an appropriate organisation operates and perhaps through involvement in meetings or by working along side a company mentor. Both experiences could also introduce the candidate to numeracy through the process of determining how much stock to produce based on customer requirements and also determining appropriate times scales to meet the customers' requirements. These experiences may also provide opportunities to enhance information technology skills by carrying out some, or all, of these tasks using an appropriate computer application.

National Unit Specification: support notes (cont)

UNIT   Customers and Suppliers in the Supply Chain (SCQF level 5)

GUIDANCE ON APPROACHES TO ASSESSMENT FOR THIS UNIT

It is advisable that all three Outcomes are covered by one integrated Instrument of Assessment. The assessment should provide the candidates with an opportunity to report on the findings related to their own supply chain. If this is not possible or practical then candidates should be presented with a case study of a given supply chain model for a given product or service where they will be asked to report on a number of situations. In addition the assessor may wish to include one or two scenarios to ensure that the Outcomes and Evidence Requirements are fully covered. The assessment should consist of a report which will be completed under open-book conditions based on a supply chain model, and the scenarios if they are included.

Alternatively each Outcome can be assessed separately or in any combination of the Outcomes.

Opportunities for the use of e-assessment

E-assessment may be appropriate for some assessments in this Unit. By e-assessment we mean assessment which is supported by information and communications technology (ICT), such as e-testing or the use of e-portfolios or e-checklists. Centres which wish to use e-assessment must ensure that the national standard is applied to all candidate evidence and that conditions of assessment as specified in the Evidence Requirements are met, regardless of the mode of gathering evidence. Further advice is available in *SQA Guidelines on Online Assessment for Further Education (AA1641, March 2003), SQA Guidelines on e-assessment for Schools (BD2625, June 2005)*.

CANDIDATES WITH DISABILITIES AND/OR ADDITIONAL SUPPORT NEEDS

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments, or considering alternative Outcomes for Units. Further advice can be found in the SQA document *Guidance on Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs* (**www.sqa.org.uk**).