



## National Unit Specification: general information

**UNIT** Distribution and Storage of Goods (SCQF level 5)

**CODE** F4T1 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 a basic knowledge and understanding of the distribution and storage of goods. The Unit will examine the basic roles of distribution and storage. Candidates will be able to demonstrate their understanding of what should be considered for both distribution and storage systems and the typical activities that will be carried out in a distribution centre.

### OUTCOMES

- 1 Explain the role of a distribution function in a supply chain.
- 2 Explain the role of a storage function in a supply chain.
- 3 Describe the typical activities carried out in a distribution centre.

### RECOMMENDED ENTRY

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

- ◆ Communication Access 3

### 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.*

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### Administrative Information

**Superclass:** BF

**Publication date:** August 2008

**Source:** Scottish Qualifications Authority

**Version:** 01

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## **National Unit Specification: general information (cont)**

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### **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        Distribution and Storage of Goods (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 the role of a distribution function in a supply chain.

##### **Performance Criteria**

- (a) Explain a given organisation's requirements for distribution.
- (b) Explain why the distribution function is organised in a particular way based on the product(s) involved and the reasons for choosing specific locations for the distribution centres.
- (c) Explain any particular requirements of the distribution system based on the products involved in terms of specific resources required.
- (d) Describe an organisation's decision making process for determining whether to use their own distribution system or to offer it to a third party operator.

#### **OUTCOME 2**

Explain the role of a storage function in a supply chain.

##### **Performance Criteria**

- (a) Describe how a storage function needs to operate based on the product(s) involved.
- (b) Explain the reasons why a storage function is organised in a particular way based on the product(s) involved.
- (c) Describe the resources an organisation would require to operate a storage facility based on the product(s) involved.

#### **OUTCOME 3**

Describe the typical activities carried out in a distribution centre.

##### **Performance Criteria**

- (a) Describe changes that have taken place over the last ten to fifteen years in relation to distribution centres.
- (b) Describe a typical process for operating a distribution centre.
- (c) Describe additional, added value, activities that may be incorporated in a distribution centre.
- (d) Describe what is meant by a stockless distribution centre and describe the processes involved in its operation.

## **National Unit Specification: statement of standards (cont)**

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#### **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.

Evidence, based on suitable case study scenario(s) provided by the tutor, will be produced in open-book conditions on one or more occasions at appropriate points throughout the Unit.

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**

### **UNIT        Distribution and Storage of Goods (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 a basic knowledge and understanding of distributing and storing goods. This is an optional 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 freestanding Unit.

Outcome 1 introduces the candidates to the distribution function and should encourage candidates to consider what the distribution requirements are for a number of organisations and types of products.

Candidates should also examine how a distribution process is set up to accommodate different organisations and products, and they should be introduced to decisions about the location of distribution centres and be aware of the reasons for their locations. Candidates should also consider any specific resources that may need to be considered such as special vehicles and lifting equipment for bulky items or special vehicles for chemicals for example. Consideration should also be given to whether or not an organisation may decide to use their own distribution facilities or whether this should be left to an external organisation. Again the reasons for the decision should be fully discussed.

Outcome 2 will take a similar approach to Outcome 1 but will concentrate on the storage function and should again consider a number of organisations and types of products. This will include the number of items to be stored and their characteristics such as size, special features, plus any variations that are likely. Discussions should be held on how the storage facility is organised and may include organisation by product type, by customer, by size for example. Candidates will be expected to be aware of any special storage conditions that may be required which may include controlled temperatures or other special needs. Discussions should also consider resources required including number of, and skills of staff, equipment and information technology for example.

## **National Unit Specification: support notes (cont)**

### **UNIT        Distribution and Storage of Goods (SCQF level 5)**

Outcome 3 requires the candidate to consider how distribution centres have changed from what was probably a reasonably straightforward operation to one where additional value added operations occur. Candidates should consider how a traditional distribution centre would operate where a supplier(s) would distribute goods to a distribution centre for storage and, when appropriate, would then distribute the goods to either customers or to retail outlets. Candidates should also consider more recent developments where distribution centres become involved in more value added operations. This may include packaging prior to distribution to the final customer or retail outlet and in some circumstances may also include some aspects of assembly plus packaging. At the other extreme candidates should also be aware of and discuss the operation of a 'stockless' distribution centre where goods are received from a number of suppliers and are then relocated at the centre for distribution, usually to a retail outlet. The important point is that there are no storage facilities, only equipment, to assist with the internal transfer. Discussions should take place on the role of Agents in distributing goods on behalf of organisations and also the situation where distribution centres are ignored and goods are distributed direct from the supplier perhaps using facilities such as e-bay, Amazon, Market Place, Yahoo, etc.

#### **GUIDANCE ON LEARNING AND TEACHING APPROACHES FOR THIS UNIT**

The delivery of the content should consist of examples based on realistic distribution and storage.

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 any products that they purchase and try to envisage the journey these have taken from when they left the manufacturer up to the point of purchase. Unless they know the process exactly it is unlikely they will know the route taken but through discussion with a tutor they should have a reasonable idea of a typical logistics route.

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 helpful for the candidates to gain some insight into dealing with distribution and storage through a visit, or work experience placement, with an appropriate organisation. This is likely to be with a logistics/warehousing organisation and will provide candidates with first hand experience. 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 the question of distribution and storage and how they help to meet the requirements of their customers. It would also be useful if the speakers could provide actual examples of distribution/storage activities.

## **National Unit Specification: support notes (cont)**

### **UNIT            Distribution and Storage of Goods (SCQF level 5)**

#### **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. It will not be possible for candidates to gain experience related to this Unit by operating their own supply chain and it is therefore important that the candidates are able to access a work placement or at least a presentation from someone from within the industry. Again this should provide candidates with the opportunity of working with others and to gain sufficient information they will need to communicate with personnel from their host organisation. During the course of the Unit the candidates should also gain experience in problem solving probably through case studies provided by the tutor. This Core Skill would also be enhanced through work experience. Work experience may also provide opportunities to enhance Numeracy and Information Technology skills by working along side a mentor who, for example, is perhaps looking at costings for different methods of distribution, to determine the most effective. This would enhance numeracy skills and if carried out on a computer package would enhance the candidates' information technology skills. It may also be useful if the candidate was involved in purchasing or selling goods on e-bay, for example.

#### **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 a case study and/or a number of scenarios for given situations for which a number of questions will be asked. The assessment would consist of report based on questions relating to the case study and/or scenarios and will be completed under open-book conditions.

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](http://www.sqa.org.uk)).