

DES13 Develop preferred supplier relationships for your design business - SQA Unit Code H9WX 04

Unit Summary

This unit applies to you if you are responsible for buying goods and services. It involves identifying the requirements and sourcing suppliers. You will be required to undertake an evaluation of potential suppliers to create a shortlist of preferred suppliers. You will identify potential suppliers and follow industry best practice and company procedures on recording information on purchase. You will undertake post supply evaluation of the supplier and deal with any issues in an appropriate and timely manner. You will be expected to establish and maintain good relationships with suppliers.

This unit is derived from Creative and Cultural Skills Unit CCS6

What you must be able to do:

- a) Identify potential suppliers of equipment/material/services
- b) Agree with the relevant person in your company or organisation the specified criteria on which basis the final supplier will be chosen
- c) Provide suppliers with the specified criteria they need to provide a proposal and estimate or accurate quotation
- d) Assess potential suppliers in terms of:
 - the range and quality of their equipment/material/services
 - the business principles and ethics of the supplier
 - the quality of customer service and support
 - the cost and availability of the equipment, material or services
 - the likely viability, reliability and stability of the supplier
 - the relevant experience of the supplier
 - the intellectual or creative approach of the supplier
- e) Select a shortlist of preferred suppliers based on your specified criteria
- f) Select and recommend the most suitable supplier from the shortlist of preferred suppliers, to the appropriate person within the company
- g) Confirm with the selected supplier their appointment based on specified criteria and your acceptance of their estimate or quotation
- h) Where the selection of the most suitable supplier is based on an estimate, refine the requirements so that the supplier can provide a fixed quotation
- i) Complete all necessary purchase records in line with your company's requirements
- j) Assess the performance of the supplier in relation to the goods and services purchased in relation to their specification and workplace requirements
- k) In the event of shortfalls in the performance of the goods and services, carry out discussions with the supplier promptly, in order to reach agreement on the action to be taken, escalating the issue to the appropriate person where you are unable reach satisfactory conclusion
- l) Where appropriate, carry out any discussions regarding shortfalls in the performance of the goods and services with the supplier promptly, in order to reach agreement on the action to be taken, escalating the issue to the appropriate person where you are unable reach satisfactory conclusion
- m) Maintain and build on established relationships with suppliers

What you must know:

- 1) The principles of contractual agreements with suppliers
- 2) The underlying principles about legislation on the sale of goods
- 3) The nature and use of record-keeping systems

- 4) The company's purchasing policy
- 5) The prevailing industry pricing for equipment, material and external services
- 6) The difference between an estimate and a quotation
- 7) Sources of information on suppliers and on their products and services.
- 8) The strengths and weaknesses of potential suppliers.
- 9) How to apply negotiation skills
- 10) The importance and relevance of the supplier having suitable liability insurance
- 11) How to undertake the evaluation of goods, services and supplier performance
- 12) The importance of good client/supplier relationships