



National Unit Specification: general information

UNIT Flow of Orders in the Supply Chain (SCQF level 6)

CODE F4T0 12

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 dealing with the flow of orders in a supply chain context. Candidates will be expected to gain an understanding about orders in terms of their specification and delivery schedules and how orders are monitored against the specifications and delivery schedules. Candidates should also be aware of how any problems relating to the delivery of orders are dealt with and they will demonstrate their awareness of the legal and organisational requirements when orders are being progressed.

Candidates should also understand the procedures for dealing with returns whether related to faults or sustainability. They should also have an appreciation of the impact of the geographical location of goods to be returned.

OUTCOMES

- 1 Describe the information required by an organisation for ordering supplies.
- 2 Explain the monitoring process for goods on order and how orders can be progressed and problems solved.
- 3 Explain how the procedures to be used for progressing orders will comply with legal and organisational requirements.
- 4 Investigate the process of dealing with the return of supplies and the impact on the organisation.

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:

F4SX 11 *How a Supply Chain Works (SCQF level 5)*

F4SY 11 *Customers and Suppliers in a Supply Chain (SCQF level 5)*

Administrative Information

Superclass: VB

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CREDIT VALUE

1 credit at SCQF level 6 (6 SCQF credit points at SCQF level 6*).

**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

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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

Describe the information required by an organisation for ordering supplies.

Performance Criteria

- (a) Describe what is required to check the specification of the product.
- (b) Describe what the requirements are in terms of expected quality of the product.
- (c) Describe the process for confirming the quantity.
- (d) Describe the process for confirming the delivery rate of supplies.
- (e) Describe the process for confirming that the delivery schedules are accurate.
- (f) Describe the process for confirming that any special requirements are accurate.

OUTCOME 2

Explain the monitoring process for goods on order and how orders can be progressed and problems solved.

Performance Criteria

- (a) Explain the process for monitoring the delivery of orders.
- (b) Describe the process for progressing current orders.
- (c) Identify and explain potential problems that can occur relating to the delivery of orders.
- (d) Describe how potential problems can be overcome.
- (e) Identify and explain possible Outcomes of problems remaining unresolved.

OUTCOME 3

Explain how the procedures to be used for progressing orders will comply with legal and organisational requirements.

Performance Criteria

- (a) Identify and explain a potential problem that could arise during the progressing of an order.
- (b) Identify and explain the organisational procedures that are likely to apply to the situation.
- (c) Identify and explain possible legal procedures that could arise as a result of the problem.
- (d) Describe possible outcomes of legal action having to be invoked.
- (e) Explain the importance of good communication in such a situation.

National Unit Specification: statement of standards (cont)

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OUTCOME 4

Investigate the process of dealing with the return of supplies and the impact on the organisation.

Performance Criteria

- (a) Establish the reasons why supplies are being returned.
- (b) Use suitable techniques to analyse the return of the supplies.
- (c) Describe the corrective action that would be taken to reduce the impact of these returns.
- (d) Explain the organisation's policies on its environmental responsibilities.
- (e) Describe processes that could be employed to enhance sustainability.
- (f) Explain the cost implications for an organisation of the geographical location of goods to be returned.
- (g) Explain the environmental consequences for an organisation of the geographical location of goods to be returned.

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. In relation to Outcome 2 candidates must identify and explain a minimum of **three** potential problems that are likely to occur with supplies of orders and explain how **one** of these problems may be resolved.

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

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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 how orders flow in a supply chain. This is an optional Unit on the National Progression Award in Supply Chain Operations.

Outcome 1 deals with the information that a candidate will need to be able to monitor the flow of supplies. This information will already be established and will include product specifications, expected quality, order quantities, and delivery schedules. Candidates should also be aware of the ongoing demand for the goods or services provided by the organisation and this should be confirmed in relation to the monitoring process. Customers have a habit of changing their minds and candidates should therefore demonstrate their understanding of the need to confirm an up to date situation with regard to the specification and other requirements. This will also apply to delivery schedules as organisations also change their requirements from time to time and again an up to date position needs to be established.

Outcome 2 requires the candidate to deal with the actual monitoring process and they will be required to ensure that:

- ◆ supplies are where they are meant to be in the process
- ◆ the quantities are correct
- ◆ the supplies correspond to the requirements of the organisation
- ◆ orders have been confirmed with suppliers

The extent of this process will vary according to the complexity of the supply chain being considered but for the purposes of this Unit any case studies should be within workable dimensions for the level of the course. Candidates will need to examine problems that arise with supplies, for example, late deliveries, short quantities, early deliveries, quality problems, and make suggestions regarding any action required to overcome the problem. Not all suppliers may be capable of overcoming the problem and candidates should then be aware of the likely consequences for both the organisation and the supplier. This could include penalties for the supplier or even loss of contract. For the organisation it could mean rescheduling the planned work being done, a corresponding knock on effect with its customers and perhaps loss of business.

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Outcome 3 introduces candidates to company policies for dealing with problems related to supplies and, for the more serious problems, the legal implications. This will mean that candidates need to be able to demonstrate their understanding of organisational policies for dealing with supply problems and also the extent of their responsibilities. This is particularly important where any dispute reaches a stage where legal action has to be invoked. The extent of the candidate requirements is likely to be that they can ensure that they provide all the facts on what has occurred from the order being placed, the follow up, promises made by the supplier to rectify any problem situation and the reason why it has reached a particular stage. Candidates will need to show that they understand the importance of the accuracy of their communications so that the organisation's legal representatives will have the strongest possible case.

Outcome 4 deals with the return of supplies. Return of supplies has always existed because of problems with products and services, and the candidate should show their understanding of how these are dealt with by the organisation. They should demonstrate their understanding of the process of dealing with returns and the actions that need to be taken. For example can the products be reworked, will they have to be scrapped or can they be sold as substandard goods at a lower price. The candidate should demonstrate an awareness of the subsequent consequences — rework and remake will have cost implications for the organisation and selling at a lower price will have implications for the organisation's profits.

Candidates should have the opportunity of using simple techniques to establish either the cause of problems or the extent of problems and should be introduced to simple techniques such as 'Cause and Effect' diagrams and 'Pareto' and they will be required to apply them for a given situation. The other aspects of returns that now takes on greater importance relates to environmental issues and sustainability and should include the re-use of materials both in the product and also the packaging. The candidate should be aware of the responsibility attached to the return of goods and this is most likely to be the organisation. They should also take into account the geographic dimension and not only the cost of retrieving goods from various parts of the country but also the effect on the organisation's environmental policy.

The candidate should also be aware of service problems relating to supplies, an example of which may be the postal service or a courier service, where an organisation has contracted with the service provider to have goods delivered by a certain date. Another example may be a maintenance contract where the service provider agrees to have the work carried out within a given time scale. In both examples, where the service provider fails to make the agreed deadline the candidate should, as above, be aware of the subsequent consequences.

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The delivery of the content should be based on realistic examples and both manufacturing and service examples should be explored, although examples are more likely to come from a manufacturing environment. A pencil manufacturer could be used for the manufacturing example and for the service example, in addition to the examples shown previously, another example could be a marketing company who has been commissioned to deliver a marketing campaign.

A range of delivery techniques can be employed, including group discussion and activities, and candidates should be encouraged to draw on any experiences they have. They should be encouraged to think about any purchases that they make such as games software, clothes, food, for example, but try to ensure that at this stage 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 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 also 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 to how the flow of orders are dealt with in 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 of the need to have full information about supplies that need to be ordered and dealing with problems related to deliveries, quantities and timing. These skills could also be enhanced through work experience and perhaps through involvement in meetings or by working along side a company mentor. Both experiences could also introduce the candidate to numeracy through monitoring quantities and schedules of the supplies on order. These experiences may also provide opportunities to enhance Information Technology skills by carrying out the monitoring functions by using an appropriate computer application such as an order tracking system. This Core Skill could also be developed when candidates undertake research using the internet.

National Unit Specification: support notes (cont)

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GUIDANCE ON APPROACHES TO ASSESSMENT FOR THIS UNIT

It is advisable that all four 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).