

**Specification of Competency Standards**  
**for the Manufacturing Technology Industry**  
**Unit of Competency**

Functional Area - Delivery and Monitoring

Title	Compile materials requirement plan (MRP)
Code	106505L4
Range	This unit of competency is applicable to the materials control departments of Manufacturing Technology Industry. Practitioners should be capable to base on the required delivery of all materials supply, apply relevant MRP electronic system to compile materials requirement plan (MRP)
Level	4
Credit	3 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Understand relevant knowledge of compiling materials requirement plan (MRP) (MRP)</p> <ul style="list-style-type: none"> <li>• Recognise the reading methods of BOM</li> <li>• Recognise relevant electronic systems and their applications of BOM</li> <li>• Recognise the analysis methods of MRP, including the information application of the production schedule, the existing inventory, delivery time, sales order number and expiration date, numbers of purchase order and expiration date, batch strategies, safe inventory and other information</li> <li>• Recognise relevant electronic systems and the applications of MRP</li> <li>• Understand the cost of inventories, such as raw material costs, ordering costs, storage costs and shortage costs</li> </ul> <p>2. Compile materials requirement plan (MRP)</p> <ul style="list-style-type: none"> <li>• According to BOM, split the finished products into all required purchasing materials, and calculate the amount of required materials</li> <li>• Estimate the delivery date of all kinds of supply of materials</li> <li>• Apply all kinds of appropriate tools to estimate an appropriate order quantity, such as Economic Order Quantity and Re-ordering</li> <li>• Develop the MRP which meets the delivery</li> <li>• Continuously improve the arrangements of material and develop an appropriate order quantity, enhance the operational performance by achieving zero inventory</li> <li>• Review the possibility of MRP connecting communications systems between customers and suppliers, improve and synchronise Vendor Managed Inventory (VMI)</li> <li>• Apply relevant electronic system of MRP and carry out regular preventive maintenance and evaluation</li> </ul> <p>3. Professional handling of compiling materials requirement plan (MRP)</p> <ul style="list-style-type: none"> <li>• Ensure all contents and information of materials requirement are accurate</li> <li>• Prevent any abuse or corruption during MRP</li> </ul>
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Capable to integrate different information and delivery requirements from suppliers and customers and compile materials requirement plan (MRP)</li> <li>• Capable to compile materials requirement plan (MRP) and improve production efficiency of the corporation</li> </ul>
Remark	