

Specification of Competency Standards of the Retail Industry

Unit of Competency

Functional Area: Merchandising and Supply Chain Management

Title	Establish partnerships with suppliers
Code	104979L4
Range	This unit of competency (UoC) is applicable to staff responsible for contacting suppliers in the retail industry. It requires meticulous thinking and appropriate judgment. It covers the abilities to introduce appropriate suppliers for products/services of the organization and establish partnerships with them according to the policies, rules and operation of the organization.
Level	4
Credit	6 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Knowledge of establishing partnership <ul style="list-style-type: none"> • Understand the purpose and effect of introducing new suppliers on the existing supplier group • Master the purpose and conditions of establishing partnerships with suppliers • Understand common problems/difficulties when cooperating with suppliers • Understand the techniques of establishing good partnerships with suppliers • Understand the needs, priorities and concerns of the suppliers in order to develop a win-win partnership • Master the negotiation skills 2. Establish partnership with suppliers <ul style="list-style-type: none"> • Find appropriate suppliers for the products/services of the organization, and set common goals for the development of the organization and the suppliers • Negotiate with different suppliers and strive for the most favourable terms for the organization when entering into a partnership with suppliers • Use measurable methods to formulate partnership plans with suppliers • Formulate related conditions and points to note when establishing partnership agreements with suppliers e.g. <ul style="list-style-type: none"> • Service level/product specifications • Delivery of product (lead time) • Service time/ level of service supplied • Sharing client feedback • Market information • Purchase support • Conduct survey on clients' satisfaction level or response after introducing a supplier, and develop respective key performance indicators(KPI) • Communicate with the quality control department to assist in monitoring the quality of products supplied by the supplier • Monitor the performance of the supplier continuously and review the partnership plan regularly • Contact the supplier regularly to review the partnership and formulate supply chain optimization solutions 3. Exhibit professionalism <ul style="list-style-type: none"> • Establish good partnerships with suppliers on the basis of mutual trust and by adhering strictly to the policies and requirements of the organization • Enter into a partnership with a supplier with the prerequisite that the benefit of the organization will not be harmed, in order to achieve a win-win situation • Prevent any abuse of power or malpractice, such as abuse / misappropriation of the corporate assets and theft, with probity
Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ul style="list-style-type: none"> • Introduce appropriate suppliers for the organization, establish good partnerships and formulate partnership plans with suppliers; and • Monitor the performance of suppliers continuously and review the partnership plans regularly.
Remark	