

Specification of Competency Standards
for the Retail Industry
Unit of Competency

Functional Area - Purchasing and Logistics Management

Title	Purchase goods
Code	104990L5
Description	This unit of competency (UoC) is applicable to the purchasing department of the retail industry. It covers the abilities to critically analyze, judge, evaluate and consolidate a wide range of information; implement purchase of existing or newly launched products; negotiate contract with suppliers in order to purchase quality guaranteed goods with the most favourable price and earn higher profits for the organization.
Level	5
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge of goods purchase</p> <ul style="list-style-type: none"> • Understand the organization's purchasing policies and strategies • Understand the organization's business goals • Understand the importance of the relationship with suppliers • Master the negotiation skills • Master the technique of quantitative analysis for retail, including: <ul style="list-style-type: none"> ○ Demand analysis ○ Supply analysis ○ Community analysis • Master the market trend and competitors' business strategies • Understand the ethics and code of practice for purchasing • Understand legal requirements related to purchase of goods <p>2. Purchase goods</p> <ul style="list-style-type: none"> • Determine the types of goods to be purchased by analyzing different factors, including: <ul style="list-style-type: none"> ○ Market trend ○ Sales statistics of the retail store ○ Inventory level ○ Competitor's business activities ○ Product trend • Be familiarize with the functions, size, colour and materials of the goods • Source goods required through different channels, including: <ul style="list-style-type: none"> ○ Organization's partner/supplier list ○ Global purchasing database ○ Goods exhibition ○ Internet ○ Supplier ○ Supplier's promotional information ○ Recommendations from industry peers • Request product samples from suppliers for preview • Make a product evaluation list with verification points for checking • Coordinate with the purchasing department for purchasing goods needed by the organization • Coordinate the negotiation and contract formulation process <p>3. Exhibit professionalism</p> <ul style="list-style-type: none"> • Maintain good partnerships with suppliers • Comply with related legal requirements and job ethics when purchasing goods

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	<ul style="list-style-type: none">• Prevent any abuse of power or malpractice, such as abuse / misappropriation of the organizational assets and theft, in a professional manner
Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ul style="list-style-type: none">• Master the organization's need for goods purchase; and• Source goods required by the organization through different channels and negotiate contract matters with suppliers.
Remark	