

Specification of Competency Standards
for the Retail Industry
Unit of Competency

Functional Area - Merchandising / E-commerce Merchandising

Title	Plan a purchasing system
Code	111292L5
Range	This unit of competency (UoC) is applicable to product purchase / product-related departments of the retail industry. Practitioners have the ability to effectively plan, implement and handle the purchase of goods related to the organisation's business, by means of direct purchase, bidding, auction, telephone hotline, postal service and business promotion activities.
Level	5
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Understand the knowledge of purchase of goods</p> <ul style="list-style-type: none"> • Understand the importance of purchase of goods to retail business operation and to the overall profit of the organisation • Understand related guidelines and procedures of the organisation, and regulate all activities of purchase of goods • Understand legislation related to purchase of goods established by the government • Master detailed background and information of product suppliers of the organisation <p>2. Plan a purchasing system</p> <ul style="list-style-type: none"> • Establish purchasing guidelines and procedures for the organisation • Ensure that the responsible staff implement the established guidelines and procedures • Consolidate information of all suppliers, including their background, reputation, network, previous business dealings and track record • Use relevant information and user feedback obtained from the supplier to compile information to evaluate the supplier • Understand thoroughly through different channels the services provided by suppliers in order to look for an appropriate supplier • After evaluating information from different sources (e.g. proposals, impression from meeting, reputation, track records), make decision on supplier selection • Negotiate the terms with the supplier to strive for the best interests of the organisation • Set key service standards for the supplier, sign the agreement and assess regularly • Monitor supplier's performance and see if the supplier complies with legal regulations so as to reduce the risk of the organisation • Follow up and handle supplier's poor performance and regulatory violations that have been confirmed in providing service <p>3. Exhibit professionalism</p> <ul style="list-style-type: none"> • Adhere to relevant guidelines and procedures of the organisation when handling the purchase of goods • Ensure all goods purchasing activities comply with the requirements of commercial law • Prevent any abuse of power or malpractice, such as abuse/misappropriation of the organisational assets and theft
Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ul style="list-style-type: none"> • Implement related purchase of goods effectively according to the organisation's guidelines on purchase of goods; and • Monitor and evaluate suppliers' performance and review the cooperative relationship with them.

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Remark	This UoC is adopted from 104989L5.
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