

**MANAGE PROCUREMENT CONTRACTS**  
**UNIT CODE: BUS/OS/SC/CR/05/6/A**

**Unit Description**

This unit specifies the competencies required to manage procurement contracts. It involves establishing and maintaining a good relationship between vendors and the procuring entity and results in timely execution of procurement contracts.

**ELEMENTS AND PERFORMANCE CRITERIA**

<p><b>ELEMENT</b>  <i>These describe the key outcomes which make up workplace function</i></p>	<p><b>PERFORMANCE CRITERIA</b>  <i>These are assessable statements which specify the required level of performance for each of the elements.</i>  <b><i>Bold and italicized terms are elaborated in the Range</i></b></p>
<p>1. Monitor Progress of Procurement Contracts</p>	<p>1.1 <b><i>Tools for monitoring progress</i></b> of contract are developed based on parameters to be measured.            1.2 Contract progress monitoring schedule is developed as per workplace policy.            1.3 Contract progress monitoring is conducted in accordance with the monitoring schedule.</p>

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	<p>1.4 Contract progress monitoring report is prepared as per workplace policy.</p> <p>1.5 Action is taken based on the contract progress report and workplace policy.</p>
<p>2. Manage Vendor Relationships</p>	<p>2.1 Clear specifications are prepared in accordance with needs of user as per workplace policy.</p> <p>2.2 Vendors evaluation is done fairly and objectively as per <b><i>legal requirements</i></b> (documents and supplier visits)</p> <p>2.3 Contracts are awarded fairly and objectively as per legal requirements and standards operating procedures.</p> <p>2.4 <b><i>Incentives</i></b> are given to vendors as per workplace policy.</p> <p>2.5 Flexibility is exercised based on the case at hand.</p> <p>2.6 Vendors are paid in accordance with the contract and workplace policy.</p> <p>2.7 Vendors are appraised as per SOPs.</p>

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	Buyer-Supplier relationship is managed.
3. Evaluate Vendor Contract Performance	3.1 Vendor contract progress evaluation tools are developed based on parameters to be measured. 3.2 Vendor contract progress evaluation committee is appointed as per workplace policy. 3.3 Notice for vendor contract progress evaluation committee meeting is prepared and circulated as per workplace policy. 3.4 Vendor contract progress evaluation is conducted as per workplace policy. 3.5 Vendor contract progress report is prepared as per workplace policy. 3.6 None performing vendor contracts are terminated as per legal requirements as per standard operating procedures

## RANGE

This section provides work environments and conditions to which the performance criteria apply. It allows for different work environments and situations that will affect performance.

<b>Variables</b>	<b>Range</b>
1. Tools for monitoring progress	1.1 Data collection tools
2. Legal Requirements	2.1 Contract 2.2 Procurement laws 2.3 Terms and conditions
3. Incentives	3.1 Extended contracts 3.2 Timely payment

## REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit of competency.

### Required Skills

The individual needs to demonstrate the following skills:

- Contract performance measurement skills
- Communication skills
- Interpersonal skills
- Negotiation skills
- Analytical skills
- Risk assessment skills
- Evaluation skills

## Required Knowledge

The individual needs to demonstrate knowledge of:

- Risk management
- Program monitoring
- Transition management
- Performance management
- Performance measurement
- Contract termination
- Vendor relationships
- Contract evaluation

## EVIDENCE GUIDE

This provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge and range.

<b>Variables</b>	<b>Range</b>
1. Critical Aspects of Competency	Assessment requires evidence that the candidate:  1.1 Demonstrated ability to develop tools and schedule for monitoring contract progress.  1.2 Monitored progress of contracts and prepared progress report.

<b>Variables</b>	<b>Range</b>
	<p>1.3 Took appropriate action-based progress report</p> <p>1.4 Prepared clear specifications for procurement of goods, works and services.</p> <p>1.5 Conducted vendors and bids evaluation and awarded contracts fairly, objectively and legally.</p> <p>1.6 Demonstrated understanding of incentives used to enhance buyer supplier relationships.</p> <p>1.7 Initiated prompt payment of vendors</p> <p>1.8 Initiated the appointment of vendor evaluation committee, facilitated its activities and prepared a report.</p> <p>1.9 Terminated none performing vendor contracts</p>
<p>2. Resource Implications</p>	<p>The following resources must be provided:</p> <p>2.1 A functional procurement unit</p> <p>2.2 A functional procurement entity with a warehouse</p>

<b>Variables</b>	<b>Range</b>
3. Methods of Assessment	Competency may be assessed through: 3.1 Written tests 3.2 Third party reports 3.3 Oral questioning 3.4 Interview 3.5 Observation
4. Context of Assessment	Assessment could be conducted: 4.1 On-the-job 4.2 Off-the-job 4.3 During industrial attachment
5. Guidance information for assessment	Holistic assessment with related units in the sector.