



Polemics Project

National Occupational Standards for Supply Chain Management

Recommendations and Rationale for Qualification Framework for NVQs and SVQs

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**National Occupational Standards
Supply Chain Management
Recommendations and Rationale for
Qualification Framework for NVQs and SVQs
Draft 3**

Background to the Recommendations

The recommendations for this qualification framework have been developed by involving the key stakeholders, ie employers, practitioners, professional bodies, and the awarding bodies. A special qualification design meeting involving representatives of practitioners and the professional bodies met on 1 December 2004 to discuss the options for the qualifications (options which had already been discussed with the Awarding Bodies during discussions in the project's Awarding Body Forum). The meeting provided unanimous agreement for the recommendations.

The recommendations below are based on Draft 4 of the new standards, ie the draft being submitted to the National Occupational Standards Board.

Rationale for the Recommendations

Below we provide an outline of the reasons behind the decisions made.

Levels of units

An important factor in the development of the recommendations is that the new units of competence for supply chain management have been designed to reflect the requirements of different levels of practitioners operating in the supply chain. The functional analysis which led to the functional map, and the development, consultation, and field testing of the standards which followed have all focused on defining the different levels. As a result, the new supply chain management standards provide units for strategic level, management level, and technical level practitioners (equating to Level 5, 4, and 3 respectively). The recommendations for the qualification framework have used the units according to the level assigned to them during their design.

Levels of qualifications

The qualification framework is designed to cover Levels 5, 4, 3, and 2. While recognising that the overall use of NVQs and SVQs at the higher levels has been disappointing in the past, the professional bodies are now actively exploring the redesign of their qualifications and membership grades to link them to the new standards. The existence of the higher level qualifications is vital if this is to come to fruition.

Level 2

In the recommendations it is proposed that there should also be a Level 2 qualification. This Level 2 qualification contains units that were designed to be used by practitioners at Level 3. However, the research during the functional analysis showed that the different levels were not always distinct, and were in fact very blurred. As such many practitioners do believe that functions originally identified as Level 2 (the functional analysis did cover all four levels) could be undertaken by practitioners believed to be operating at Level 3, and vice versa. In fact the boundaries between all the levels showed this characteristic to some extent. Those attending the qualification design meeting believed that a Level 2 qualification would be a very valuable addition to the framework as it would provide an entry point for practitioners, and encourage progression.

Supply chain focus

The recommendations continue to reflect the role of practitioners in supply chain management, rather than procurement, logistics, operations management, or export personnel. However, this does not negate the importance of specialist roles within supply chain management, and it is important that the framework can accommodate the roles of both the generalist, specialist, and more traditional roles. This is particularly important as the professional bodies strive to link their specific requirements to those of the qualification framework. Therefore the recommendations provide as much flexibility as possible to accommodate all these requirements. This has meant a large number of optional units, particularly for Level 4, but this is necessary to reflect the needs of all potential candidates for the qualifications, thereby widening participation.

One qualification per level

It is because of the supply chain focus that the recommendations do not suggest separate qualifications for these different specialist areas. As organisations and work methods change, it is likely that employers will require practitioners to be more flexible, or to consolidate systems to manage the supply chain as a whole.

Progression between levels

The qualifications are designed to be mainly distinct from each other, with their own set of units of competence. While it is recognised that the qualifications need to encourage progression, this is in effect built into the design of the units. Different functional areas within supply chain management already have strategic, management, and technical units associated with that function. These are linked by the use key themes, concepts, and requirements expressed in the outcomes, and these are applied consistently throughout the suite of standards. In other words, progression is already built into the standards. It is also the case that the different levels overall reflect a different type of activity, for example strategic activities, which do require candidates to act qualitatively differently from the level below. The progression between Level 2 and 3 is based more on the accumulation of units than the acquisition of different levels of units.

Mandatory and option units

As is the case with the vast majority of NVQs and SVQs, the qualifications are designed to have both mandatory and optional units. As with other qualifications, the use of mandatory and optional units is not always to provide candidates with great choice, but to ensure that candidates from all constituencies can identify a suitable number of units that are relevant to them.

The number of mandatory units has been kept to less than 50% of the qualification requirement. The mandatory units do reflect a focus on supply chain management rather than its constituent parts, and also clearly reflect the level of the qualification. The optional units provide the scope to align this overall supply chain focus with specific activities, which could be drawn from across the spectrum of supply chain activities or reflect the more established functional areas such as procurement etc. Therefore, if employers or professional bodies request candidates to focus on specific clusters of units, this can be accommodated. The qualification recommendations therefore do not specify any optional groups. The only exception is in Level 5, where the presence of a relatively high proportion of generic Management standards means that choice has been limited to ensure that the majority of the qualification is achieved through the achievement of supply chain units.

Number of units

There is no clear national guidelines on the number of units that should be required for each level of qualification. The qualification recommendations are based on reviewing the potential needs of employers and professional bodies, and ensuring that the number of units provides a guarantee that the candidate can be recognised as operating at the required level.

Use of imported units, ie management

The main purpose of the qualifications is to act as a vehicle for the implementation of the new supply chain management standards. The use of imported units is encouraged where there are functional or occupational areas already covered by other standards. The only dimension to the new supply chain standards that requires such coverage is management, particularly in the area of team management and leadership. In fact the new supply chain standards were designed with the knowledge that new management standards would soon be available, and literally just days before the qualification design meeting was held, the new management standards were formally launched by the Management Standards Centre. While these new management standards do not have prescribed levels, as with the supply chain standards, each unit does have a recommendation about the level of practitioner who is most likely to use it. We have followed these recommendations. The Polemics Project will need to seek formal approval for the use of the management standards from the Management Standards Centre, and as such these qualification recommendations can only be considered as provisional until that agreement is formally given.

Please note that the number of the units follows the codes used during the development of the standards; in the final presentation, the numbering system will be revised to make it easier to follow.

Qualification Recommendations: Overall Qualification Matrix

(Mandatory = M, Optional = O)

		L5	L4	L3	L2
Unit S1	Develop a supply chain strategy for the organisation	M			
Unit S2	Establish strategic relationships within the supply chain	M			
Unit S3	Improve the performance of the supply chain	M			
MSC B7	Provide leadership for your organisation	M			
Unit S4	Commission projects to develop the supply chain	O			
Unit S5	Plan the flow of supplies through the supply chain	O			
Unit S6	Plan the procurement of supplies	O			
Unit S7	Plan the storage of supplies in the supply chain	O			
Unit S8	Plan the distribution of supplies	O			
Unit S9	Plan the transportation of supplies	O			
Unit S10	Plan the export and import of supplies	O			
MSC D4	Plan the workforce	O			
MSC E2	Manage finance for your area of responsibility	O	O		
MSC F9	Build your organisation's understanding of its market and customers	O	O		
Unit M1	Develop operational relationships within the supply chain		M		
Unit M2	Evaluate information on the supply chain		M		
Unit M3	Propose improvements to the supply chain		M		
Unit M4	Introduce improvements to the supply chain		M		
MSC B6	Provide leadership in your area of responsibility		M		
MSC D3	Recruit, select and keep colleagues		O		
Unit M5	Plan projects to develop the supply chain		O		
Unit M6	Manage projects to develop the supply chain		O		
Unit M7	Negotiate for supplies		O		
Unit M8	Contract with other organisations		O		
Unit M9	Review the outcomes of contracts		O		
Unit M10	Evaluate information on the procurement of supplies in the supply chain		O		
Unit M11	Select suppliers for the supply chain		O		
Unit M12	Produce specifications for suppliers		O		
Unit M13	Evaluate the capability of suppliers to meet supply specifications		O		
Unit M14	Schedule and approve the placing of orders		O		
Unit M15	Evaluate the performance of suppliers		O		
Unit M16	Schedule the flow of supplies in the supply chain		O		
Unit M17	Specify the requirements for the storage of supplies		O		
Unit M18	Select locations and facilities for storing supplies		O		
Unit M19	Evaluate information on the storage of supplies		O		
Unit M20	Specify the requirements for the distribution of supplies		O		
Unit M21	Select distribution methods for supplies		O		
Unit M22	Schedule the distribution of supplies		O		
Unit M23	Select methods to receive returned supplies		O		
Unit M24	Select transportation methods for supplies		O		
Unit M25	Schedule the transportation of supplies		O		
Unit M26	Select methods for exporting supplies		O		
Unit M27	Select methods for importing supplies		O		
Unit T1	Maintain operational relationships within the supply chain			M	
Unit T2	Analyse information on the supply chain			M	
Unit T3	Apply improvements to the supply chain			M	
Unit T4	Monitor the achievement of project tasks			O	
Unit T5	Control supplies at storage locations and facilities			O	
Unit T6	Complete export procedures and requirements			O	
Unit T7	Complete import procedures and requirements			O	
Unit T8	Administer contracts			O	
Unit T9	Analyse information on the procurement of supplies in the supply chain			O	
Unit T10	Verify the capability of suppliers to meet supply specifications			O	
Unit T11	Analyse the performance of suppliers			O	
Unit T12	Identify potential suppliers for the supply chain			O	O
Unit T13	Place orders with suppliers			O	O
Unit T14	Monitor and progress the delivery of orders			O	O
Unit T15	Monitor the flow of supplies in the supply chain			O	O
Unit T16	Obtain information on storage locations and facilities			O	O
Unit T17	Obtain information on distribution requirements			O	O
Unit T18	Monitor the distribution of supplies			O	O
Unit T19	Monitor the flow of returned supplies			O	O
Unit T20	Monitor the transportation of supplies			O	O
Unit T21	Contribute to operational relationships within the supply chain				M
Unit T22	Obtain information on the supply chain				M

Supply Chain Management Level 5

Total number of units available for selection in this qualification is 14

Total number of units that the candidate needs to achieve for the qualification is 8

Mandatory Units (all 4 units have to be achieved)

Unit S1	Develop a supply chain strategy for the organisation
Unit S2	Establish strategic relationships within the supply chain
Unit S3	Improve the performance of the supply chain
MSC B7	Provide leadership for your organisation

Optional Units

(4 units in total have to be achieved from the optional units: either 3 units from Group 1 and 1 unit from Group 2; or 2 units from Group 1 and 2 units from Group 2)

Option Group 1: Choose 2 or 3 units from this group

Unit S4	Commission projects to develop the supply chain
Unit S5	Plan the flow of supplies through the supply chain
Unit S6	Plan the procurement of supplies
Unit S7	Plan the storage of supplies in the supply chain
Unit S8	Plan the distribution of supplies
Unit S9	Plan the transportation of supplies
Unit S10	Plan the export and import of supplies

Option Group 2: Choose 1 or 2 units from this group

MSC D4	Plan the workforce
MSC E2	Manage finance for your area of responsibility
MSC F9	Build your organisation's understanding of its market and customers

Supply Chain Management Level 4

Total number of units available for selection in this qualification is 31

Total number of units that the candidate needs to achieve for the qualification is 10

Mandatory Units (all 5 units have to be achieved)

Unit M1	Develop operational relationships within the supply chain
Unit M2	Evaluate information on the supply chain
Unit M3	Propose improvements to the supply chain
Unit M4	Introduce improvements to the supply chain
MSC B6	Provide leadership in your area of responsibility

Optional Units (any 5 units from 26 have to be achieved)

MSC D3	Recruit, select and keep colleagues
MSC E2	Manage finance for your area of responsibility
MSC F9	Build your organisation's understanding of its market and customers
Unit M5	Plan projects to develop the supply chain
Unit M6	Manage projects to develop the supply chain
Unit M7	Negotiate for supplies
Unit M8	Contract with other organisations
Unit M9	Review the outcomes of contracts
Unit M10	Evaluate information on the procurement of supplies in the supply chain
Unit M11	Select suppliers for the supply chain
Unit M12	Produce specifications for suppliers
Unit M13	Evaluate the capability of suppliers to meet supply specifications
Unit M14	Schedule and approve the placing of orders
Unit M15	Evaluate the performance of suppliers
Unit M16	Schedule the flow of supplies in the supply chain
Unit M17	Specify the requirements for the storage of supplies
Unit M18	Select locations and facilities for storing supplies
Unit M19	Evaluate information on the storage of supplies
Unit M20	Specify the requirements for the distribution of supplies
Unit M21	Select distribution methods for supplies
Unit M22	Schedule the distribution of supplies
Unit M23	Select methods to receive returned supplies
Unit M24	Select transportation methods for supplies
Unit M25	Schedule the transportation of supplies
Unit M26	Select methods for exporting supplies
Unit M27	Select methods for importing supplies

Supply Chain Management Level 3

Total number of units available for selection in this qualification is 20

Total number of units that the candidate needs to achieve for the qualification is 9

Mandatory Units (all 3 units have to be achieved)

- Unit T1 Maintain operational relationships within the supply chain
- Unit T2 Analyse information on the supply chain
- Unit T3 Apply improvements to the supply chain

Optional Units (any 6 units from 17 have to be achieved)

- Unit T4 Monitor the achievement of project tasks
- Unit T5 Control supplies at storage locations and facilities
- Unit T6 Complete export procedures and requirements
- Unit T7 Complete import procedures and requirements
- Unit T8 Administer contracts
- Unit T9 Analyse information on the procurement of supplies in the supply chain
- Unit T10 Verify the capability of suppliers to meet supply specifications
- Unit T11 Analyse the performance of suppliers
- Unit T12 Identify potential suppliers for the supply chain
- Unit T13 Place orders with suppliers
- Unit T14 Monitor and progress the delivery of orders
- Unit T15 Monitor the flow of supplies in the supply chain
- Unit T16 Obtain information on storage locations and facilities
- Unit T17 Obtain information on distribution requirements
- Unit T18 Monitor the distribution of supplies
- Unit T19 Monitor the flow of returned supplies
- Unit T20 Monitor the transportation of supplies

Supply Chain Management Level 2

Total number of units available for selection in this qualification is 11

Total number of units that the candidate needs to achieve for the qualification is 5

Mandatory Units (both 2 units have to be achieved)

- Unit T21 Contribute to operational relationships within the supply chain
- Unit T22 Obtain information on the supply chain

Optional Units (any 3 units from 9 have to be achieved)

- Unit T12 Identify potential suppliers for the supply chain
- Unit T13 Place orders with suppliers
- Unit T14 Monitor and progress the delivery of orders
- Unit T15 Monitor the flow of supplies in the supply chain
- Unit T16 Obtain information on storage locations and facilities
- Unit T17 Obtain information on distribution requirements
- Unit T18 Monitor the distribution of supplies
- Unit T19 Monitor the flow of returned supplies
- Unit T20 Monitor the transportation of supplies