

## Qualification Unit

This unit forms part of a regulated qualification and is only available for delivery in Wales.

**Unit Title:** Delivering Positive Procurement and Supply Outcomes Through Contract Management

**Open Awards Unit Reference Number:** CBL509

**Level:** 4

**Credit Value:** 6

**Minimum Guided Learning Hours:** 10

Learning Outcome (The Learner will):	Assessment Criterion (The Learner can):
1. Planning the administration of a contract within own organisation	1.1 Explain the importance of planning contract administration in terms of: <ul style="list-style-type: none"> <li>- Roles and responsibilities of key stakeholders</li> <li>- Meeting and communication plan</li> <li>- Scope of the contract</li> <li>- Key deliverables</li> <li>- Systems and Processes</li> </ul>
2. Develop supplier relationships to assist with positive contract management within <b>own organisation</b>	2.1 Reflect on the types of supplier relationships and how they can impact contract management
	2.2 Show how positive outcomes can be delivered through the stages of contract management
	2.3 Demonstrate components required to develop a positive supplier relationship during contract management
3. Administering contracts within own organisation	3.1 Set up contractual meetings to produce outcomes
	3.2 Follow the relevant processes within own organisation to ensure compliance with the contract

	3.3	Ensure relevant systems are updated to enable accurate and prompt payment
	3.4	Justify the need for negotiations to amend contracts and ensure that governance is upheld
	3.5	Keep accurate records of actions following amendments to contracts
4. Understand the components of a contract which will support delivery of positive procurement outcomes	4.1	Reflect upon how <b>own organisation's</b> contracts are constructed to support positive procurement outcome/s.
5. Carry out risk management and performance management processes	5.1	Identify measures taken by <b>own organisation</b> to recognise, manage and mitigate different types of issues and risks within contract
	5.2	Use KPIs to performance manage contract progress
	5.3	Explain the processes used in own organisation when a contract fails to perform
6. Be able to consider the place of an exit strategy within contract management	6.1	Describe what is meant by an exit strategy and its components
	6.2	Give examples of when it may be necessary to terminate a contract and the implications thereof
7. Reflect on how best practice can be achieved throughout the contract process	7.1	Reflect on procurement contracts, stating what went well and what can be learned where the outcomes were unsatisfactory
	7.2	Recognise the risk and impact of own organisation failing to manage contracts effectively
	7.3	Demonstrate how the conclusions reached in 7.1 can be applied to ongoing review processes and continuous improvement

## Indicative Content

LO1	1.1 The Learner's rationale <b>is required to</b> demonstrate a direct alignment to the organisational values, mission, vision, etc. This should include details of
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	<p>how information is securely gathered, recorded, processed and shared. Also, how information is recorded from meetings and interactions, etc.</p>
LO2	<p>2.1 The Learner <b>is required to</b> consider the positive and negative impacts of supplier relationships. The Learner should consider the different types of relationships that may exist for different types of goods/works/ services. This may include evaluations of existing partnership arrangements, their strengths and weaknesses.</p> <p>2.2 The Learner <b>is required to</b> identify ways in which positive outcomes can be achieved at each stage of the contract management process, including pre-contracts, contract negotiation, contract implementation, contract termination or renewal, and regarding continuous improvement. This can be evidenced through existing or historic contractual records, or a suitably detailed learner statement.</p> <p>2.3 The Learner <b>is required to</b> demonstrate this with examples of working with suppliers on at least two different types of contracts. They should be looking at building trust, integrity, transparency, common values, shared aspirations, collaborative working, etc.</p>
LO3	<p>3.1 The Learner <b>must</b> be able to show that they can set up and participate in meetings that will result in progress within contractual arrangements. This may be shown through meeting agendas, minutes and action points, records of interactions or correspondence, and testimony from line managers, customers and other stakeholders.</p> <p>3.2 The Learner <b>must</b> be able to demonstrate methods and tactics through which positive outcomes can be delivered through all stages, these being: Initiation, Drafting and Negotiations, Execution, Contract Performance, Renewal, Termination and Close-Out. It may include examples of how goods are received and processed, how faults, short orders, non-compliance, etc. are managed.</p> <p>3.3 The Learner <b>must</b> demonstrate how they ensure supplier records are maintained to ensure correct payment of suppliers in line with the contract. This may be via contractual records held in the procure to pay systems, or alternative organisational processes in line with their roles and responsibilities.</p> <p>3.4 The Learner <b>must</b> demonstrate an awareness of when negotiations are essential to support contractual performance and provide examples of the negotiation planning, and any approvals necessary in line with organisational processes e.g. where variations to the original specification occur, contractual clauses, commercial terms.</p> <p>3.5 The Learner <b>must be able to</b> provide at <b>least two examples</b> of where contract amendments have been required, showing clearly how the amendments have been recorded, demonstrating compliance with organisational and legislative procedures.</p>
LO4	<p>4.1 The Learner <b>must</b> be able to show how previous stages (planning/sourcing) link into the contract management process to deliver positive outcomes. This evidence must include a contract specification and may also include confirmation of the “5 Rights”, use of KPIs, Contractual Clauses, CSR and</p>

	Sustainability.
LO5	<p>5.1 The Learner <b>is required to</b> demonstrate ways in which the organisation acts to protect its reputation, safety, stability and the interests of its employees, stakeholders, etc. This may take the form of risk assessments, analysis, system features, procedures and policies.</p> <p>5.2 Learners <b>are required to</b> clearly explain the purpose of KPI methods they choose to present and interpret data presented to give a clear picture of performance against the contractual agreement. These may include cost-related indicators, inventory management, contract management, risk management, sustainability and supplier performance indicators.</p> <p>5.3 Learners <b>are required to</b> identify which organisation processes should be deployed according to the nature of the failure, stating strengths of the approach chosen.</p>
LO6	<p>6.1 The Learner <b>is required to</b> identify the different components of an exit strategy, including timeline, options, valuation, succession planning, etc.</p> <p>6.2 Learners <b>is required to</b> provide at least two examples of when a contracted may be terminated, considering also the implications such as continuity, lessons learned, price, quality, etc.</p>
LO7	<p>7.1 The Learner <b>is required to</b> provide <b>at least three</b> examples as they have experienced to substantiate their evaluation. Learners should reflect on varied categories of contracts (at least 3) i.e. goods/services, high value/low value, high/low complexity, high/low risk, etc.</p> <p>7.2 Learners <b>must</b> be able to provide two examples of impacts for the organisation. These may include, but are not restricted to under-performance, delivery cost increases, overpayment, value, legislative breach, litigation, social value, environmental damage, etc.</p> <p>7.3 The Learner <b>is required to</b> demonstrate that conclusions and suggestions are being shared within the organisation, clearly showing the process and method(s) by which these are shared.</p>