

Title	Use ordering procedures to minimise loss in a retail or distribution environment		
Level	3	Credits	4

Purpose	People credited with this unit standard are able to: identify and describe causes and effects of loss resulting from stock ordering procedures; and minimise loss resulting from stock ordering procedures, in a retail or distribution environment.
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Classification	Retail, Distribution, and Sales > Retail and Distribution Core Skills
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Available grade	Achieved
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Guidance Information

- Definitions

Distribution environment refers to a workplace where the primary focus is on storage and distribution of stock.

Retail environment refers to workplaces where the primary focus is on customers purchasing goods or services.

Workplace procedures refer to applicable procedures found in the following: workplace performance guidelines and standards; manufacturer's procedures and specifications; Government and local body legislation.
- All assessment tasks must be carried out in accordance with workplace procedures.

Outcomes and performance criteria

Outcome 1

Identify and describe causes and effects of loss resulting from stock ordering procedures in a retail or distribution environment.

Performance criteria

1.1 Causes of loss resulting from stock ordering procedures are identified.

Range may include but is not limited to – over-ordering, under-ordering, incorrect codes, incorrect products, incorrect quantities, incorrect suppliers, incorrect forms, incorrect prices, not allowing for lead times, not allowing for seasonal changes, not allowing for transport costs, delay in delivery from supplier, not allowing for storage costs, failure to check orders, failure to keep records, failure to track order progress;
evidence of three different stock ordering procedures is required.

1.2 Effects of loss resulting from stock ordering procedures are described.

Range may include but is not limited to – stock outage, stock shortage, stock out-of-date, over-stocking, missed sales, customer dissatisfaction, forced discounts, need for rainchecks, obsolete due to seasonality, increased transport costs, increased storage costs, withdrawal of suppliers, bank charges; overpayments; stock damage, double handling, administration costs;
evidence of three effects is required.

Outcome 2

Minimise loss resulting from stock ordering procedures in a retail or distribution environment.

Performance criteria

2.1 Procedures for minimising loss when ordering stock are identified and implemented.

Range includes but is not limited to – gathering accurate information, allowing for potential risks, using correct forms, preparing orders accurately and completely, checking orders, recording orders, matching orders with invoices, use of computer software.

2.2 Improvements to procedures for minimising loss when ordering stock are identified and recommended.

Range may include but is not limited to – evaluating effectiveness, monitoring, re-training, coaching, informing others, revising or updating workplace procedures, updating stock control system.

Planned review date	31 December 2027
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Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	18 June 2009	31 December 2024
Review	2	8 December 2016	31 December 2024
Review	3	2 March 2023	N/A

Consent and Moderation Requirements (CMR) reference

0112

This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

Comments on this unit standard

Please contact Ringa Hora Services Workforce Development Council qualifications@ringahora.nz if you wish to suggest changes to the content of this unit standard.