

40095**Contribute to business optimisation processes in an automotive parts and accessories environment**

Kaupae Level	4
Whiwhinga Credit	10
Whāinga Purpose	<p>This skill standard is intended for people who are already working in the automotive industry. They will be able to contribute to the optimisation of inventory levels, stock turnover and forecasting, freight recovery and continuous improvement processes in an automotive parts and accessories environment.</p> <p>This skill standard aligns with the New Zealand Automotive qualifications Level 4 and above.</p>

Hua o te ako me Paearu aromatawai | Learning outcomes and assessment criteria

Hua o te ako Learning outcomes	Paearu aromatawai Assessment criteria
1. Optimise inventory levels in an automotive parts and accessories environment.	a. Analyse inventory data to identify slow moving and obsolete automotive products in a business or nation-wide network.
	b. Compare the potential benefits and impacts of Just-In-Time (JIT) delivery with excess storage of slow-moving automotive products.
	c. Identify optimum stock levels for slow moving automotive products in a business or nation-wide network.
	d. Implement JIT delivery practices as required to reduce the need for excess inventory storage.
2. Recover freight costs in an automotive parts and accessories environment.	a. Determine mark up to recover cost of freight for automotive products purchased outside of a distribution centre.
	b. Record freight recovery costs against each job.
3. Review stock turnover and forecasting in an automotive parts and accessories environment.	a. Review sales data to identify total stock turnover per year.
	b. Review forecasting to anticipate customer demand for products.
	c. Adjust stock levels and/or prices to help increase stock turnover and cashflow.

4. Contribute to continuous improvement processes in an automotive parts and accessories environment.	a. Review and adjust parts request process to improve efficiency and minimise staff downtime.
	b. Review and adjust parts layout to improve efficiency and safety.
	c. Complete claim processes for warranties within the stated timeframe.
	d. Review frequency of stock ordering and minimise separate freight for individual products.
	e. Identify an area for potential improvement in an automotive parts and accessories environment.

Pārongo aromatawai me te taumata paearu | Assessment information and grade criteria

Assessment specifications:

Evidence presented for assessment against this skill standard must be consistent with safe working practices and be in accordance with applicable service information, workplace procedures and legislative requirements.

Evidence presented against assessment criterion 4e must include one area that is different to the continuous improvement processes outlined in assessment criteria 4a - 4d.

Definitions:

Business optimisation refers to the process of identifying and implementing new methods or systems to make a business more efficient and cost effective.

Continuous improvement is a business optimisation technique to systematically improve processes, products or services over time. It involves identifying inefficiencies, eliminating waste and optimising performance through small incremental changes.

Workplace procedures refer to organisation policies and procedures that are documented in memo, electronic, or manual format and available in the workplace. They may include but are not limited to – standard operating procedures, site specific procedures, site safety procedures, equipment operating procedures, quality assurance procedures, product quality specifications, manufacturer’s requirements, references, approved codes of practice, housekeeping standards, environmental considerations, on-site briefings, supervisor’s instructions, and procedures to comply with legislative and local body requirements relevant to the automotive industry.

Ngā momo whiwhinga | Grades available

Achieved

Ihirangi waitohu | Indicative content**Inventory**

- Data analysis.
- Identification of optimum storage location(s) to ensure cost effective and timely delivery of products to other locations in a nation-wide network.
- Stock quantity targets.
- Stock tracking.
- Min/Max inventory control method.
- Automated purchase orders (where applicable).

Rauemi | Resources

- Ministry of Business, Innovation & Employment. (latest edition). *Managing inventory*. Available from: <https://www.business.govt.nz/>.
- Evan Tarver. (2023). Forbes Advisor. *17 Essential Inventory Management Techniques*. Available from: <https://www.forbes.com/advisor/>.

Pārongo Whakaū Kounga | Quality assurance information

Ngā rōpū whakatau-paerewa Standard Setting Body	Hanga-Aro-Rau Manufacturing, Engineering and Logistics Workforce Development Council
Whakaritenga Rārangi Paetae Aromatawai DASS classification	Engineering and Technology > Motor Industry > Automotive Administration
Ko te tohutoro ki ngā Whakaritenga i te Whakamanatanga me te Whakaōritenga CMR	0014

Hātepe Process	Putanga Version	Rā whakaputa Review Date	Rā whakamutunga mō te aromatawai Last date for assessment
Rēhitatanga Registration	1	25 July 2024	N/A
Kōrero whakakapinga Replacement information	N/A		
Rā arotake Planned review date	31 December 2029		

Please contact Hanga-Aro-Rau Manufacturing, Engineering and Logistics Workforce Development at qualifications@hangaarorau.nz to suggest changes to the content of this skill standard.