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## GOVERNMENT NOTICE

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### SOUTH AFRICAN QUALIFICATIONS AUTHORITY

No. 900

11 September 2009



#### SOUTH AFRICAN QUALIFICATIONS AUTHORITY (SAQA)

In accordance with Regulation 24(c) of the National Standards Bodies Regulations of 28 March 1998, the Standards Generating Body (SGB) for

#### **Procurement, Logistics and Supply Chain Management**

registered by Organising Field 03 – Business, Commerce and Management, publishes the following Qualifications and Unit Standards for public comment.

This notice contains the titles, fields, sub-fields, NQF levels, credits, and purpose of the Qualifications and Unit Standards. The full Qualifications and Unit Standards can be accessed via the SAQA web-site at [www.saqa.org.za](http://www.saqa.org.za). Copies may also be obtained from the Directorate of Standards Setting and Development at the SAQA offices, SAQA House, 1067 Arcadia Street, Hatfield, Pretoria.

Comment on the Qualifications and Unit Standards should reach SAQA at the address below and **no later than 12 October 2009**. All correspondence should be marked **Standards Setting – SGB for Procurement, Logistics and Supply Chain Management** and addressed to

The Director: Standards Setting and Development  
SAQA

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**D. MPHUTHING**  
**ACTING DIRECTOR: STANDARDS SETTING AND DEVELOPMENT**



## SOUTH AFRICAN QUALIFICATIONS AUTHORITY

### QUALIFICATION: National Higher Diploma: Supply Chain Management

SAQA QUAL ID	QUALIFICATION TITLE		
74190	National Higher Diploma: Supply Chain Management		
ORIGINATOR			PROVIDER
SGB Procurement, Logistics and Supply Chain Mngt			
QUALIFICATION TYPE	FIELD	SUBFIELD	
National Higher Diploma	3 - Business, Commerce and Management Studies	Procurement	
ABET BAND	MINIMUM CREDITS	NQF LEVEL	QUAL CLASS
Undefined	120	Level 7	Regular-ELOAC

***This qualification does not replace any other qualification and is not replaced by another qualification.***

#### PURPOSE AND RATIONALE OF THE QUALIFICATION

Purpose:

To provide learners with the competencies required to engage in the processes and inter-relationships across the supply chain so as to create sustainable value for organisations. This Qualification is aimed at overcoming the traditional functional approach to management and fostering supply chain integration to the advantage of all stakeholders.

Qualifying learners will be able to:

- Critically analyse the role of the supply chain function within the organisation.
- Develop strategies to optimise the supply chain management function.
- Develop appropriate plans to implement supply chain management strategies.
- Establish strategic relationships within the supply chain.

Rationale:

The target groups for this Qualification are people working within management positions within the various processes of the supply chain or those who are aspiring for such positions. Learners who have, in the past, held middle to top management positions or are senior specialists within the various supply chain processes are most likely to find the Qualification applicable to them.

The demand for this Qualification directly links to the need to:

- Commission projects to develop the supply chain.
- Develop and manage legal, contractual arrangements associated with purchasing and supply.
- Develop a supply chain strategy for the organization.
- Develop effective risk management strategies.
- Establish sustainable strategic relationships within the supply chain.
- Improve the performance of the supply chain.
- Have an in-depth knowledge of the Machinery of Government, i.e. Broad-based Black Economic Empowerment (BBBEE), Public Finance Management Act, PPP Regulations and others.

- Plan the flow, procurement, storage, distribution, transportation and export and import of supplies through the supply chain.

This Qualification has been designed in order to address these demands as well as support the competencies required in the key areas of strategic supply chain management.

#### **RECOGNIZE PREVIOUS LEARNING?**

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#### **LEARNING ASSUMED IN PLACE**

It is assumed that learners are able to:

- Demonstrate an understanding of supply chain management environment within an organisation NQF Level 5.
- Demonstrate an understanding of the influence of performance and risk within a supply chain management environment NQF Level 5.
- Contribute to the development of a supply chain strategy and operational plans for the organisation NQF Level 5.
- Execute a supply chain strategy for the organisation NQF Level 5.

Recognition of Prior Learning:

This Qualification may be achieved in part through the recognition of prior learning, which includes formal, informal and non-formal learning and work experience. The learner should be thoroughly briefed on the mechanism to be used and Recognition of Prior Learning assessors should provide support and guidance. Care should be taken that the mechanism used provides the learner with an opportunity to demonstrate competence and is not so onerous as to prevent learners from taking up the Recognition of Prior Learning option towards gaining a Qualification.

If the learner is able to demonstrate competence in the knowledge, skills, values and attitudes implicit in this Qualification, the appropriate credits should be assigned to the learner. Recognition of Prior Learning will be done by means of Integrated Assessment as mentioned above.

Access to the Qualification:

Open to learners in possession of a National Senior Certificate, Further Education and Training Certificate or equivalent NQF Level 4 Qualification.

#### **EXIT LEVEL OUTCOMES**

1. Critically analyse the role of the supply chain function within an organisation.
2. Develop strategies to optimise the supply chain management function.
3. Develop appropriate plans to implement the supply chain management strategies.
4. Establish strategic relationships within the supply chain.

Critical Cross-Field Outcomes:

Identifying and solving problems in which responses show that integrative thinking and critical analysis has been made when:

- Establishing sustainable relationships with strategic suppliers.
- Analysing the industry to determine trends.
- Aligning organisational and supply chain management strategies.

Working effectively with others as a member of a inter-disciplinary team when:

- Managing relationships between supply chain partners.

Organising and managing oneself and one's activities responsibly and effectively when:

- Developing, implementing and optimising supply chain management systems.
- Assessing risks and developing mitigating interventions.

Communicating effectively with stakeholders and authorities when:

- Developing and implementing plans in support of the supply chain management strategies.

Collecting, analysing, organising and critically evaluating information from various sources when:

- Managing risk and performance within the supply chain.
- Assessing the business landscape to ascertain continuous improvement opportunities.

Using science and technology effectively and showing responsibility towards the environment and health of others when:

- Establishing a competitive supply chain management infrastructure in line with strategic objectives.

Demonstrating an understanding of the world as a set of related systems by recognising the complex and dynamic nature of these systems as well as the inter-relationships and linkages that exist between systems when:

- Understanding and applying benchmarked supply chain management practices and processes.
- Developing and implementing the strategy of Supply Chain Management.
- Aligning business and supply chain management strategies to legislation and key government initiatives.

Being culturally and aesthetically sensitive to the social and cultural systems of others when:

- Evaluating the influences of key elements in a supply chain.
- Negotiating with international and local suppliers.

#### **ASSOCIATED ASSESSMENT CRITERIA**

Associated Assessment Criteria for Exit Level Outcome 1:

1.1 Specific legislation and key government initiatives are critically analysed to determine the significance of the role that supply chain management plays within organisations.

- Range: Legislation includes but is not limited to the Constitution of South Africa, Broad-based Black Economic Empowerment Act, Public Finance Management Act, Municipal Finance Management Act, Preferential Procurement Policy Framework Act, Small Business Development Act, Prevention and Combating of Corrupt Activities Act, Customs and Excise Duties Act, Occupational Health and Safety Act, related regulations, policies, prescripts, practice notes and circulars. Key Government Initiatives include but are not limited to ASGISA, Proudly South African, Extended Public Works Programme, NEPAD, SME's Development, Competitive Supplier Development Programme, highlight the complexity of the procurement decision, supplier selection, indicate GDP and spend on opex and capex.

1.2 Benchmark supply chain management practices are analysed for inclusion in strategies.

- Range: Analysis includes but is not limited to unpacking benchmarks and identifying key elements of the supply chain management system including risk and performance management.

1.3 The financial accountability cycle is evaluated to reflect the impact on supply chain management policies and practices.

- Range: Impact includes but is not limited to the Public Finance Management Act (PFMA), the Municipal Finance Management Act (MFMA), the roles of the National Treasury and the Auditor-General in promoting good supply chain management practice within the accountability framework, risk management systems.

1.4 The fundamental importance of ethics is analysed to determine its impact on transparency in all transactions.

- Range: Ethics and transparency include but is not limited to Ethical Codes of Conduct, legislation on access to information.

1.5 The value of continuous improvement programmes is assessed to determine its relationship to the supply chain function.

- Range: Continuous improvement programmes include but are not limited to benchmarked standards relating to managing supplier performance (e.g. Total Quality Management (TQM)), linked to developing and expanding small businesses and the economy.

1.6 The necessity of professional development is evaluated to determine how it influences the establishment of a cadre of supply chain management professionals

- Range: Professional development includes but is not limited to access to relevant qualifications, on-the-job-training, coaching and mentoring programmes, internships, job rotation.

#### Associated Assessment Criteria for Exit Level Outcome 2:

2.1 The process of developing corporate strategy is analysed to determine how supply chain management concepts are included in the strategy.

- Range: Concepts include but are not limited to strategic sourcing, inventory management, value chain processes, total quality management, total cost of ownership, life cycle costing.

2.2 The importance of organisational structures, cultures and power is assessed in terms of their influence on the development and implementation of corporate strategy.

2.3 Various models of supply chain structures and relationships are distinguished and assessed in order to use in the development of strategies.

- Range: Models include public and private sector business models.

2.4 Current supply chain management practices and challenges are analysed to determine their impact on the business or corporate strategy.

- Range: Current supply chain management practices and challenges include but are not limited to internal and external supply chains, the flows across organisational boundaries upstream and downstream, environment, resources.

2.5 Innovative and benchmarked strategies are implemented to continuously improve the business.

2.6 The availability, development and allocation of resources are analysed to support corporate strategy.

2.7 Drivers of change in global supply chains are diagnosed in order to propose strategies to address them and manage change processes directed towards achieving corporate strategy.

#### Associated Assessment Criteria for Exit Level Outcome 3:

3.1 Implementation plans are developed in order to execute supply chain management strategies.

- Range: Implementation plans include but are not limited to the flow, procurement, storage, distribution, transportation, and export and import of supplies.

3.2 A Continuous Improvement Plan is developed and evaluated to ensure sustainability of the organisation.

3.3 Marketing and communication plans are developed to create market awareness in and to communicate with all relevant stakeholders.