



Australian Government

**Assessment Requirements for
SITXMGTT005 Establish and conduct
business relationships**

Release: 1

Assessment Requirements for SITXMGT005 Establish and conduct business relationships

Modification History

Not applicable.

Performance Evidence

Evidence of the ability to complete tasks outlined in elements and performance criteria of this unit in the context of the job role, and:

- establish and maintain business relationships with at least two of the following:
 - cooperative partner with organisation
 - contractor
 - customer
 - network
 - supplier
- conduct formal negotiations, and make and manage agreements and contracts in relation to the two relationships established above, relevant to the specific business context
- use high level communication and relationship building techniques when conducting formal negotiations and making commercially significant business-to-business agreements in the above business relationships.

Knowledge Evidence

Demonstrated knowledge required to complete the tasks outlined in elements and performance criteria of this unit:

- commercial context for business relationships in the relevant industry sector and related:
 - industry structure and interrelationships
 - sources of supply
 - distribution and marketing networks
 - professional networks
- opportunities to maintain regular contact with customers and suppliers:
 - association membership
 - cooperative promotions
 - industry functions
 - program of regular contact
 - social media
- principles of negotiation, stages in the negotiating process, and different negotiation techniques that can be applied

- nature of agreements and contracts in the relevant industry sector and their key role, features and inclusions
- key components of contract law at an overview level:
 - terms and obligations of contract
 - methods of contractual agreement
 - exclusion clauses
 - dispute resolution clause
 - termination of contracts
- other legal requirements that impact negotiations and agreements in the relevant industry.

Assessment Conditions

Skills must be demonstrated in an operational business environment. This can be:

- an industry workplace; or
- a simulated industry environment set up for the purposes of assessment.

Assessment must ensure access to:

- materials that support the negotiation process:
 - preparatory facts and statistics
 - key performance indicators
 - market information
- other people with whom business relationships can be established. These can be:
 - those in an industry workplace who are assisted by the individual during the assessment process; or
 - individuals who participate in role plays or simulated activities, set up for the purpose of assessment, in a simulated industry environment operated within a training organisation.

Assessors must satisfy the Standards for Registered Training Organisations' requirements for assessors.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=68c40a93-e51d-4e0f-bc06-899dff092694>