



*Accelerating Better Decisions*



# **GOOD PRACTICE GUIDE FOR PURCHASING MANAGERS WHO SET POLICY**



## **Purpose:**

This guide has been produced by ARTSA-i because of safety concerns over the lack of a verifiable quality standard or measure for some imported heavy vehicle replacement (spare) parts in Australia.

Many safety and compliance-critical parts are being supplied and fitted to in-service heavy vehicles that are poor or unverified quality. Consequently, road users are at an increased risk of crashes or breakdowns involving heavy vehicles. Additionally, operators and drivers of heavy vehicles could be vulnerable to enforcement violations and loss of vehicle productivity.

The guide provides a list of actions that Purchasing Managers in companies can take to implement a policy for the purchase of quality spare parts for the company's heavy vehicle fleet.

## **Actions to implement a parts policy include:**

1. Develop a policy that guides purchasing decisions based upon *Safety Level* and type of *Part*.
2. Ensure that the policy is known and understood in your organisation.
3. Determine the *Safety Levels* of the types of parts that you purchase or oversee. This provides a risk level guide. Suppliers should be able to provide the information specified in this Guide according to *Safety Level*.
4. Set clear guidelines for staff so that ad-hoc purchasing decisions are not made.
5. Put time into researching the quality of parts so that you are happy with the purchasing guidelines for the various types of parts.
6. Remember that safety and quality come before price. Sometimes the cheaper part will be adequate; but make this decision with a sceptical eye!
7. Insurance companies may not cover incidents due to failures that were reasonably foreseeable. Therefore, the cost of failure may be substantial.
8. Consider the warranty implications of parts purchasing decisions. Is the OEM warranty still valid with the replacement part installed? Is there a documented warranty on the replacement part?
9. Keep in touch with your installers and operators so that you are informed about the safety and reliability of parts that are purchased. Their feedback should influence your purchasing policy.
10. Purchase parts from a *Supplier* who confirms compliance with this Guide.
11. Selection of some types of parts could affect the legal status of the vehicle. Determine whether installation of *the Part* could make the vehicle unroadworthy or illegal. Ensure the approval and ratings of *the Part* are acceptable.
12. Consider legal requirements under Chain of Responsibility (COR) legislation. Note that part suppliers are not identified in COR legislation. However, fleet purchasers of parts may need to justify part selection under COR requirements that apply to fleet workshops.

This guidance has been produced by ARTSA-i and this and other information about replacement spare parts are available at [www.artsa.com.au](http://www.artsa.com.au)