

TLIQ1407A

Manage budgets and financial plans

Unit Descriptor

This unit involves the skills and knowledge required to manage budgets and financial plans. It covers all of the significant aspects of financial management for operational managers who are not financial specialists. It emphasises the preparation of users of budgets/financial plans through communication and training and consistent surveillance over budget performance, with early intervention where required. This unit derives from BSBMGT504A Manage budgets and financial plans.

Employability Skills

The required outcomes described in this unit of competency contain applicable facets of Employability Skills. The Employability Skills Summary of the qualification in which this competency is packaged will assist in identifying employability skill requirements.

Application of the Unit

Work may be undertaken in various contexts within the transport and distribution industry.

The unit generally applies to those who provide leadership of others individually or in teams.

This unit is normally packaged at AQF V or above.

Competency Field

Q – Financial Management

ELEMENT

Elements describe the essential outcomes of a unit of competency.

PERFORMANCE CRITERIA

Performance criteria describe the required performance needed to demonstrate achievement of the element. Assessment of performance is to be consistent with the evidence guide.

1 Communicate budget and financial plans

- 1.1 Budget/financial plan communication package is reviewed by finance specialists
- 1.2 Package is amended/revised where appropriate
- 1.3 Training activities are undertaken with users of the budget and plans across the organisation
- 1.4 All data and terms are defined and understood by the users of the plans
- 1.5 Communication outcomes are tested to ensure clear understanding of objectives, processes and accountabilities

2 Monitor and control activities against plans

- 2.1 Delegations and budget accountabilities are confirmed in writing prior to budget period
- 2.2 Funds are allocated in accordance with budget objectives and parameters
- 2.3 Recording systems and documentation meet all audit requirements and legal obligations
- 2.4 Risk management plans are implemented and contingency

plans are in place for all financial plans

2.5 Performance is monitored and variances identified on a real time basis

2.6 Variances are analysed in conjunction with relevant experts to determine cause and effect

3 Report outcomes of financial plans

3.1 Records of financial performance are properly maintained within organisational systems

3.2 Financial performance is analysed and reported in a form and language appropriate to the audience

3.3 Non financial objectives are reported in the context of overall organisational performance

3.4 Strategies and plans are reviewed and updated to optimise organisational performance

REQUIRED KNOWLEDGE AND SKILLS

This describes the essential knowledge and skills and their level required for this unit.

Required knowledge:

- Budgetary procedures and policies
- Workplace processes for setting and achieving budgets
- Accountancy practices relevant to budgetary control
- Problems that may occur when setting and achieving budgets and action that can be taken to report or resolve the problems
- Risks that may exist when setting and achieving budgets and ways of controlling the risks involved
- Focus of operation of budgetary systems, resources, management and workplace operating systems
- Limits of authorised expenditure and who has budget authorities
- Quality and customer service standards, policies and procedures

Required skills:

- Communicate effectively with others when completing work activities
- Work collaboratively with others
- Access, read and interpret budgetary documents, financial statements and reports and workplace policies and procedures
- Apply basic accounting principles to budgetary processes
- Apply calculation skills sufficient for setting and achieving budgets
- Prioritise work and coordinate self and others in relation to workplace activities
- Identify and solve problems that may arise when setting and achieving budgets
- Select and apply appropriate technology, information systems and procedures
- Modify budgets and plans as required to cater for changes

- Adapt appropriately to cultural differences in the workplace, including modes of behaviour and interactions with others
- Monitor work activities in terms of planned schedule

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance.

Delegations and budget accountabilities may include:

- monitoring expenditure
- authorising expenditure within limits
- reporting on variances to budget/plan
- taking remedial action within budget authority

Depending on the organisation concerned, workplace procedures may be called:

- standard operating procedures (SOPs)
- company procedures
- enterprise procedures
- organisational procedures
- established procedures

Documentation and records may include:

- quality assurance procedures
- relevant Australian Standards and certification requirements

Applicable legislation and regulations may include:

- relevant legislation from all levels of government that affects business operation, especially in regard to the maintenance of up-to-date, accurate financial information
- relevant industry codes of practice

EVIDENCE GUIDE

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required knowledge and skills, the range statement and the assessment guidelines for this Training Package.

Critical aspects for assessment and evidence required to demonstrate competency in this unit

- The evidence required to demonstrate competency in this unit must be relevant to and satisfy all of the requirements of the elements and performance criteria of this unit and include demonstration of applying:
 - o the underpinning knowledge and skills
 - o relevant legislation and workplace procedures
 - o other relevant aspects of the range statement

Context of and specific resources for assessment

- Performance is demonstrated consistently over a period of time and in a suitable range of contexts
- Resources for assessment include:
 - a range of relevant exercises, case studies and other simulated practical and knowledge assessment, and/or
 - access to an appropriate range of relevant operational situations in the workplace
- In both real and simulated environments, access is required to:
 - relevant and appropriate materials and/or equipment, and/or
 - applicable documentation including workplace procedures, regulations, codes of practice and operation manuals

Method of assessment

- Assessment of this unit must be undertaken by a registered training organisation
- As a minimum, assessment of knowledge must be conducted through appropriate written/oral tests
- Practical assessment must occur:
 - through appropriately simulated activities at the registered training organisation, and/or
 - in an appropriate range of situations in the workplace