



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **SITXFIN007A Manage physical assets**

**Revision Number: 1**

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### **Modification History**

Not applicable.

### **Unit Descriptor**

<b>Unit descriptor</b>	This unit describes the performance outcomes, skills and knowledge required to manage the physical assets of an organisation. It includes a focus on establishing strategies, systems and procedures for asset maintenance and monitoring, as well as financing asset acquisition.
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### **Application of the Unit**

<b>Application of the unit</b>	This unit applies to mainstream managers who need to proactively plan and manage the acquisition and maintenance of physical assets in an industry context.
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### **Licensing/Regulatory Information**

Not applicable.

### **Pre-Requisites**

<b>Prerequisite units</b>	Nil
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## Employability Skills Information

**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 unit is packaged will assist in identifying employability skills requirements.

## Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency. Performance criteria describe the required performance needed to demonstrate achievement of the element. Where ***bold italicised*** text is used, further information is detailed in the required skills and knowledge and/or the range statement. Assessment of performance is to be consistent with the evidence guide.

## Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1 Develop strategies for systematic maintenance, repair and purchase of physical assets.	<ul style="list-style-type: none"><li>1.1 Develop strategies for managing <b><i>physical assets</i></b> that reflect overall business and marketing objectives of the organisation.</li><li>1.2 Evaluate current and potential financial objectives and constraints in developing asset management strategies.</li><li>1.3 Integrate all <b><i>OHS requirements</i></b> into physical asset management.</li><li>1.4 Develop and maintain an accurate and current physical assets register as part of the asset management strategy.</li><li>1.5 Incorporate maintenance and repair regimes that minimise disruption and loss of revenue and involve appropriate specialists.</li><li>1.6 Integrate <b><i>practices to support environmental sustainability</i></b> into physical asset management practices.</li></ul>

ELEMENT	PERFORMANCE CRITERIA
2 Monitor the condition and performance of physical assets in the workplace.	<ul style="list-style-type: none"><li>2.1 Establish and implement <i>systems</i> to ensure that the condition and performance of physical assets are regularly reported and discussed within the organisation.</li><li>2.2 Establish and implement systems to identify timely replacement of physical assets.</li><li>2.3 Make <i>assessments of physical asset performance</i> based on safety, operational efficiency, customer service quality and input from colleagues.</li><li>2.4 Identify physical asset problems promptly and take appropriate action.</li><li>2.5 Evaluate need for and access <i>specialist assistance</i> when required.</li></ul>
3 Coordinate financing of physical assets.	<ul style="list-style-type: none"><li>3.1 Prepare accurate work or equipment <i>specifications</i> to guide the acquisition process.</li><li>3.2 Estimate acquisition costs based on evaluation of <i>current, accurate and relevant data</i>, including supplier quotations and estimates.</li><li>3.3 Make appropriate decisions on the acquisition of physical assets according to organisation policies and procedures.</li><li>3.4 Select <i>methods of financing</i> to meet current organisation financial objectives based on an analysis of internal and external factors.</li><li>3.5 Implement the financing process in consultation with key stakeholders and appropriate financial specialists.</li><li>3.6 Make and keep accurate records of all financial agreements and related documents.</li></ul>

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

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

The following skills must be assessed as part of this unit:

- critical thinking and analytical skills to evaluate complex information from varied sources to develop strategic management approaches to physical assets
- planning and organisational skills to develop and implement complex and interrelated workplace procedures, systems and schedules for physical asset management
- literacy skills to interpret and develop a varied range of complex business documents
- numeracy skills to analyse and prepare a wide range of financial data, and to interpret estimates and financial agreements for physical asset acquisition.

The following knowledge must be assessed as part of this unit:

- types of physical assets required by organisations in different work contexts
- maintenance requirements for different types of physical assets in the relevant industry context
- features and benefits of different financing options for asset acquisition, including purchase, rent, lease and hire purchase
- features of an assets register and techniques for its development and maintenance
- overview of taxation arrangements in relation to the acquisition and disposal of physical assets
- specific legislation relevant to the management and maintenance of physical assets, such as that relevant to vehicles or food production equipment
- environmental standards and requirements in relation to different types of physical assets.

## Evidence Guide

### EVIDENCE GUIDE

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

**Critical aspects for assessment and evidence required to** Evidence of the following is essential:

- ability to plan for and manage the acquisition,

## EVIDENCE GUIDE

### **demonstrate competency in this unit**

maintenance and replacement of physical assets for a small business, or section or department of a larger business

- understanding of financial and legal issues that affect the management of physical assets
- development of asset management strategies and financing arrangements for a specific business operation.

### **Context of and specific resources for assessment**

Assessment must ensure:

- use and application of current financial data and regulations.

### **Methods of assessment**

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:

- case studies to develop asset acquisition and maintenance strategies for nominated business situations
- evaluation of industry projects conducted by the candidate to acquire assets or develop ongoing maintenance strategies
- oral or written questions to assess knowledge of financing options and relevant legislation
- review of portfolios of evidence and third-party workplace reports of on-the-job performance by the candidate.

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.

### **Assessing employability skills**

Employability skills are integral to effective performance in the workplace and are broadly consistent across industry sectors. How these skills are applied varies between occupations and qualifications due to the different work functions and contexts.

Employability skills embedded in this unit should be assessed holistically with other relevant units that make up the skill set or qualification and in the context of the job role.

## Range Statement

### 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. Bold italicised wording in the performance criteria is detailed below.

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|--|--|
| <b><i>Physical assets</i></b> may include:   | <ul style="list-style-type: none"><li>• buildings</li><li>• equipment</li><li>• fixtures, fittings and furniture</li><li>• vehicles</li><li>• gardens</li><li>• pools</li><li>• rides and games.</li></ul>   |
| <b><i>OHS requirements</i></b> may relate to:  | <ul style="list-style-type: none"><li>• restrictions on who can undertake repairs</li><li>• regularity of maintenance required</li><li>• levels of usage.</li></ul>  |
| <b><i>Practices to support environmental sustainability</i></b> may include:               | <ul style="list-style-type: none"><li>• use of particular consumables</li><li>• protocols for use of machinery</li><li>• minimising waste</li><li>• systems to reduce power use</li><li>• regular maintenance.</li></ul>   |
| <b><i>Systems</i></b> to monitor condition and performance of physical assets may include: | <ul style="list-style-type: none"><li>• integration of reporting into day-to-day operating procedures</li><li>• regular management reports</li><li>• internal or external inspections and audits</li><li>• regular staff feedback</li><li>• analysis of maintenance costs over a period of time.</li></ul> |

## RANGE STATEMENT

*Specialist assistance* may include:

- tradespeople
- mechanics
- electronic specialists
- vendor support.

*Specifications* may include:

- information on general business context
- numbers of users or customers
- budget parameters
- operational constraints.

*Current, accurate and relevant data used for estimating costs* may include:

- quotations from suppliers
- current maintenance contracts
- published or advertised prices
- previous contracts and costs.

*Methods of financing* may include:

- hire purchase
- renting
- leasing
- purchase.

## Unit Sector(s)

**Sector**

Cross-Sector

## Competency field

**Competency field**

Finance