



**Australian Government**

**Assessment Requirements for BSBSMB401  
Establish legal and risk management  
requirements of small business**

**Release: 1**

# Assessment Requirements for BSBSMB401 Establish legal and risk management requirements of small business

## Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 1.0.

## Performance Evidence

Evidence of the ability to:

- demonstrate a systematic approach to identifying, managing and meeting legal and business requirements, specifically in regard to OHS, business registration and environmental requirements
- ensure compliance, by:
  - following taxation principles
  - updating and maintaining legal documents
  - investigating areas of non-compliance
  - monitoring provision of products and services
  - taking corrective action where necessary
- negotiate and arrange contracts, including:
  - seeking legal advice
  - investigating procurement rights
  - following the business plan
  - identifying insurance requirements
  - identifying options of leasing/ownership of business premises.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

## Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- outline business registration and licensing requirements
- identify commonwealth, state/territory and local government legislative requirements relating to business operation
- explain creation and termination of relevant legal contracts

- summarise relevant cultural differences and legal implications
- describe legal rights and obligations of alternative ownership structures
- outline necessary record keeping to meet minimum legal and taxation requirements
- summarise relevant consumer legislation and industry codes of practice
- explain relevant insurance requirements and products.

## **Assessment Conditions**

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the Management and Leadership – Small and Micro Business field of work and include access to:

- office equipment and resources for analysis of data
- relevant legislation, regulations, standards and codes
- relevant workplace documentation
- case studies and, where possible, real situations
- interaction with others.

Assessors must satisfy NVR/AQTF assessor requirements.

## **Links**

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=11ef6853-ceed-4ba7-9d87-4da407e23c10>