



**Australian Government**

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

# **CPPDSM4004A Conduct auction**

**Release: 1**

## **CPPDSM4004A Conduct auction**

### **Modification History**

Not Applicable

### **Unit Descriptor**

#### **Unit descriptor**

This unit of competency specifies the outcomes required to conduct an auction. It includes conducting the auction in line with agency practice, ethical standards and legislative requirements. The outcomes required to prepare for the auction and complete follow-up procedures after the auction sale are addressed in CPPDSM4019A Prepare for auction and complete sale.

The unit may form part of the licensing requirements for persons engaged in real estate activities in those States and Territories where these are regulated activities.

### **Application of the Unit**

#### **Application of the unit**

This unit of competency supports the work of licensed real estate agents, real estate representatives and auctioneers engaged in conducting auctions. It addresses the work associated with conducting the auction and completing the auction sale in line with agency practice and legislative requirements.

### **Licensing/Regulatory Information**

Refer to Unit Descriptor

## Pre-Requisites

**Prerequisite units** Nil

## 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 of competency 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

#### 1 Conduct auction.

### PERFORMANCE CRITERIA

- 1.1 Implementation of *auction day procedures* is confirmed to ensure that auction is conducted in a manner that is consistent with agency practice, ethical standards and *legislative requirements*.
- 1.2 Auction arrangements are confirmed in briefing with selling agent in line with agency practice.
- 1.3 *Auction process* is professionally conducted to establish the optimum price possible for the property from the buyers in attendance.
- 1.4 Appropriate *communication and presentation skills* are used in conducting the auction.
- 1.5 Price movements are monitored during the auction process.
- 1.6 Questions from bidders and others engaged in the auction are answered honestly in line with agency practice, ethical standards and legislative requirements.
- 1.7 Auction is conducted in a manner consistent with agency practice, ethical standards and legislative requirements.

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

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

#### Required skills:

- ability to communicate with and relate to a range of people from diverse social, economic and cultural backgrounds and with varying physical and mental abilities
- analytical skills to interpret documents such as legislation, regulations, contracts of sale and auction rules
- application of risk management strategies associated with the conduct of an auction
- computing skills to access agency databases, send and receive emails and complete standard forms online
- decision making and problem solving skills to analyse situations and make decisions that are consistent with legislative and ethical requirements
- group communication and presentation skills to conduct an auction

## **REQUIRED SKILLS AND KNOWLEDGE**

- literacy skills to access and interpret a variety of texts, including legislation and regulations; prepare general information and papers; prepare formal and informal letters, reports and applications; and complete standard forms
- negotiation skills to conduct an auction
- numeracy skills to monitor price movements in the auction process
- planning, organising and scheduling skills to conduct an auction
- research skills to identify and locate documents and information relating to the sale of property by auction.

### **Required knowledge and understanding:**

- auction day procedures
- auction documentation, including:
  - authorities' documentation
  - contracts
  - display
  - statutory and agency documentation
- auction equipment, including:
  - audiovisual equipment
  - bell
  - display boards
  - flags
  - gavel
  - lectern
  - signs
  - stickers
- auction marketing plan
- auction process, including:
  - describing property benefits
  - identifying salient features of contract
  - audibly stating the rules and conditions of auction, including vendor bidding
  - calling for bids
  - using vendor bidding as appropriate in line with relevant legislation
  - confirming or renegotiating reserve with seller as appropriate
  - knocking down or passing in property as appropriate
- auction rules, including:
  - advertising auction results
  - auctioneer requirement to identify bidders
  - bidders
  - cooling off

## REQUIRED SKILLS AND KNOWLEDGE

- disruption of an auction
- dummy bids
- estimated selling price
- follow-up procedures if property is sold or passed in
- oral information to be provided by auctioneer
- post-auction information
- public inspection of auction rules and conditions
- questioning of auctioneer
- rebates
- rules and conditions of auctions
- vendor bids
- communication and presentation skills
- ethical standards for auctioneers, including:
  - legislative requirements
  - non-legislative codes of ethics
- negotiation techniques
- penalties for breach of auction legislation and regulations
- preparation of auction area
- risks and risk management strategies
- relevant federal, and state or territory legislation and local government regulations relating to:
  - auctions
  - anti-discrimination and equal employment opportunity
  - anti-money laundering
  - consumer protection, fair trading and trade practices
  - employment and industrial relations
  - financial services
  - OHS
  - privacy
  - property sales
- reserve price, including:
  - definition
  - purpose
  - setting
- roles and responsibilities of auctioneer.

## 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.

**Overview of assessment** This unit of competency must be assessed through practical demonstration of conducting an auction. Targeted written (including alternative formats where necessary) or verbal questioning to assess the candidate's underpinning knowledge would provide additional supporting evidence of competence. The demonstration and questioning would include collecting evidence of the candidate's knowledge and application of ethical standards and relevant federal, and state or territory legislation and regulations. This assessment may be carried out in a simulated or workplace environment.

**Critical aspects for assessment and evidence required to demonstrate competency in this unit** A person who demonstrates competency in this unit must be able to provide evidence of:

- conducting auctions in line with agency practice, ethical standards and legislative requirements
- knowledge of ethical standards, legislative and regulatory requirements and agency practices associated with the conduct of auctions
- knowledge of the auction process
- using effective communication and presentation techniques in conducting auctions.

**Context of and specific resources for assessment** Resource implications for assessment include:

- access to suitable simulated or real opportunities and resources to demonstrate competence
- assessment instruments that may include personal planner and assessment record book
- access to a registered provider of assessment services.

Where applicable, physical resources should include equipment modified for people with disabilities.

Access must be provided to appropriate learning and/or assessment support when required.

Assessment processes and techniques must be culturally appropriate, and appropriate to the language and literacy capacity of the candidate and the work being performed.

Validity and sufficiency of evidence require that:

- competency will need to be demonstrated over a period of time reflecting the scope of the role and the practical

requirements of the workplace

- where the assessment is part of a structured learning experience the evidence collected must relate to a number of performances assessed at different points in time and separated by further learning and practice with a decision of competence only taken at the point when the assessor has complete confidence in the person's competence
- all assessment that is part of a structured learning experience must include a combination of direct, indirect and supplementary evidence
- where assessment is for the purpose of recognition (RCC/RPL), the evidence provided will need to be current and show that it represents competency demonstrated over a period of time
- assessment can be through simulated project-based activity and must include evidence relating to each of the elements in this unit.

In all cases where practical assessment is used it will be combined with targeted questioning to assess the underpinning knowledge. Questioning will be undertaken in such a manner as is appropriate to the language and literacy levels of the candidate and any cultural issues that may affect responses to the questions, and will reflect the requirements of the competency and the work being performed.



## 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. Add any essential operating conditions that may be present with training and assessment depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts.

- Auction day procedures*** may include:
- advertising and marketing materials
  - auction documentation
  - channels of communication
  - managing the auction process
  - property inspection arrangements
  - roles and responsibilities of agency staff
  - security arrangements.
- Legislative requirements*** may include:
- relevant federal, and state or territory legislation and local government regulations relating to:
    - auctions
    - anti-discrimination and equal employment opportunity
    - anti-money laundering
    - consumer protection, fair trading and trade practices
    - employment and industrial relations
    - financial services
    - OHS
    - privacy
    - property sales.
- Auction process*** involves:
- audibly stating rules and conditions of auction, including vendor bidding
  - calling for bids
  - confirming or renegotiating reserve with seller as appropriate
  - identifying benefits of property
  - identifying salient features of contract
  - knocking down or passing in property as appropriate
  - using vendor bidding as appropriate in line with relevant legislation.
- Communication and presentation skills*** may include:
- body language
  - group communication, including:
    - authority

- engagement
- presence
- self confidence
- listening skills
- personal presentation
- verbal and non-verbal communication
- voice, including:
  - pace
  - pause
  - pitch
  - projection
  - tone.

## **Unit Sector(s)**

**Unit sector** Property development, sales and management

## **Competency field**

**Competency field** Real estate