Australian Government

FNSCRD413 Manage and recover bad and doubtful debts

Release: 1

FNSCRD413 Manage and recover bad and doubtful debts

Modification History

Release	Comments
Release 1	This version first released with the FNS Financial Services Training Package Version 8.0. Supersedes and is equivalent to FNSCRD403 Manage and recover bad and doubtful debts.

Application

This unit describes the skills and knowledge required to correctly identify bad debts, negotiate with customers and determine means of recovery using actions in line with relevant credit policy.

The unit applies to individuals who work cooperatively with others using a range of managerial and communication skills to facilitate debt recovery processes.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Users are advised to check with the relevant state and territory regulatory authorities to confirm those requirements.

Unit Sector

Credit management

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
Elements describe the essential outcomes.	*Performance criteria describe the performance needed to demonstrate achievement of the element.*
1. Determine and implement appropriate action to recover outstanding debt	1.1 Review account history and devise potential recovery actions 1.2 Advise customers promptly of possible implications of outstanding debts 1.3 Resolve any customer objections according to organisational guidelines and legislative requirements 1.4 Document agreed payment arrangements according to organisational system requirements
2. Monitor and review effectiveness of	2.1 Review customer accounts for their adherence to agreed payment arrangements

ELEMENT	PERFORMANCE CRITERIA
recovery action	2.2 Identify customer non-compliance with agreed arrangements and manage according to organisational guidelines 2.3 Involve internal stakeholders in review and monitoring process as required
3. Determine and document eligibility for write-off	3.1 Re-assess account to determine if it is appropriate for write-off as agreed payment arrangements have not been met, as required 3.2 Document recommendations for write-off and account closure, complying with legislation and organisational guidelines

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

SKILL	DESCRIPTION
Numeracy	• Evaluates and reviews numerically expressed information • Establishes and monitors requirements for compliance using medium level mathematical calculations
Oral communication	• Engages in complex negotiations using careful listening and questioning • Uses clear and detailed language when expressing requirements and reaching agreement with others • Selects and uses appropriate conventions and protocols when communicating with customers and co-workers in a range of work contexts
Reading	• Accesses, manages and evaluates textual information from different sources
Writing	• Addresses context and purpose when generating texts for internal and external stakeholders • Conveys instructions and documents recommendations using appropriate vocabulary and terminology
Technology	• Completes work tasks and provides information using the main features and functions of organisation-supported digital tools

Unit Mapping Information

Supersedes and is equivalent to FNSCRD403 Manage and recover bad and doubtful debts.

Links

Companion Volume Implementation Guide is found on VETNet - https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe