FNSCRD504 Manage the credit relationship

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to manage the overall credit management function in an organisation.

It applies to individuals in positions of responsibility who use strategic planning and other specialist techniques to perform their work and effectively manage internal and external relationships.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on 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. Manage interaction between credit relationship and business objectives and strategies	1.1 Apply credit risk factors and knowledge of environmental factors to credit relationship and compare to business objectives and strategies 1.2 Use effective performance management techniques to achieve effective credit management
2. Deal with debtors in difficult circumstances	2.1 Implement organisational policy and procedures to identify early warning signs of debtor difficulty and address debtors experiencing difficult circumstances 2.2 Determine and apply relevant legislative requirements and industry regulations to specific debtor situations

ELEMENT	PERFORMANCE CRITERIA
	2.3 Respond considerately, using effective communication skills, to particular debtor circumstances in accordance with organisational policy and procedures
3. Terminate credit relationship	3.1 Inform clients, where relevant, that the credit relationship is terminated
	3.2 Maintain all records accurately in accordance with legislative requirements
	3.3 Destroy or store relevant documentation in accordance with organisational policy and procedures, and legislative requirements

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	2.3	• Analyses and interprets textual information from internal and external sources to determine content relevant to individual client needs and to inform compliant actions
Writing	2.1, 2.3, 3.1	• Processes records and documents strategies using clear, concise and industry specific language for others to interpret and follow
Numeracy	1.2, 2.1	• Uses mathematical skills to perform calculations and interpret a range of statistical information related to credit management activity
Navigate the world of work	2.2, 2.3, 3.1, 3.2	• Takes full responsibility for following policies, procedures and legislative requirements and identifies organisational implications of new legislation or regulation • Works independently or with others in making decisions to achieve organisational outcomes and strategies
Get the work done	1.1, 1.2, 2.1-2.3, 3.1, 3.2	• Applies systematic and analytical decision-making processes for complex and non-routine situations • Accepts responsibility for planning and sequencing complex tasks and workload, negotiating key aspects with others and taking into account capabilities, efficiencies and effectiveness • Uses the main features and functions of digital tools to complete work tasks

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSCRD504 Manage the credit relationship	FNSCRD504A Manage the credit relationship	Updated to meet Standards for Training Packages Rewritten and clarified performance criteria	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet - https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe