



**Australian Government**

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

# **FNSILD501A Prepare a distribution plan**

**Revision Number: 1**

## FNSILD501A Prepare a distribution plan

### Modification History

Not applicable.

### Unit Descriptor

<b>Unit descriptor</b>	<p>This unit describes the performance outcomes, skills and knowledge required to determine and prepare a distribution plan. It encompasses determining business objectives, defining markets and their needs, determining products and services, identifying and selecting distribution channels, establishing performance measures and documenting the plan.</p> <p>This unit is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements including legislation administered by the Australian Securities and Investments Commission (ASIC).</p>
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### Application of the Unit

<b>Application of the unit</b>	<p>This unit can be applied across the financial services sector and has application to those job positions which have the responsibility of taking products and services to markets. It may be applied within organisations of various sizes and across a range of customer bases.</p>
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### Licensing/Regulatory Information

Not applicable.

## Pre-Requisites

<b>Prerequisite units</b>		

## Employability Skills Information

<b>Employability skills</b>	This unit contains employability skills.
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## Elements and Performance Criteria Pre-Content

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

ELEMENT	PERFORMANCE CRITERIA
1. Determine business objectives	1.1. The distribution aspects of the corporate strategic and business plans are identified 1.2. Current situation is analysed to determine opportunities in accordance with corporate plans 1.3. Desired financial <i>resource</i> and market parameters are identified and documented 1.4. Objectives are developed by consultation with stakeholders
2. Define markets and needs	2.1. Potential <i>markets</i> are identified and assessed within corporate strategy and philosophy with market groups clearly delineated 2.2. Cost-benefit analysis results are within plan projections
3. Determine products and services	3.1. Likely future trends in selected markets are assessed 3.2. Range of <i>products or services</i> to meet market needs and profit objectives are selected
4. Identify and select distribution channels	4.1. Current <i>distribution channels</i> are identified and their advantages and disadvantages are assessed 4.2. Channels are chosen according to objective criteria
5. Determine and establish enterprise structure	5.1. Suitability of current structure for proposed distribution channels is evaluated against business objectives, potential markets and services to be provided 5.2. Alternatives are assessed against business objectives, potential markets and services to be provided
6. Establish performance measures	6.1. <i>Financial measures</i> are identified and documented 6.2. Timeframes are established and processes to monitor performance outcomes determined and documented
7. Document the plan	7.1. <i>Plan components</i> are integrated into an agreed format 7.2. Plan is documented in a logical, concise and conclusive manner with sign-offs obtained from authorised personnel

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

#### Required skills

- well-developed communication skills to:
  - determine and confirm information, using questioning and active listening as required
  - delegating work
  - liaise with others, share information, listen and understand
  - use language and concepts appropriate to cultural differences
- numeracy and IT skills to:
  - perform distribution planning
  - perform calculations related to achieving required outcomes
  - use computer applications (word processing, spreadsheet, database, specific purpose computer systems) to assist in achieving required outcomes
  - access and update records electronically
  - access web based information services
- well-developed literacy skills to read and interpret documentation from a variety of sources and record and consolidate relevant related information
- research and analysis skills for accessing and interpreting relevant information, report analysis and decision making
- interpersonal skills
- organisational skills, including the ability to plan and sequence work

#### Required knowledge

- client profiles
- distribution and marketing
- expense ratios
- human resource trends
- markets to be served
- planning processes
- sales trends
- sales/market mix
- sales/production
- relevant sources of advice

## Evidence Guide

<b>EVIDENCE GUIDE</b>	
<p>The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
<b>Overview of assessment</b>	
<b>Critical aspects for assessment and evidence required to demonstrate competency in this unit</b>	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> <li>• maintain knowledge of available products and services</li> <li>• determine business objectives, products and services</li> <li>• define markets and needs</li> <li>• identify and select distribution channels</li> <li>• establish performance measures</li> <li>• document plans.</li> </ul>
<b>Context of and specific resources for assessment</b>	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> <li>• competency is demonstrated in the context of the work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment</li> <li>• access to and the use of a range of common office equipment, technology, software and consumables</li> <li>• access to organisation records</li> <li>• access to organisational policies and procedures.</li> </ul>
<b>Method of assessment</b>	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> <li>• evaluating an integrated activity, which combines the elements of competency for the unit, or a cluster of related units of competency</li> <li>• observing processes and procedures in workplaces</li> <li>• verbal or written questioning on underpinning knowledge and skills</li> <li>• evaluating samples of work</li> <li>• accessing and validating third party reports</li> <li>• setting and reviewing workplace projects and business simulations or scenarios.</li> </ul>
<b>Guidance information for assessment</b>	

## 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, if used in the performance criteria, is detailed below. 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) may also be included.

<b>Resources</b> may include:	<ul style="list-style-type: none"> <li>• accommodation</li> <li>• equipment</li> <li>• finance</li> <li>• goodwill visibility</li> <li>• location</li> <li>• outstanding options</li> <li>• people.</li> </ul>
<b>Market</b> includes:	<ul style="list-style-type: none"> <li>• any opportunity that is the object of a specific distribution approach.</li> </ul>
<b>Products or services</b> may include:	<ul style="list-style-type: none"> <li>• advice on insurance</li> <li>• agreements with distributors</li> <li>• claims management</li> <li>• client lifetime value</li> <li>• compliance and regulatory matters</li> <li>• financial needs analysis</li> <li>• financial planning</li> <li>• general sector property or liability products</li> <li>• life sector products</li> <li>• negotiating terms with insurers/reinsurers</li> <li>• outsourcing options</li> <li>• placement of risks</li> <li>• premium financing</li> <li>• risk assessment</li> <li>• superannuation products</li> <li>• wholesaling of risks</li> <li>• other financial services.</li> </ul>
<b>Distribution channels analysis</b> may include:	<ul style="list-style-type: none"> <li>• advisers</li> <li>• affinity groups</li> <li>• associations</li> <li>• brokers</li> <li>• direct response</li> <li>• electronic interface</li> </ul>

<b>RANGE STATEMENT</b>	
	<ul style="list-style-type: none"> <li>• existing clients</li> <li>• media</li> <li>• retail outlets</li> <li>• telemarketing</li> <li>• wholesale outlets.</li> </ul>
<i>Financial measures</i> may include:	<ul style="list-style-type: none"> <li>• capital</li> <li>• cash flow</li> <li>• compensation arrangements</li> <li>• critical path</li> <li>• deadlines</li> <li>• delivery dates</li> <li>• expenditure</li> <li>• income</li> <li>• investment</li> <li>• lead times</li> <li>• leases</li> <li>• loans</li> <li>• milestones</li> <li>• service agreements</li> <li>• surplus</li> <li>• taxation and legal considerations.</li> </ul>
<i>Plan components</i> may include:	<ul style="list-style-type: none"> <li>• analysis tools (e.g. SWOT)</li> <li>• formatting requirements</li> <li>• narrative.</li> </ul>

## Unit Sector(s)

<b>Unit sector</b>	Insurance life distribution
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## Competency field

<b>Competency field</b>	
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## Co-requisite units

<b>Co-requisite units</b>		