

## BSBCOM502A Evaluate and review compliance

### Unit Descriptor

This unit covers the evaluation and review of an organisation's compliance program/management system and how it is fulfilling its obligations and responsibilities under applicable compliance requirements. This unit has been designed to be consistent with Australian Standard AS 3806: Compliance Programs.

### Competency Field

*Business management services*

### Domain

*Compliance management*

### Application of the Competency

This unit applies to the review activities of managers with responsibility for evaluating and reporting on the operation and effectiveness of an organisation's planned compliance program/management system.

It could be undertaken as part of a broader role of an owner-manager or senior manager in a small organisation, as an external consultant, or as a section or frontline manager in an operational unit within the organisation. It may also be undertaken as a member of a compliance management team or a frontline manager within a larger organisation.

While competence in this unit requires the demonstration of a core of knowledge associated with general evaluation and review techniques, there is also a variable knowledge set related to the range of generic and specific compliance requirements, code(s) of practice, standards and procedures relevant to the person's roles and responsibilities.

This unit is intended to ensure that compliance is an integral part of normal business operations.

Application of this unit must be consistent with the pertinent sections of relevant Australian and international standards and legislative requirements including – AS 3806: Compliance Programs, AS 4269: Complaints Handling, A/NZS: 4360 Risk Management and AS ISO 15489: Records Management.

### Element

Elements define the critical outcomes of a unit of competency.

### Performance Criteria

The Performance Criteria specify the level of performance required to demonstrate achievement of the Element. *Italicised* terms are elaborated in the Range Statement.

#### 1. Develop the evaluation plan

1.1 Details of the organisation's compliance policies, objectives and assessment criteria are obtained

- 1.2 Information on current *compliance requirements* applicable to the organisation is obtained and interpreted
  - 1.3 A suitable *evaluation methodology* is developed to enable sufficiently valid and reliable outcomes for the required research and suitable arrangements for both internal and external monitoring processes
  - 1.4 The *evaluation plan* for the proposed project is prepared including the detailing of established evaluation criteria and the data to be collected
  - 1.5 Approval of plan is obtained from relevant internal and/or external personnel
- 2. Gather required evaluation data**
- 2.1 Relevant *evaluation data* on how the organisation is fulfilling its compliance requirements is collected using appropriate techniques and sources in accordance with the agreed evaluation plan
  - 2.2 Collected data is organised, interpreted and reviewed against established evaluation criteria including those specified in *relevant Australian and international standards*
  - 2.3 Ambiguities, uncertainties and problems experienced while interpreting collected data are discussed and addressed appropriately in conjunction with *relevant internal and/or external personnel*
  - 2.4 Interpreted evaluation data is organised for later analysis
- 3. Analyse the collected data**
- 3.1 Evaluation data is analysed in accordance with planned methodology
  - 3.2 Outcomes and findings of the analysis are reviewed and discussed with relevant internal and/or external personnel
- 4. Determine evaluation findings and outcomes**
- 4.1 Preliminary findings and any identified issues are developed and discussed with relevant internal and/or external personnel
  - 4.2 Any additional data collection and analysis required to clarify aspects of findings, issues and related action options is undertaken if necessary
  - 4.3 Recommendations for any action to improve identified deficiencies in compliance are prepared in conjunction with relevant internal or and/ personnel

## 5. Document and disseminate the outcomes and recommendations of the evaluation

- 5.1 A draft report of the outcomes, findings and recommendations of the compliance evaluation is prepared in accordance with the agreed structure and format and distributed to relevant internal and/or personnel for comment and feedback
- 5.2 The report is edited based on the feedback obtained
- 5.3 The report is proofread in preparation for publishing
- 5.4 The report of outcomes, findings and recommendations of the evaluation is signed off by *authorised personnel*
- 5.5 The report is produced and disseminated to nominated internal and external personnel in accordance with agreed arrangements

## Range Statement

The Range Statement adds definition to the unit by elaborating critical or significant aspects of the performance requirements of the unit. The Range Statement establishes the range of indicative meanings or applications of these requirements in different operating contexts and conditions. The specific aspects which require elaboration are identified by the use of italics in the Performance Criteria.

Legislation, codes and national standards relevant to the workplace may include:

- award and enterprise agreements and relevant industrial instruments
- relevant legislation from all levels of government that affects business operation, especially in regard to occupational health and safety (OHS) and environmental issues, equal opportunity, industrial relations and anti-discrimination
- relevant industry codes of practice

*Compliance requirements* may include but are not limited to:

- cross-industry, industry-specific and internal organisational compliance requirements in such areas as (examples only in alphabetical groupings):
  - anti-discrimination (including discrimination by race, sex, disability, religion, etc.), alcohol licensing (licensing regulations covering clubs, pubs, licensed premises, etc.), aviation
  - bankruptcy
  - chemical use, child protection, construction, conveyancing/real estate, copyright, corporate governance, customs, credit
  - education, electricity, environmental protection, equal opportunity
  - financial services (including banking), fire, food hygiene, freedom of information, freight forwarding
  - gambling, gene technology
  - health, human rights

- insurance, immigration, intellectual property
- land management
- maritime, mining
- pharmaceuticals, patents, privacy
- quarantine
- racing, rail transport, road transport
- safety (includes cross-industry generic regulations as well as industry, equipment or product-specific sub-categories e.g. marine safety, rail safety, food safety, aviation safety, road safety, dangerous goods, construction safety, mine safety, road safety, etc.), security, sewage, superannuation
- taxation, telecommunications, tobacco, trade practices and consumer protection
- water supply, workers compensation, workers rehabilitation
- different types of external and internal compliance requirements including:
  - regulations of a state, national or international regulatory authority
  - accreditation requirements of an institute, professional organisation or registration body
  - requirements for certification under statutory licensing systems
  - statutory standards or codes of practice
  - internal policies, procedures, standards or codes of practice of an organisation

*Evaluation methodology* may include but is not limited to:

- literature searches including web searches
- collection of operational data
- surveys of relevant internal and external personnel including interviews, focus groups, questionnaires
- desk analysis
- analysis of feedback from clients, suppliers, internal managers and personnel
- analysis of complaints recorded involving compliance requirements
- assessment of information contained in the organisation's management information system
- review of reports from relevant compliance authorities and organisations
- drafting and editing of the evaluation report

*Evaluation plan* may include but is not limited to:

- details of the applicable compliance requirement and related evaluation criteria
- evaluation methodology

- timelines
- milestones
- resource requirements and related costs
- personnel required including evaluation project manager, the evaluation team and those who may be consulted during the course of the evaluation activities

*Evaluation data* may include but is not limited to:

- published documents including papers, standards, regulations
- operational data pertinent to the fulfillment of compliance requirements
- documentation on feedback and complaints involving compliance requirements
- completed survey questionnaires
- records of interviews, meetings or focus group workshop outcomes
- written correspondence including letters, faxes, emails
- records of telephone conversations
- quantitative data collected from various sources

*Relevant Australian and international standards* may include but are not limited to:

- AS 3806: Compliance Programs
- AS 4269: Complaints Handling
- A/NZS 4360: Risk Management
- AS ISO 15489: Records Management

*Relevant internal personnel* may include:

- chief executive officer
- board of directors
- senior management team
- frontline managers
- compliance management team (where relevant)
- compliance specialists at the operational level

*Relevant external personnel* may include:

- representatives of relevant authorities in pertinent compliance areas
- CEOs and managers in organisations with an interest in the compliance issues being researched
- representatives of professional associations and institutes relevant to the organisation's operations and sphere of business
- legal and business advisors and consultants with expertise and interest in compliance requirements and related management systems

*Authorised personnel* may include:

- evaluation project manager
- evaluation steering committee (where applicable)

- chief executive officer or manager in an organisation
- nominated representative of a regulatory authority
- nominated representative of a professional association(s) or institute(s)
- nominated representative of an educational institution(s) or organisation(s)

## Evidence Guide

The Evidence Guide provides advice to inform and support appropriate assessment of this unit. It contains an overview of the assessment requirements followed by identification of specific aspects of evidence that will need to be addressed in determining competence. The Evidence Guide is an integral part of the unit and should be read and interpreted in conjunction with the other components of competency.

Assessment must reflect the endorsed Assessment Guidelines of the parent Training Package.

## Overview of Assessment Requirements

A person who demonstrates competence in this standard must be able to provide evidence that they have successfully completed at least one project which comprehensively evaluates how an organisation is fulfilling its compliance requirements.

Evidence will include:

- demonstration of **core** skills and knowledge required in conducting review and evaluation projects generally
- demonstration of the **specific** skills and knowledge that may be uniquely required to carry out the evaluation of an organisation's compliance program/management system and the fulfilment of its compliance requirements in such specific areas as OHS, environmental protection, corporate governance, insurance, transport, credit, food production, banking, etc.
- **Note:** dependent on the size of the type of organisation involved and the scope of compliance requirements relevant to the organisation, the depth, breadth and complexity of skills and knowledge to review and evaluate the compliance program/management system and the fulfilment of specific compliance requirements may vary.

## Specific Evidence Requirements

### Required knowledge and understanding include:

- evaluation methods and techniques suitable for compliance related evaluation and review projects and activities
- sources of data relevant to compliance related evaluation and review
- relevant Australian and international standards including but not limited to:
  - AS 3806: Compliance Programs
  - AS 4269: Complaints Handling
  - A/NZS 4360: Risk Management
  - AS ISO 15489: Records Management
- quantitative and qualitative data analysis techniques relevant to compliance related evaluation

- elements of compliance program/management systems including:
  - documentation of compliance requirements relevant to the organisation
  - compliance management functions, accountabilities and responsibilities within the organisation
  - compliance related management information systems
  - record-keeping systems required for compliance management
  - liaison procedures with relevant internal and external personnel on compliance related matters
  - breach management policies and processes including the identification, classification, investigation, rectification and reporting of breaches in compliance requirements
  - compliance reporting procedures
  - corporate induction and training processes related to compliance management
  - processes for the internal and external promulgation and promotion of information on compliance requirements and compliance program/management system
  - compliance complaints handling systems
  - continuous improvement processes for compliance including monitoring, evaluation and review
  - strategies for development of a positive compliance culture within the organisation
  - techniques and performance indicators for monitoring the operation of a compliance program/management system
  - reporting processes on compliance management including reports on breaches and rectification action
- relevant organisational policies and procedures including:
  - compliance plans and policies in various compliance areas
  - organisational standards for operations and ethics

**Required skills and attributes include:**

- ability to relate to people from a range of social, cultural and ethnic backgrounds, and physical and mental abilities
- ability to contribute to a positive culture of compliance within an organisation

- research and evaluation skills such as:
  - conducting literature searches and web searches
  - analysing and organising evaluation data using appropriate techniques
  - conducting various types of evaluation surveys
  - conducting quantitative data analysis using appropriate techniques
  - using investigative skills to the level needed when evaluating and reviewing compliance
- evaluation project management skills such as:
  - developing project plans
  - managing other personnel involved in the evaluation activity
  - time management
  - financial management
- communication and interpersonal skills:
  - written and verbal communication skills
  - ability to relate to internal and external personnel and in particular those representing relevant regulatory authorities, professional institutes and organisations, standards organisations, etc.

### **Key competencies or generic skills relevant to this unit**

The seven key competencies represent generic skills considered essential for effective work participation. Innovation skills represent a further area of generic competence. The bracketed numbering indicates the performance level required in this unit:

Level (1) represents the competence to undertake tasks effectively

Level (2) represents the competence to manage tasks

Level (3) represents the competence to use concepts for evaluating and reshaping tasks

The bulleted points provide examples of how the key competencies can be applied for this unit.

Communicating ideas and information (3)

- consulting with others and sharing ideas in the course of surveys and other evaluation activities
- communicating with internal and/or external client(s) for the evaluation project

Collecting, analysing and organising information (3)

- gathering and analysing data as per evaluation plan
- sorting and organising outcomes of data analysis

Planning and organising activities (3)

- preparing the project plan for the evaluation activities

Working in a team (2)

- managing the work of others performing specific functions as part of a compliance related evaluation project

Using mathematical ideas and techniques (3)

- conducting quantitative data analysis within a compliance related evaluation project



Solving problems (3)	<ul style="list-style-type: none"> <li>• solving problems arising in the conduct of a compliance related evaluation project</li> </ul>
Using technology (3)	<ul style="list-style-type: none"> <li>• using computers and software packages for the collection, processing and analysis of evaluation data</li> </ul>
Innovation skills (3)	<ul style="list-style-type: none"> <li>• recognising and creating opportunities for innovative data analysis activities that may improve the efficiency, reliability and validity of the evaluation processes and outcomes</li> </ul>
<b>Products that could be used as evidence include:</b>	<ul style="list-style-type: none"> <li>• evaluation plan</li> <li>• outcomes of the data collection processes</li> <li>• summaries of the outcomes of data analysis</li> <li>• diaries and other records of evaluation processes used</li> <li>• draft and final evaluation reports</li> </ul>
<b>Processes that could be used as evidence include:</b>	<ul style="list-style-type: none"> <li>• how the literature and web searches were conducted</li> <li>• how data collection methods were implemented</li> <li>• how data analysis was conducted</li> <li>• how feedback on draft findings, issues and recommendations was obtained and interpreted</li> <li>• how personnel performing relevant compliance evaluation activities have been managed</li> <li>• how evaluation report was drafted and edited</li> </ul>
<b>Resource implications for assessment include:</b>	<ul style="list-style-type: none"> <li>• access to relevant published material and such as: <ul style="list-style-type: none"> <li>- organisational policies, standard operating procedures, procedures and plans</li> <li>- relevant legislation, regulations, licensing requirements, codes of practice, standards</li> </ul> </li> <li>• access to the relevant internal and external data files</li> <li>• access to appropriate computer resources for online searching, data processing and analysis and report preparation and editing</li> </ul>
<b>Validity and sufficiency of evidence requires:</b>	<ul style="list-style-type: none"> <li>• that where assessment is part of a learning experience, evidence will need to be collected over a period of time, involving both formative and summative assessment</li> <li>• full documentation of the successful conduct of at least one evaluation project. This may be a suitably simulated evaluation project or an actual compliance evaluation project</li> </ul>

**Integrated competency assessment means:**

- that this unit can be assessed alone or as part of an integrated assessment activity involving other relevant compliance management units or related records management units