



Australian Government

AURAMA5006 Contribute to business improvement

Release 1

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Modification History

Release	Comment
Release 1	Replaces AURC561614A Contribute to business improvement Unit code updated to meet policy requirements. Reference to OHS legislation replaced with new WHS legislation Licensing statement added to unit descriptor

Unit Descriptor

Unit descriptor	This unit of competency covers the competence required to contribute to the budget process, manage expenses in order to maintain levels of profitability within the specific area of responsibility, and contribute to the planning of business promotions. Licensing, legislative, regulatory or certification requirements may apply to this unit in some jurisdictions. Users are advised to check with the relevant regulatory authority.
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Application of the Unit

Application of the unit	This unit of competency applies to the following and should be contextualised to the qualification to which it is being applied: • retail, service and repair.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

Employability skills	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 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.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Contribute to the setting of budgets and targets	1.1.Information for budgets and targets is collected within agreed timeframes 1.2.Budget and targets are set to achieve required levels of financial and business performance 1.3.Hourly rate is calculated based on business costs and margins, according to enterprise requirements 1.4.Expenditure requirements are agreed with appropriate persons, and provision is made in targets 1.5.Provision for unplanned costs is included in annual budget
2. Manage income and expenses	2.1.Expenditure and income for jobs is monitored on a regular basis 2.2.Financial information on jobs is collected on a regular basis and compared to budget 2.3.Corrective action for budget discrepancies is implemented 2.4.Invoices are prepared within timeframes according to industry and/or enterprise standards 2.5.Performance against budgets is monitored on a regular basis, and options for corrective action are discussed with management 2.6.Assistance is provided in the resolution of disputed accounts according to industry and/or enterprise standards and procedures for dispute resolution
3. Contribute to planning of business promotions	3.1.Promotional strategies are regularly reviewed with management 3.2.Adjustments to promotional strategies are discussed and agreed with management 3.3.New stock and/or display equipment required to support promotions is identified and arranged in a timely fashion 3.4.Displays are arranged to enhance enterprise image

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- collect, organise and understand information related to contributing to business improvement
- communicate ideas and information to customers and supervisors related to contributing to business improvement
- plan and organise activities related to contributing to business improvement
- work with others and in a team by seeing and conveying information related to the planning, sequencing and completion of the task
- use mathematical ideas and techniques to count and measure
- establish diagnostic processes which identify methods related to contributing to business improvement
- use the workplace technology related to contributing to business improvement

Required knowledge

Knowledge of:

- accounting principles
- how to set a budget
- hourly rate components, based on general industry models/formulas
- responses to a range of budget and target situations in the workplace
- marketing concepts and principles

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, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment

Critical aspects for assessment and evidence required to demonstrate competency in this unit

It is essential that competence is fully observed and there is ability to transfer competence to changing circumstances and to respond to unusual situations in the critical aspects of:

- contributing to the budget process, managing expenses in order to maintain levels of profitability within the specific area of responsibility, and contributing to the planning of business promotions.

Context of and specific resources for assessment

- Underpinning knowledge and skills may be assessed on or off the job.
- Assessment of practical skills must take place only after a period of supervised practice and repetitive experience. If workplace conditions are not available, assessment in simulated workplace conditions is acceptable.
- Prescribed outcome must be able to be achieved without direct supervision.
- The following should be made available:
 - enterprise stationery, telephone, forms/business documents.

Method of assessment

Practical assessments:

- calculate and review hourly rate, based on supplied business costs and margins
- discuss current budget status, based on provided data
- achieve department budgets
- discuss strategy for treatment of debtors and bad debts
- prepare analysis of current enterprise/department promotional strategies and recommendations for adjustments.

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.

Methods	Methods include: • written and verbal communication • planning
Budgets and targets	Budgets and targets may be for: • finances • sales • stock throughput • work won
Financial information	Financial information may include: • hourly rate components • expenditure on jobs, at hourly rate • income from jobs, at hourly rate • supplier invoices • stock documents
Unplanned costs	Unplanned costs may include: • accident • burglary/loss • damage
Business or department income	Business or department income may be sourced from: • retail labour sales • component sales • accessories and other items • margins on sublet jobs • government employment incentives
Business costs and margins	Business costs and margins may include: • general expenses • fixed expenses • on costs • rework component • profit margins

RANGE STATEMENT	
Corrective action	Corrective action in response to budget discrepancies may include: • reassessing budget • reducing costs • changing procedures
Business promotions	Business promotions may relate to: • regular advertising • special campaigns
Displays	Displays may include: • stock and other merchandise • enterprise signage • promotional and advertising material
Information/documents	Information/documents may include: • enterprise operating procedures • product manufacturer/component supplier specifications • customer requirements • industry/workplace codes of practice
WHS requirements	WHS requirements may include: • state/territory WHS legislation • award provisions

Unit Sector(s)

Unit sector	Common
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Co-requisite units

Not applicable.

Competency field

Competency field	Management, Leadership and Supervision
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