



Australian Government

BSBESB402 Establish legal and risk management requirements of new business ventures

Release: 1

BSBESB402 Establish legal and risk management requirements of new business ventures

Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 7.0.

Application

This unit describes the skills and knowledge required to identify and comply with legal and risk management requirements of the business or new business venture, including negotiating, creating and planning for legal contracts used within the business, where required.

The unit applies to those establishing a business providing self-employment, as well as those establishing a new venture as part of a larger organisation.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Unit Sector

Business Competence – Entrepreneurship and Small Business

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Identify legal and risk management requirements relating to business	1.1 Identify legal structure of business using reliable sources 1.2 Identify legislative and regulatory requirements applicable to identified legal structure 1.3 Analyse identified requirements and their relationship to business and workplace practices and processes
2. Implement procedures and processes to comply with legislative and regulatory requirements	2.1 Develop and implement procedures to ensure compliance with relevant legislative and regulatory requirements 2.2 Develop and implement processes and procedures for storing and maintaining legal documents and business records 2.3 Establish systems to identify areas of non-compliance and take

ELEMENT	PERFORMANCE CRITERIA
	corrective action where necessary
3. Negotiate and arrange contracts	3.1 Assess products and/or services to determine procurement rights and ensure protection of business interests 3.2 Negotiate and secure contractual procurement rights for goods and/or services as required and according to business plan and workplace procedures 3.3 Complete any contractual arrangements according to workplace procedures and business plan 3.4 Seek legal advice if required to confirm contractual rights and obligations
4. Mitigate business risks	4.1 Analyse business activities and identify applicable risk management requirements 4.2 Assess probability and impact of identified internal and external risks to business 4.3 Develop a plan to prioritise and treat risks 4.4 Implement procedures to mitigate risks according to risk treatment plan

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
Learning	Accesses information to maintain up-to-date information on legal and risk management requirements
Reading	Identifies, analyses and evaluates a range of complex text to determine legislative, regulatory and related business requirements
Writing	Prepares written plans and workplace documentation that communicate information clearly and effectively
Oral communication	- Uses specific and relevant language to clearly articulate legal issues, and uses questioning and listening techniques to clarify solutions - Participates in verbal negotiations using tone and language suitable to audience
Numeracy	Reviews, analyses and contrasts numerical data which may be embedded in documents
Self-management	Monitors adherence to workplace procedures and legislative requirements
Planning and	Implements actions as per plans and makes adjustments if necessary

Skill	Description
organising	and addressing unexpected issues

Unit Mapping Information

Supersedes and is equivalent to BSBSMB401 Establish legal and risk management requirements of small business.

Supersedes but is not equivalent to:

- BSBIPR405 Protect and use intangible assets in small business
- BSBSMB410 Review and implement energy efficiency in business operations.

Links

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=11ef6853-ceed-4ba7-9d87-4da407e23c10>