



Australian Government

Department of Education, Employment and Workplace Relations

CPPDSM6010A Manage performance of property investment

Release: 1

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Modification History

Not Applicable

Unit Descriptor

Unit descriptor

This unit of competency specifies the outcomes required to manage the performance of a property investment. It requires the ability to source and analyse market information, assess industry trends and develop performance criteria to measure and monitor performance of property investments.

The unit may form part of the licensing requirements for persons working in the property industry, including in the real estate, business broking, stock and station agency and property operations and development sectors, in those States and Territories where these are regulated activities.

Application of the Unit

Application of the unit

This unit of competency supports the work of those involved in managing the performance of a property investment.

Licensing/Regulatory Information

Refer to Unit Descriptor

Pre-Requisites

Prerequisite units Nil

Employability Skills Information

Employability skills The required outcomes described in this unit of competency contain applicable facets of employability skills. The Employability Skills Summary of the qualification in which this unit of competency is packaged, will assist in identifying employability skills requirements.

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.

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1 Establish performance requirements.	1.1 Property investment requirements are determined and confirmed in consultation with clients and relevant people. 1.2 Client needs and expectations are accurately assessed and clarified using appropriate research and survey techniques and consultative processes. 1.3 Relevant information and legislation are assessed to ensure investment options comply with investment requirements. 1.4 Reliable methods for gathering information are used, making efficient use of time and resources. 1.5 Applicable ethical, legislative and organisational requirements are interpreted and applied.
2 Develop performance management strategies.	2.1 Performance management strategy is formulated based on analysis of investment requirements against market conditions. 2.2 Performance criteria are determined and tested to ensure they are logical, clear, concise and capable of implementation. 2.3 Factors increasing or diminishing investment risks are identified, analysed and discussed with client. 2.4 Quality assurance goals and strategies are established in consultation with relevant people. 2.5 Performance strategy is documented and communicated to relevant people involved in implementation.
3 Manage implementation of strategies.	3.1 Monitoring and reporting arrangements for implementation of performance management strategy are effectively communicated. 3.2 Targets and milestones are identified and linked to performance criteria to ensure achievement of investment requirements. 3.3 Documentation and checklists associated with implementation of performance management strategy are prepared and distributed to relevant people. 3.4 Resource requirements are identified and organised according to organisational requirements.
4 Evaluate performance of property investment.	4.1 Property investment strengths and weaknesses are analysed and measured against property trends and market parameters to determine future recommendations. 4.2 Reliable and valid data analysis methods are applied to

ELEMENT**PERFORMANCE CRITERIA**

identify facts, issues, patterns, interrelationships and trends.

4.3 Trends are accurately assessed to provide meaningful information on performance of property investment.

4.4 Factors increasing or diminishing investment risk are identified, analysed and discussed with client.

4.5 Sound reasoning is applied to ensure consistency of interpretations based on available information.

4.6 Information is securely maintained with due regard to client confidentiality, and legislative and organisational requirements.

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the essential skills and knowledge and their level, required for this unit.

Required skills:

- analytical skills to apply statistical methods and techniques
- computing skills to access the internet and web pages, prepare and complete online forms, lodge electronic documents and search online databases
- interpersonal skills to relate to people from a range of social, cultural and ethnic backgrounds and varying physical and mental abilities and liaise with property investment stakeholders
- organisational skills to maintain records and databases, organise and prepare property investment information and build property investment models
- problem solving skills to determine factors that may affect property markets
- research skills to analyse and interpret property and market information and identify relevant sources of information
- technology skills to use financial and assessment software and spreadsheets.

Required knowledge and understanding:

- a range of research methods and analysis techniques
- budgeting methods and techniques
- concepts and strategies for placement of capital in property for investment
- current property and investment market
- economics as it applies to property development
- ethical practices and relevant codes of conduct
- industry benchmarks

REQUIRED SKILLS AND KNOWLEDGE

- local property market conditions and overall trends in the industry
- relevant federal and state or territory legislation and local government regulations related to:
 - anti-discrimination
 - consumer protection
 - environmental issues
 - equal employment opportunity (EEO)
 - financial probity
 - franchise and business structures
 - industrial relations
 - OHS
 - privacy
 - property sales, leasing and management
- taxation as it applies to property development.

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

Overview of assessment This unit of competency could be assessed through practical demonstration of managing the performance of a property investment. Targeted written (including alternative formats where necessary) or verbal questioning to assess the candidate's underpinning knowledge would provide additional supporting evidence of competence. The demonstration and questioning would include collecting evidence of the candidate's knowledge and application of ethical standards and relevant federal, and state or territory legislation and regulations. This assessment may be carried out in a simulated or workplace environment.

Critical aspects for assessment and evidence required to demonstrate competency in this unit A person who demonstrates competency in this unit must be able to provide evidence of:

- analysing property investment information and identifying property trends and risk factors
- interpreting and applying applicable legal, ethical and organisational requirements
- arranging required resources to support the

implementation of performance measurement strategies

- establishing performance criteria to assess property investment performance through an assessment of sourced market information
- knowledge of organisation's practices, ethical standards and legislative requirements associated with managing the performance of a property investment
- testing the performance of property investments against market parameters
- using suitable analysis methods and techniques to identify and assess economic trends, market data and developments.

Context of and specific resources for assessment

Resource implications for assessment include:

- a registered provider of assessment services
- assessment materials and tools
- candidate special requirements
- competency standards
- cost and time considerations
- suitable assessment venue and equipment
- workplace documentation.

Where applicable, physical resources should include equipment modified for people with disabilities.

Access must be provided to appropriate learning and/or assessment support when required.

Assessment processes and techniques must be culturally appropriate, and appropriate to the language and literacy capacity of the candidate and the work being performed.

Validity and sufficiency of evidence require that:

- competency will need to be demonstrated over a period of time reflecting the scope of the role and the practical requirements of the workplace
- where the assessment is part of a structured learning experience the evidence collected must relate to a number of performances assessed at different points in time and separated by further learning and practice with a decision of competence only taken at the point when the assessor has complete confidence in the person's competence
- all assessment that is part of a structured learning experience must include a combination of direct, indirect and supplementary evidence
- where assessment is for the purpose of recognition (RCC/RPL), the evidence provided will need to be

current and show that it represents competency demonstrated over a period of time

- assessment can be through simulated project-based activity and must include evidence relating to each of the elements in this unit.

In all cases activity and must include evidence relating to each of the where practical assessment is used it will be combined with targeted questioning to assess the underpinning knowledge. Questioning will be undertaken in such a manner as is appropriate to the language and literacy levels of the candidate and any cultural issues that may affect responses to the questions, and will reflect the requirements of the competency and the work being performed.

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 in the performance criteria is detailed below. Add any 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.

Property investment may include:

- concepts and plans
- strategies and placement of capital in property for investment
- productive use of property and assets
- customer service outcomes.

Clients may be:

- developers
- financial institutions
- fund managers
- individuals
- internal departments
- internal and external property groups
- investment organisations
- joint ventures
- owner-occupiers
- partners
- small and large principals
- unit trustees.

Relevant people may include:

- accountants
- agents
- analysts
- clients
- government personnel
- legal representatives
- management and colleagues
- members of industry associations
- site personnel
- taxation specialists.

Client needs and expectations may relate to:

- immediate capital gains
- long-term capital gains.

Consultative processes may include:

- face-to-face meetings
- telephone, facsimile and written communication.

- Information** may include:
- bank reports
 - general knowledge of industry
 - government statistics
 - industry reports and indices
 - market intelligence from industry operators or other interested parties
 - media reports
 - published analytical reports.
- Legislative requirements** may be outlined and reflected in:
- Australian standards
 - general duty of care to clients
 - home building requirements
 - privacy requirements
 - relevant federal, and state or territory legislation that affects organisational operation, including:
 - anti-discrimination and diversity
 - environmental issues
 - EEO
 - industrial relations
 - OHS
 - codes of practice covering the market sector and industry, financial transactions, taxation, environment, construction, land use, native title, zoning, utilities use (water, gas and electricity), and contract or common law
 - strata, community and company titles
 - tenancy agreements
 - trade practices laws and guidelines.
- Organisational requirements** may be outlined and reflected in:
- access and equity principles and practice guidelines
 - business and performance plans
 - complaint and dispute resolution procedures
 - goals, objectives, plans, systems and processes
 - legal and ethical requirements and codes of practice
 - mission statements and strategic plans
 - OHS policies, procedures and programs
 - policies and procedures in relation to client service
 - quality and continuous improvement processes and standards
 - quality assurance and procedure manuals.
- Analysis** may include:
- computer modelling
 - examination of cash flows and other financial projections
 - examination of collected data
 - quantitative and qualitative analysis

- probability analysis
- time series recognition.
- Market conditions** may be influenced by:
 - availability of alternatives
 - business confidence
 - economic conditions
 - level of competition.
- Performance criteria:**
 - may include:
 - quantitative and qualitative assessments
 - may be:
 - financial and non-financial
 - statistical and non-statistical.
- Risks** may relate to:
 - age of property
 - asset allocation and investment spread
 - borrowing risk
 - gearing
 - alternative investments
 - competitive development
 - exit strategy and investment scenario analysis
 - interest rates
 - level of regulation
 - lifestyle choices
 - market and property sector risks, including:
 - fluctuations in economic cycle
 - interest rates
 - stock market
 - technology in use
 - tenancy security
 - volatility of income and capital.
- Quality assurance goals and strategies** may include:
 - a formal structure against which progress can be evaluated
 - budgets and timetables that enable the commitment of resources at appropriate points in the project
 - compliance with Australian standards
 - contingency plans to cater for a change of corporate focus or significant difficulties
 - continuous improvement strategies
 - mechanisms for involving a wide variety of interested parties or stakeholders in the project
 - procedures for monitoring and evaluating project outcomes and client satisfaction
 - reducing risk by anticipating, evaluating and developing strategies for the management of possible problems

- Targets and milestones*** may include:
- reporting procedures and protocols.
 - agreed reporting requirements
 - asset life cycle reporting
 - completion of key tasks
 - measurement and achievement of set outcomes.
- Documentation*** may include information relating to:
- budgets and operating costs
 - legal documentation
 - management policy and procedures
 - property leases, plans or contracts
 - service and maintenance records
 - sub-plans, including environment, human resource management and marketing.
- Resources*** may include:
- materials, tools and equipment
 - personnel
 - training
 - transport.
- Market parameters*** may relate to:
- ability to control investment
 - administrative talent
 - balancing a portfolio
 - capacity to improve assets
 - capital growth versus short-term gains
 - cash flows
 - class and type of property
 - demographics
 - exit strategies
 - gearing possibilities
 - geographic aspects
 - limits to the financial resources
 - market standing
 - return on investment
 - return versus risk
 - taxation considerations.

Unit Sector(s)

Unit sector Property development, sales and management

Competency field

Competency field Property operations and development