



Australian Government

Assessment Requirements for FBPPPL4006 Manage a work area within budget

Release: 1

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Modification History

Release	Comments
Release 1	This version released with FBP Food, Beverage and Pharmaceutical Training Package Version 1.0.

Performance Evidence

An individual demonstrating competency must satisfy all of the elements and performance criteria in this unit.

There must be evidence that the individual has managed a work area within budget, on at least one occasion, including:

- determining resource requirements for work area
- establishing budget and allocations for work area
- monitoring performance against budget targets and promptly identifying and acting on variances to minimise impact
- ensuring budget is communicated and reported to all appropriate personnel.

Knowledge Evidence

An individual must be able to demonstrate the knowledge required to perform the tasks outlined in the elements and performance criteria of this unit. This includes knowledge of:

- the basis on which budgets developed for the work area are constructed, including:
 - what information is provided to budget planners
 - how to read and interpret budget information
 - how to apply budget information
 - monitoring/reviewing work performance
- basic accounting concepts, including:
 - fixed and variable costs
 - rate of return
 - methods of allocating indirect costs
 - methods of measuring investment value
- accounting models, including:
 - the difference between traditional accounting approaches and more recent developments

- accounting implications of value added management
- life-cycle costing
- triple bottom line
- company approach to cost management so that decisions on resource allocation are within both budget allocations and company philosophy/preferred approach
- resource requirements to meet production and related costs
- process knowledge to identify factors likely to impact on achieving budget
- relevant personnel and departments to be consulted/advised of budget information, including:
 - information relevant to each group/person
 - the importance of providing accurate and timely information to each of the stakeholders
- options for maximising resource utilisation and minimising costs
- budget recording and reporting systems and requirements
- process improvement procedures for managing budgets.

Assessment Conditions

Assessment of skills must take place under the following conditions:

- physical conditions:
 - a workplace or an environment that accurately represents workplace conditions
- resources, equipment and materials:
 - resource and budget allocations
 - work performance information
- specifications:
 - cost management specifications and requirements
- relationships:
 - opportunities to interact with others using typical workplace communication processes

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

Companion Volumes, including Implementation Guides, are available at VETNet - <https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=78b15323-cd38-483e-aad7-1159b570a5c4>