



Australian Government

FNSCRD405 Manage overdue customer accounts

Release: 1

FNSCRD405 Manage overdue customer accounts

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to identify customer accounts which have outstanding payments and negotiate agreements that are monitored for compliance or further action.

It applies to individuals who may use a range of organisational and negotiation skills to plan, manage and monitor their work. This unit may be adapted to meet a range of debt recovery and debt management job roles.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Credit management

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 customers requiring collection activity	1.1 Monitor organisational reporting system regularly for possible overdue accounts 1.2 Access relevant customer information and retrieve records 1.3 Review overdue accounts and customer credit histories in accordance with organisational policy and procedures, and relevant legislation
2. Establish contact with customers and attempt to resolve outstanding	2.1 Determine proposed communication with customers to collect outstanding payments 2.2 Obtain approval to initiate communication with customers

ELEMENT	PERFORMANCE CRITERIA
payment matters	from authorised personnel in the organisation and inform other relevant external parties 2.3 Establish rapport with customers and ensure all communication complies with relevant legislation and organisational policy and procedures 2.4 Advise purpose of contact clearly and comprehensively to customers in accordance with legislative requirements
3. Negotiate resolution of outstanding payments	3.1 Advise customers of possibility of legal action and any other implications if outstanding payments are not resolved 3.2 Use appropriate techniques to achieve resolution and record negotiation outcomes accurately 3.3 Schedule further action to be undertaken in relation to outstanding payment matters
4. Monitor agreements to ensure adherence	4.1 Review accounts regularly to ensure that payments are received in accordance with negotiated arrangements 4.2 Address breaches of agreements in accordance with organisational policy and procedures, and legislative requirements 4.3 Refer outstanding payment matters to appropriate personnel as required

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1, 1.2, 1.3, 4.1	Critically evaluates relatively complex texts and other information to determine if action is required
Writing	1.3, 2.1, 2.4, 3.1, 3.2, 3.3	Documents actions and required information using clear and detailed language specific to the purpose of a range of communications with customers and external entities
Oral Communication	2.2-2.4, 3.1, 3.2, 4.3	- Clearly articulates requirements using language, tone and pace appropriate to the audience and the environment - Uses careful listening and questioning techniques to negotiate and confirm mutual understanding of the

		agreement
Numeracy	1.1, 1.3, 4.2	Uses a range of mathematical skills to interpret accounting records for breaches and calculate overdue amounts
Navigate the world of work	1.3, 2.3, 2.4, 4.2	- Takes personal responsibility for following explicit and implicit policies, procedures and legislative requirements - Identifies and acts on issues that contravene relevant policies, procedures and legal requirements in managing customer accounts
Interact with others	2.1-2.4, 3.1, 4.3	- Uses a range of strategies and reads verbal and non-verbal signals to establish a sense of connection and build rapport with customers - Negotiates positive outcomes for complex problematic exchanges - Recognises and accommodates basic differences and priorities of others
Get the work done	1.1-1.3, 3.2-3.3, 4.1-4.2	- Takes responsibility for planning, sequencing and prioritising tasks and own workload for efficiency and effective outcomes - Makes routine decisions and implements standard procedures for routine tasks, using formal decision-making processes for more complex and non-routine situations - Uses the main features and functions of digital tools to complete work tasks

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSCRD405 Manage overdue customer accounts	FNSCRD405A Manage overdue customer accounts	Updated to meet Standards for Training Packages Rewritten and clarified performance criteria	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSCR405 Manage overdue customer accounts

Modification History

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Performance Evidence

Evidence of the ability to:

- follow organisational procedures and policy for identifying overdue accounts and collecting outstanding payments
- communicate effectively with customers, explaining the implications of overdue accounts and alternative payment arrangement options following organisational guidelines and legislative requirements
- apply effective negotiation skills to resolve customer outstanding payment matters
- use the data entry and reporting system correctly to identify and monitor overdue accounts.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- identify and explain organisational policy changes that reflect current developments in the credit management sector
- explain the key steps or actions in legal debt recovery processes
- explain relevant legislative requirements of overdue account review and management
- outline a range of negotiation techniques that can be used in managing overdue customer accounts.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the credit management field of work and include access to:

- common office equipment, technology and consumables

- credit product information
- relevant software systems and data
- organisational policy and procedures for payment recovery.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>