



Australian Government

Assessment Requirements for FNSCRD514 Identify and manage credit risk

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with the FNS Financial Services Training Package Version 8.0. Supersedes and is equivalent to FNSCRD504 Manage the credit relationship.

Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- identify and manage at least four different risky client credit relationships, with at least two relationships requiring termination or moving to terminate.

In the course of the above, the candidate must:

- follow organisational policies and procedures and comply with relevant legislation and regulation when dealing with clients in difficult circumstances
- respond considerably to clients when managing debt matters, taking difficult circumstances into consideration.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- credit risk and environmental factors
- early warning signs of debtor difficulty
- performance management techniques relating to credit relationships
- organisational policies and procedures for identifying and managing credit risk, including termination of credit relationships
- interrelationship between debt recovery and business strategy
- legislative requirements, industry regulations and code of conduct in relation to credit management.

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- organisational policies, procedures, legislative and regulatory information relevant to credit risk factoring
- common office equipment, consumables and technology, including software systems
- credit product information
- client credit relationship information and data.

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

Links

Companion Volume Implementation Guide is found on VETNet -

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