



Australian Government

Department of Education, Employment and Workplace Relations

FNSORG604A Establish outsourced services and monitor performance

Revision Number: 1

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Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to establish a scope and criteria for outsourced services such as accountants, actuaries, solicitors, insurers, call centres, investment managers and fund administrators, select and engage suppliers, and monitor their performance. This unit may apply to job roles subject to licensing, legislative, regulatory or certification requirements so Commonwealth, State or Territory requirements should be confirmed with the relevant body.
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Application of the Unit

Application of the unit	This unit may apply to job roles where outsourced services are contracted and monitored as a team process or an individual responsibility in a financial services organisation.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Establish scope for outsourced services	1.1. A review is conducted to determine the extent to which selected activities are conducted internally or by outsourced services and identify which activities within the organisation should be outsourced 1.2. Scope of possible outsourced services is identified and documented 1.3. Legislative and regulatory requirements in required services are identified and documented 1.4. Recommendation or decision on scope of outsourced services is made according to organisational requirements
2. Establish criteria for outsourced services	2.1. Scope of expertise required for the outsourced service is defined and performance standards established and documented 2.2. Monitoring and reporting procedures for outsourced services are established and documented 2.3. Procedure for integrating outsourced services with practices is established and documented and briefing and tender documents prepared
3. Select and engage outsourced suppliers	3.1. Tender process is implemented according to organisational guidelines and tender applications assessed according to required criteria with further information obtained if necessary 3.2. Suppliers of outsourced services are selected and engaged formally according to organisational guidelines 3.3. Outsourced supplier is briefed on required service and fund standards and procedures 3.4. Personnel within the organisation are informed about outsourced services and working implications
4. Monitor performance of outsourced services	4.1. Outsourced service performance is assessed against performance outcomes and organisational requirements and further review periods established 4.2. Required changes in service are negotiated 4.3. Supplier performance is documented and communicated internally as required 4.4. Outsourced services are re-engaged or disengaged as required

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- well-developed communication skills to:
 - gather information and data by consulting with staff and potential suppliers, using questioning and active listening as required
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- highly developed research and analysis skills for accessing and managing complex information and assessing outsourcing and governance requirements
- well-developed literacy skills to:
 - interpret and analyse complex documentation including regulatory and legal compliance requirements and guidelines
 - draft outsourcing tender documentation, specification and performance measures
 - produce management reports
- well-developed numeracy skills to accurately analyse, record and store data in accordance with organisational requirements
- IT skills for accessing and using appropriate integrated financial system software, spreadsheets and databases and using internet information
- problem solving skills to identify any issues that have the potential to impact on organisational quality through outsourcing and to develop options to resolve these issues when they arise
- organisational skills, including the ability to plan and sequence work

Required knowledge

- features, compliance and reporting requirements of the relevant sector of industry
- organisational procedures for ensuring RG146 compliance
- performance management procedures
- reputation and expertise of service providers in the industry
- risk management strategies
- scope of service provisions
- timeframe requirements for compliance reports for specialist services

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

Overview of assessment

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the ability to:

- interpret and comply with legislative and regulatory requirements
- establish criteria for outsourced services and select and effectively and efficiently engage them
- effectively monitor performance of outsourced services
- implement a tender process and assess applications.

Context of and specific resources for assessment

Assessment must ensure:

- competency is demonstrated in the context of the financial services work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment
- access to and the use of a range of common office equipment, technology, software and consumables
- access to financial services information
- access to organisational policies and procedures documentation.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:

- evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency
- verbal or written questioning on underpinning knowledge and skills
- setting and reviewing business simulations or scenarios
- evaluating samples of work
- accessing and validating third party reports.

Guidance information for assessment

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, if used in the performance criteria, is detailed below. 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) may also be included.

Outsourced services
may include:

- actuaries
- auditors
- communication consultants
- employer relationship managers
- insurers
- investment managers
- IT specialists
- planners
- sales and marketing specialists
- solicitors
- trustees.

Legislative and regulatory guidelines
may include:

- anti-discrimination legislation (Commonwealth and State or Territory)
- Consumer Affairs Act
- Corporations Act
- Financial Services Reform Act (FSRA)
- Income Tax Assessment Act
- industrial legislation
- industry codes of practice
- Insurance Act
- National Guarantee Funds Rules
- Privacy Act
- stamp duty legislation
- Superannuation Industry (Supervision) (SIS) Act
- Superannuation Industry Regulations
- Trade Practices legislation
- Trustee Acts or Trust Acts in each State and Territory.

Performance standards
may include:

- available personnel
- communication and documentation standards
- completion dates
- data availability
- document presentation

RANGE STATEMENT	
	• experience • interpersonal relations • IT compatibility • location • number of outcomes • performance goals • procedures • reputation • response times • service dedication • staff communication • value for money.
Required changes in service may include:	• changes in the way service is implemented • increased communication or documentation • increased or decreased service • increased standards of performance.

Unit Sector(s)

Unit sector	Organisational skills
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		