



Australian Government

FWPCOT4218 Manage business operations of a forestry contractor business

Release: 1

FWPCOT4218 Manage business operations of a forestry contractor business

Modification History

Release	Comments
Release 1	This version released with FWP Forest and Wood Products Training Package Version 7.0.

Application

This unit of competency describes the skills and knowledge required to manage the business operations of a forestry contractor business, including the development of strategic and operational plans and strategies for stakeholder engagement, marketing, tendering and service quality.

The unit applies to individuals who manage and operate forestry contractor businesses.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Pre-requisite Unit

Nil

Unit Sector

Common Technical (COT)

Elements and Performance Criteria

Elements	Performance Criteria
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Set up strategic and operational plans for a forestry contractor business	1.1 Assess factors influencing the performance of a forestry contractor business 1.2 Identify the focus of the business by investigating market opportunities 1.3 Determine the most appropriate business and financial structure for the forestry contractor business

Elements	Performance Criteria
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
	1.4 Develop a strategic plan for the forestry contractor business 1.5 Develop a risk management strategy, including appropriate ways of mitigating risks for the operations of a forestry contractor business 1.6 Establish a detailed operations plan that sets out clear action points to fulfil the strategic goals and objectives of the forestry contractor business
2. Establish and implement stakeholder engagement strategy	2.1 Identify key stakeholders that do or may impact on the operation and service delivery of the forestry contractor business 2.2 Access and analyse information on the roles, influence and relative importance of key stakeholders 2.3 Develop strategies for engaging with stakeholders 2.4 Apply conflict resolution and negotiation techniques to reach mutually acceptable outcomes with stakeholders 2.5 Identify and respond to factors that may negatively impact stakeholder communication 2.6 Seek and analyse feedback on the effectiveness of the stakeholder engagement strategy
3. Establish marketing strategy for forestry contractor business	3.1 Develop the marketing strategy and plan for the forestry contractor business 3.2 Develop, implement and monitor marketing activities according to the marketing plan 3.3 Evaluate marketing activities to determine the effectiveness of the strategy and plan
4. Establish sales and tendering strategy for forestry contractor business	4.1 Identify the main features of the contract for forestry operations and the legal requirements and procedures relating to the commercial provision of forestry contractor services 4.2 Promote forestry contractor services in compliance with legal requirements 4.3 Maintain sales documentation according to legislative requirements 4.4 Develop and implement procedures for identifying, evaluating and responding to tenders for the provision of forestry contractor services
5. Negotiate with forest management companies,	5.1 Prepare for, undertake and finalise negotiations with forest management companies, suppliers and other parties according to

Elements	Performance Criteria
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
suppliers and other parties	organisational and legislative requirements 5.2 Employ effective communication and persuasive techniques and tactics to navigate difficult circumstances and achieve desired outcomes in negotiations 5.3 Ensure negotiation outcomes are documented, signed and exchanged between the forestry contractor business and other parties to the negotiation
6. Manage contracts for forestry contractor services	6.1 Implement a contract management strategy for a forestry contractor business 6.2 Monitor contract implementation to ensure that all obligations under the agreement are being met 6.3 Manage close-out and renewal of contract or transition to a new contract to provide forestry contractor services
7. Establish strategies for quality control in a forestry contractor business	7.1 Establish parameters for the delivery of quality forestry contractor services 7.2 Establish a quality management plan for the forestry contractor business 7.3 Apply procedures for identifying, assessing and responding to service quality issues 7.4 Evaluate the plan of the forestry contractor services and identify any opportunities for improvement

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential for performance in this unit of competency but are not explicit in the performance criteria.

Skill	Description
Reading	Read complex texts and industry materials in print and electronic form to gather information related to the management of forestry contractor businesses
Writing	Take notes, record outcomes and prepare agreement based on outcomes of complex negotiations using paper-based and digital technologies

Skill	Description
Oral communication	- Ask and respond to questions to clarify information and represent viewpoints to others on routine and non-routine matters related to the business operations of forestry contractor businesses - Use appropriate technical language to describe activities in the forest and wood products industry
Numeracy	Interpret complex numerical and graphical information related to the business planning and business operations of forestry contractor businesses

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FWPCOT4218 Manage business operations of a forestry contractor business	Not applicable	The unit has been created to address a skill or task required by industry that is not covered by an existing unit	Newly created

Links

Companion Volumes, including Implementation Guides, are available at VETNet: - <https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=0d96fe23-5747-4c01-9d6f-3509ff8d3d47>

Assessment Requirements for FWPCOT4218 Manage business operations of a forestry contractor business

Modification History

Release	Comments
Release 1	This version released with FWP Forest and Wood Products Training Package Version 7.0.

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 reviewed two areas of business operations for one forestry contractor business selected from:

- strategic, operational and financial planning
- stakeholder management
- marketing strategies
- sales and tendering strategies
- business negotiations with external organisations
- contract management
- quality management

As a result of the review there must be evidence that the individual has completed two of the following tasks:

- prepared a written integrated strategic, operational and financial plan for a forestry contractor business
- prepared a written stakeholder management strategy for a forestry contractor business
- developed a written overall marketing strategy for a forestry contractor business
- prepared a written sales and tendering strategy for a forestry contractor business
- conducted negotiations with either a forest management company, supplier or other party on a matter related to the provision of forestry contractor services
- managed at least one contract for a forestry contractor service, including the management of the close-out and renewal of the contract or transition to a new contract for the provision of forestry contractor services
- prepared a written a quality management strategy for a forestry contractor business.

In undertaking each of these activities, the individual has:

- checked that the forestry contractor business complies with relevant legislative requirements
- reviewed the relevant business operation of the forestry contractor business

- benchmarked the business operations of the forestry contractor business
- identified business practices directed at improving the efficiency and effectiveness of existing business operations.

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:

- strategic plan and operational planning for forestry contractor businesses
- business structures for forestry contractor businesses:
 - types of business structures
 - advantages and disadvantages of different business structures
- financial structures and responsibilities of forestry contractor businesses:
 - financial regulations and compliance requirements
 - sources of financial advice
 - types of financial reports and record-keeping
 - compliance requirements
- risk management for forestry contractor businesses:
 - types of risk
 - risk mitigation strategies
 - insurance requirements
- stakeholder management strategy:
 - strategies for engaging with stakeholders
 - techniques for managing stakeholder conflict
 - techniques for seeking and analysing feedback on the effectiveness of the stakeholder engagement strategy
- marketing strategies for forestry contractor businesses:
 - marketing techniques for forestry contractor businesses
 - ways of monitoring and evaluating effectiveness of marketing activities
- sales and tendering strategy for forestry contractor businesses
- negotiation, effective communication and persuasive techniques and tactics:
 - conflict resolution strategies
- contract management strategy for a forestry contractor business:
 - basic principles of contract law
- quality management strategy for forestry contractor businesses:
 - quality certification schemes in the forestry industry
 - quality principles, systems and plans
- procedures for identifying, assessing and responding to service quality issues.

Assessment Conditions

Assessment of the skills in this unit of competency must take place under the following conditions:

- physical conditions:
 - skills must be demonstrated in a forest work environment or an environment that accurately represents workplace conditions
- resources, equipment and materials:
 - access to information on the business operations of a forestry contractor company
 - online access to reference materials related to the business operations of forestry contractor businesses
- specifications:
 - access to commonwealth and state legislation and regulations, codes of practice and industry guidelines relevant to the business operations of forestry contractors.

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=0d96fe23-5747-4c01-9d6f-3509ff8d3d47>