

# RECOGNITION PROGRAM 2006

## AICM RECOGNITION PROGRAM

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## INTRODUCTION

Recognition is the term used to describe how an individual's skill and knowledge can be formally recognised, resulting in either a qualification or partial qualification known as a Statement of Attainment.

There is often considerable confusion as to what the process means, how an individual may access the process and the reliability of qualifications gained through this process.

Recognition is often perceived to be an easier way to gain a qualification. However, it is usually time-consuming and is subject to the same level of rigorous assessment arising from attending a training program.

This Guide has been specifically developed to assist credit professionals to:

- Understand what is recognition.
- Guide them in determining if they wish to seek recognition.
- Address issues which colleagues or managers may raise concerning recognition.

## THE FRAMEWORK FOR RECOGNITION

Recognition is specifically provided for in the Australian Quality Training Framework (AQTF). The AQTF is a set of protocols agreed to by all State, Territory and Commonwealth Ministers responsible for vocational education and training. Thus recognition of a person's skill and knowledge – their competence, has equal standing with that of a person who undertakes a training program.

## HOW DO YOU ACCESS RECOGNITION?

There are several recognition pathways available. Namely:

- Development of a portfolio of evidence.
- Seeking recognition of qualifications and Statements of Attainment issued by another Registered Training Organisation - Mutual Recognition.
- Credit transfer, which is the recognition of formal training previously undertaken.
- Undertake an assessment project.

Each pathway has requirements, which must be met in order to achieve recognition. As well, there can be an overlap between the pathways. Irrespective of the pathway selected there are some ground rules which must be adhered to. These include:

- Adherence to quality assurance principles. (Attachment A)
- Compliance with training package requirements and the relevant unit of competence.
- Compliance with the AQTF.

## A THRESHOLD ISSUE

Irrespective of the pathway you select to gain recognition, it must be against a unit of competence, which sets out the key performance criteria required in the workplace in relation to the skill and knowledge described in a unit of competence. Units of competence are developed by industry training advisory bodies based on the industry's needs. They are packaged together to form a qualification. The rules for how units maybe combined into qualifications are set out in Training Packages. Training Packages are endorsed by the State, Territory and Commonwealth Governments.

AICM Learning Services is required to adhere to the Training Package rules.

## CHOOSING YOUR PATHWAY

In order to help you choose the most effective recognition pathway you should consider the functions you are required to perform in the workplace.

### SAMPLE JOB ROLE

Typically a credit officer who has been working in the profession for several years, possibly undertaking a team leader role, would be responsible for:

- Interpreting corporate policy on the provision of credit and advising customers/sales staff as appropriate.
- Following up with debtors for timely collection of payments.
- Investigating credit worthiness of potential customers prior to granting credit.
- Determining if securities are required based upon the assessment of credit worthiness.
- Maintaining records in relation to customers' accounts.
- Ensuring that their work is in compliance with company policy procedures and legal requirements.
- Resolve disputes with customers concerning their accounts.
- May initiate legal recovery.
- Report to management on the status of accounts and financial indicators against predetermined criteria.

These job roles are reflected in the units of competence listed on the next page.

## Certificate IV in Financial Services

Evaluate credit applications	FNSCRDT401A
Determine and establish appropriate securities to minimise risk	FNSCRDT403A
Apply principles of professional practice to work in the financial services industry	FNSICIND401A
Conduct individual work within a compliance framework	FNSCOMP401A
Initiate debt recovery	FNSMERC402A
Manage and recover errant debt	FNSCRDT404A
Participate in negotiations	FNSICGEN402A
Use technology in the workplace	FNSICGEN302A
Lead work teams	BSBFLM404A
Deliver a professional service to customers	FNSICCUS401A
Communicate in the workplace	FNSICGEN301A
Resolve disputes	FNSICGEN404A

**Please note** that people undertaking a more senior/complex/responsible role(s) should consider seeking recognition at the Diploma level. On the other hand, if your current role does not include the functions described above you may consider seeking recognition at Certificate III level.

There is often little consistency of job title for credit professionals. Your position title maybe:

- Credit Officer
- Collection Officer
- Accounts Receivable Clerk
- Billing Clerk
- Finance Clerk
- Loss Recoveries Officer
- Recoveries Officer
- Credit Control Officer
- Customer Service Officer

Because of the diversity of titles there is a need to consider each person's application for recognition based on their skill and experience.

## **PATHWAY 1 - PORTFOLIO OF EVIDENCE**

If you decide to use the portfolio pathway you will need to compile a portfolio of evidence which confirms your ability to meet the requirements of a particular unit of competence.

Examples of the types of evidence you could include are:

- Copies of reports you have prepared for management
- Copies of emails, faxes
- Copies of performance appraisals
- Supervisor reports, which acknowledge your skills and abilities
- Copies of workplace awards you may have received
- Letters of appreciation from customers

You will need to remove information such as names and addresses, which could breach privacy and confidentiality.

Label your documentation to show it relates to a particular unit of competence; and present your documents chronologically, with the most recent evidence appearing first.

AICM stores all records in a safe and secure environment. However, portfolios will be reviewed by independent assessors and may be examined by the State Training Authority for purposes of audit and accountability.

Specific advice in relation to units for Certificate IV in Financial Services are attached in Attachment B.

The following case study may assist you when considering using a portfolio of evidence.

### ***Case Study 1. - ALICIA***

Alicia had worked for several years in a credit department. Alicia's supervisor had consistently praised her approach for dealing with bad and doubtful debt. Alicia believed she could complete the unit "Manage and Recover errant debts" by portfolio of evidence as a first step towards gaining her Certificate IV in Financial Services.

Alicia contacted the AICM Office and she was advised the name and contact details of her assessor together with any documentation she needed. Alicia and her assessor discussed her decision to attempt "Manage and Recover errant debts" and a recognition plan was agreed upon including a suitable timeframe for Alicia to collect her evidence.

Alicia's assessor was able to give her advice in preparing her evidence portfolio.

Some examples of the types of evidence Alicia collected included:

- Reports she had prepared for her manager outlining her collection strategies in relation to accounts which seemed likely to become bad/doubtful with reference to company policy.
- Examples of collection procedures she had developed and applied.
- An outline of her follow up procedures.
- An outline of communication strategies when dealing with these customers
- File notes, email and/or correspondence
- Feedback from her manager such as performance appraisals
- Her negotiation strategies, for example copies of repayment agreements

Unfortunately, during the time Alicia was developing her portfolio of evidence her mother became ill. Alicia discussed this with her assessor and a new timeframe for completion was agreed.

When Alicia completed her documentation she presented it to her assessor with the most recent evidence appearing first and with all of the evidence labelled to show how it related to the unit of competence.

Alicia's assessor evaluated her portfolio and applied the rules of evidence. Alicia was found to be competent and was awarded a Statement of Attainment.

This meant that Alicia had gained one unit of the units required for her qualification.

## **PATHWAY 2 - MUTUAL RECOGNITION**

Mutual Recognition is the recognition of Qualifications and Statements of Attainment issued by another Registered Training Organisation.

Mutual Recognition of qualifications and Statements of Attainment is specifically provided for in the AQTF. What this means in practise is that a person who has gained a qualification or Statement of Attainment may request to have this recognised and count towards another qualification. Clearly there are some key issues to be considered:

- Training Packages Rules;
- The relevance to the qualification now being sought;
- The currency of the qualification for which recognition is sought.

The following case study should clarify these concepts.

### ***Case Study 2. - KYLIE***

Kylie started working as a personal assistant in a medium sized law firm. She was a keen and enthusiastic employee who wanted to learn and gain qualifications. Kylie enrolled in a Certificate IV in Business Services at a TAFE College. Whilst Kylie was undertaking this course her employers discovered that she had excellent rapport with the clients and she was very good at getting people to pay their outstanding accounts. Kylie's manager offered her a promotion and transfer to the credit unit of the practice, which Kylie willingly accepted. However, this left Kylie with a dilemma: should she finish her Business Certificate or change to a qualification more relevant to her new role?

Kylie contacted AICM and was delighted to discover that the units in her Business course would be recognised by AICM and this would count towards her Certificate IV in Financial Services.

The relevant unit was Lead Work Teams BSBFLM404A.

AICM was able to give mutual recognition because the TAFE Kylie attended issued her qualifications in accordance with the Training Package rules. Kylie's qualifications were current because she had completed her training in the last three years.

Kylie was so pleased she told her colleague Nathan about the AICM recognition program. Nathan commented that he had started a TAFE Course some years ago but had not completed the program.

Nathan contacted AICM and discussed his situation. Nathan had completed the unit "Conduct individual work within a compliance framework FNSCOMP401A" in 2004; his assessor advised him that there was a concern that he may not have currency of knowledge for the purpose of recognition. Nathan was able to provide evidence of attending an in-house training course, which addressed the main areas of change in relation to compliance for example the introduction of the Debt Collection Guidelines in December 2005. In addition, Nathan's supervisor confirmed in writing that the law firm held regular workshops to discuss recent decisions and legislative change and participation was a requirement of Nathan's performance management.

As Nathan was able to demonstrate he had maintained the currency of his skill and knowledge, the unit was recognised. Nathan decided to enrol in the remainder of the Certificate IV in Financial Services program.

## PATHWAY 3 - CREDIT TRANSFER

Credit transfer is defined as being the recognition of formal training previously undertaken and which is deemed to be equivalent to a unit of competence. Credit transfer requires the consideration of documentation supplied by the training organisation where the person completed their study. Usually this documentation will relate to a course and/or subject. Unfortunately some training providers do not relate their course/subject to the units of competence. When this occurs the Registered Training Organisation is required to make further inquiries as to the relationship, and this will be informed by Implementation Guides developed by State Training Authorities. However, they are guides only and if the relationship is unclear the person seeking recognition will be asked to provide further information. This may include information such as:

- Course outlines
- Copies of assessments the person may have completed during the program

Often people do not keep these documents, and when this happens the person will usually be invited to complete an assessment to confirm competence.

Another issue which may affect credit transfer is the 'age' of the course. Credit transfer for programs completed generally more than five years ago must be supported with evidence which confirms that the person has kept up to date in the subject area. For some subjects where there is a need to constantly keep up to date, a person may be requested to provide additional information to confirm the currency of their competence.

The case study on the following page may assist you in understanding credit transfer.

### ***Case Study 3. - CON***

Con had completed part of a Business Studies course at TAFE. Con is now working in a credit department and would like to gain the Certificate IV in Financial Services. Con is seeking recognition for the course he has already completed – “Managing and Developing Teams”.

Con’s academic record lists the course but there is no reference to the unit of competence. The Implementation Guide for Financial Services indicates that the course he has completed is equivalent to some aspects of the unit of competence “Lead work teams BSBFLM404A”. However, in discussion with his assessor Con explains that he did not keep any of his assessments. Together they consider the unit of competence and Con advises he believes his current role covers the content of the unit. Con decides to complete an assessment to support his claim for recognition of competence against the unit.

## **PATHWAY 4 - ASSESSMENT TASK(S)**

Sometimes people who seek recognition do not have ready access to the evidence they need to confirm competence. For example, the person may have changed their employer, moved house and/or misplaced records. When this occurs a person will still be able to access a recognition program by completing an assessment task(s). This will usually be supported by indirect evidence for example a reference from their employer or testimonials from customers. Occasionally when employers do not support their staff gaining recognition and a person is unable to provide evidence from their workplace, an assessment task is a useful method of dealing with this situation.

### ***Case Study 4. - TRAN***

Tran has been working as a team leader in a medium sized team for 18 months. During this time Tran has been asked to undertake additional responsibilities and to handle the difficult accounts. Tran believes that he is now using a wider range of skills and would like to gain recognition of his competence.

Unfortunately Tran's employer has made it very clear that whilst they welcome Tran's initiative they do not support him gaining recognition of his skills. They told Tran it was not required.

Tran contacted AICM and after discussion with his assessor it is agreed that he will start the recognition program with the units "Evaluate credit applications FNSCRDT401A" and "Determine and establish appropriate securities to minimise risk FNSCRDT403A"

As Tran is unable to provide evidence from his workplace, his recognition plan is focused on Tran completing the assessment task(s) developed by AICM together with questioning by his assessor. As well, Tran provided confirmation of his completion of a course at a TAFE which covered business entities which addressed an aspect of the Evaluate credit applications unit. Tran also provided a "Stat Dec" in which he stated that the evidence submitted was his own work.

Tran's assessor considered the evidence submitted and based on the rules of evidence determined that Tran is competent. Tran is awarded a Statement of Attainment for the two units of competence. Tran includes the gaining of the Statements of Attainment in his "CV" and obtains a new position with a company that supports his desire to increase his skills and knowledge. Tran completes his Certificate IV in Financial Services by attending training courses and completing the assessment tasks for each component.

## HOW TO PROCEED ONCE YOU HAVE SELECTED YOUR PATHWAY

The first step is to contact the AICM National Office so that your application can be processed, documentation provided and an assessor allocated to work with you.

## YOUR ASSESSOR

Irrespective of the pathway you choose you will be allocated an assessor, who will guide and support you through the recognition program process. If required your assessor will assist you in determining which pathway would best suit your needs and will develop an assessment plan with you.

## THE ASSESSMENT PLAN

The assessment plan will set out which units you are seeking recognition for, the pathway you will use and the proposed completion date (see blank assessment plan in Attachment C). You and your assessor will sign off on the plan and you, your assessor and the AICM National Office will hold a copy. This means that the AICM Staff will be able to make sure that the assessment process stays on track. If you find that your original timeframe for completing the recognition tasks cannot be met, notify your assessor immediately and negotiate a new date. AICM aims to provide participants with a fair and flexible learning environment.

## ASSESSMENT OUTCOMES

When the assessment task(s) are completed, or your portfolio has been submitted, your assessor will assess them. There are several possible outcomes:

- You have provided sufficient, current, valid and authentic evidence and you have been found to be competent.
- You have not provided sufficient evidence to confirm competence and after discussion with your advisor you agree on a plan which will enable you to obtain the additional evidence.
- You have found that you are not yet competent as there are some gaps in your skill and knowledge. In this case you will discuss the situation with your advisor and a new plan will be developed, that may include:
  - Attending a training course
  - Negotiating a change in duties at your workplace so that you can gain additional skills

***The goal is that you gain the skills and knowledge required to be competent.***

## **WHO ELSE MAY BE INVOLVED IN YOUR APPLICATION FOR RECOGNITION?**

### ***The Role of a Supervisor/Team Leader/Manager***

The Vocational Education and Training System (of which AICM is a part) is premised on a person being able to demonstrate competence in the workplace. Verification by your supervisor, manager or team leader confirms that the evidence you present and/or the assessment task you complete is your own work. Sometimes your supervisor will be asked to complete a short questionnaire about your work, because they will have observed you performing the function under consideration. This questionnaire then becomes part of your portfolio of evidence in relation to the particular unit of competence.

Supervisors are encouraged to become involved in the assessment process.

Sometimes individuals who seek recognition of their competence may experience a lack of support from their colleagues, supervisors and/or employers. When this occurs, AICM will make alternate arrangements for verification of the person's work.

***If you experience any difficulties or anticipate a potential problem, please advise the AICM Office and your assessor as soon as possible.***

## **COSTS**

The process for Recognition is intensive and involves a one-on-one relationship between each candidate and their AICM assessor. Please contact the AICM National Office for a costing based on your individual requirements.

## **FURTHER INFORMATION & ASSISTANCE**

For more information please contact the AICM National Office:

***Address:***

**Suite 202**

**619 Pacific Highway**

**ST LEONARDS NSW 2065**

***Telephone:* 02 9906 4563**

***Fax:* 02 9906 5686**

***Email:* [education@aicm.com.au](mailto:education@aicm.com.au)**

***Web:* [www.aicm.com.au](http://www.aicm.com.au)**

## **ACKNOWLEDGEMENTS**

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The units of competence are ©ANTA.

## Attachment A

### Rules for Recognition Assessment

AICM adheres to the assessment quality framework developed by the Australian National Training Authority. A key component of which are the rules of evidence that an assessor will apply when they consider evidence presented by a participant in a recognition scheme.

These rules relate to: validity, currency, sufficiency and authenticity. These terms are defined as follows:

**Validity** – does the evidence relate to the unit of competence?

**Currency** – does the evidence provided indicate that the candidate is currently able to use the skills and knowledge?

**Sufficiency** – is the evidence provided enough to ensure that the candidate is competent in the area for which they are seeking recognition?

**Authenticity** – The assessor needs to ensure that the evidence is actually the work of the candidate and not someone else.

### Expertise of Assessors

AICM uses experienced and qualified assessors to conduct assessments for the purposes of national recognition.

The key to efficient and accurate assessments is the ability of the assessors to hone in on critical aspects of competence and recognise obvious deficiencies within the available evidence.

## Record Keeping

AICM is obliged to keep records arising from the recognition process which document:


- The candidates' outcomes
- Registration and auditing requirements
- Enable replacement copies of lost qualifications or statements of attainment to be issued.

## Equity and Fairness

The AICM recognition procedures have been designed to ensure that they are fair and equitable.

If a candidate believes that they have been treated unfairly then they should raise their concerns with their assessor or the AICM Office.

**Attachment B – Sample Unit**

	<h1 style="text-align: center;">AICM Learning Services</h1> <h2 style="text-align: center;">Setting the Standard</h2>		
<p>Unit : <b><u>Manage and Recover errant debts</u></b></p> <p>Unit Code: <b><u>FNSCRDT404A</u></b></p>		<p>Candidate Name: _____</p> <p>Email: _____</p> <p>Address: _____</p> <p>_____</p> <p>Phone: _____</p> <p>Fax: _____</p>	
Element of Competence	Portfolio of Evidence Content Guide	Office Use	Unit Ref
<p><b>1. Identify errant debt</b></p>	<p style="text-align: center;"><b>The following examples have been provided to assist with the compilation of your portfolio.</b></p> <p>Outline the procedures you use to review the debtors ledger to identify outstanding debtors.</p> <p>You could include de-identified reports from your system that define the status of debt.</p> <p>You should include de-identified examples of the background research you may undertake to inform your recovery strategy.</p> <p>Copies of correspondence, e.g. faxes, emails between you and the customer when determining the status of the debt should be included. You might also include a copy of the questions you may ask a customer when establishing the status of the debt.</p> <p>Copies of de-identified reports you have prepared concerning debtors should be included.</p>		

<p><b>2. Plan recovery action</b></p>	<p>Outline how you plan to recover the outstanding payments.</p> <p>You could include copies of correspondence.</p> <p>Your company have use a checklist which has been developed to reflect company recovery procedures</p> <p>Explanation should be provided which outlines how the examples provided accord with relevant company policy and/or procedure(s).</p> <p>Examples of documentation such as reports, minutes of meetings, system notes which outline when it has been determined to use company procedures to effect recovery or to pursue a legal remedy.</p>		
<p><b>3. Prepare documentation</b></p>	<p>De-identified samples of the type of documents you prepare when attempting recovery in accordance with company procedures should be included</p> <p>Samples of legal documents should be provided. Either de-identified or “worked example”.</p>		
<p><b>4. Manage debt recoveries</b></p>	<p>You should outline how you manage the recovery process.</p> <p>You could include de-identified copies of instructions you may give to third parties.</p> <p>Outline how performance is managed. For example, you may receive regular reports from the third party in accordance with criteria you developed.</p>		
<p><b>5. Facilitate recovery/write-off decision</b></p>	<p>You should include de-identified copies of the documentation used for recovery/write off.</p>		

Office Use	Assessor comments		

### Gathering and Storing Evidence

When searching for evidence, ask yourself: “What could I show someone to convince them that I am able to do this task?” Formal training and academic studies provide proof of attainment, but learning on the job is less easy to prove. In this case you need to identify and keep evidence of work that is completed satisfactorily and testifies to your skills.

Evidence may take many different forms, including:

- business/project/task plans
- proposals or reviews
- presentations to clients or at conferences/seminars
- reports
- programs
- internal memos
- letters, reports
- minutes of meetings (which demonstrate your contribution)
- employer assessments for pay and /or promotion
- testimonials from others witnessing your attainments

Be methodical with your collection. Use a folder to store paper-based evidence under logical headings, such as “Element 1”. Keep an overall index and cross-reference to relate evidence to competencies.

Reference large pieces of evidence such as project reports or produced items. If these can't be removed from the workplace, you need to produce a summary of their content for the portfolio and make a note of their whereabouts in the index. Your manager or assessor may sign the index or description by way of verification.

### **Dealing with Confidential Material**

No institution or employer expects you to breach security, privacy and confidentiality policies in order to provide evidence. Where there is a need to inspect evidence, arrangements can be made to ensure that security is not compromised. And if it is unwise to keep evidence in your folder, use the Index to note what it is, where it may be found and which competence it refers to.

### **Evidence Up-to-Date**

Evidence has a limited life span because our skills and abilities depend on practice and change with time. In most cases, you will perform similar tasks over time, therefore you should provide a continuity of evidence reflecting your ever-increasing level of proficiency. If your evidence reflects competencies gained or assessed at a certain point, such as a Qualification gained 5 years previously, you will need to show how you have continued to develop your competencies since that time.

## Submitting Your Evidence

When you are ready to apply for recognition, select the strongest piece of evidence you have to satisfy element of the Unit. You will need to write a paragraph explaining the evidence you are submitting in the context of your work. You can use several examples to strengthen your application if appropriate.

Please submit your evidence in a folder with an index cross-referencing your evidence to the Unit.

It is strongly recommended that you keep a copy of your portfolio and that you use Express Post / Registered Mail or a method which will enable you to track the portfolio if it goes missing in transit.

AICM always acknowledges receipt of a portfolio, and your assessor will soon contact you.

## Where to Send Your Portfolio?

Please send your portfolio to:

**AICM National Office  
Suite 202  
619 Pacific Highway  
ST LEONARDS NSW 2065.**

## Reference - Complete Unit of Competence

The complete unit of competence is set out on the following pages for your information.

**FNSCROT404A**

**Manage and recover errant debt**

**Stream**

**Credit Management and Mercantile Agents**

**Field**

**Credit Management**

**National Code**

**FNSCRDT404A**

**Unit Description**

**This unit enables the identification of bad and doubtful debts.**

**It reviews possible recovery actions and the appropriate documentation required.**

ELEMENTS	PERFORMANCE CRITERIA
<p><b>1. Identify errant debt</b></p>	<ol style="list-style-type: none"> <li>1. Debtors ledger is regularly reviewed in accordance with company policy and guidelines to identify outstanding monies.</li> <li>2. Further information required is sought from established sources.</li> <li>3. Errant debt status is verified through liaison with debtors.</li> <li>4. Attempts are made to negotiate debt repayment terms that are satisfactory to the customer and are within company policy guidelines and procedures.</li> <li>5. Debtors are advised clearly and reliably on relevant credit policy and guidelines.</li> <li>6. Correct reporting procedures and appropriate documentation for errant debts are completed.</li> </ol>
<p><b>2. Plan recovery action</b></p>	<ol style="list-style-type: none"> <li>7. Previous activities and communication with customers are thoroughly reviewed to establish adequacy of follow-up procedures, and whether all usual company recovery avenues have been exhausted.</li> <li>8. Current company recovery procedures are checked and analysed to identify necessary recovery action.</li> <li>9. Plan to pursue debt according to company guidelines or to initiate legal action is developed in accordance with company policy.</li> </ol>

ELEMENTS	PERFORMANCE CRITERIA
<b>3. Prepare documentation</b>	10. The correct documents are prepared according to the type and cause of claim. 11. Appropriate documents are prepared according to the requirements of the appropriate jurisdiction.
<b>4. Manage debt recoveries</b>	12. Appropriate resources for debt recovery are identified and engaged as required and within company guidelines. 13. Provision of adequate instructions is ensured. 14. Progress and performance of recovery action is thoroughly monitored and reviewed. 15. Legal action is implemented according to company policy and legislative guidelines. 16. Insolvency administration is managed in accordance with company policy.
<b>5. Facilitate recovery / write-off decision</b>	17. Debt is assessed against company budget policy and credit granting guidelines to establish procedures to recover or to write off debt. 18. Opportunity for negotiation with customer is maximised by employing appropriate communication techniques. 19. Appropriate documentation to recover monies or to write off debt is accurately completed.

#### Required Skills and Knowledge

Knowledge requirements include:

- A comprehensive knowledge of developments in the credit management sector and company policy.
- A sound knowledge of relevant legislative requirements.
- Current and comprehensive knowledge of all means of recovery action and processes.
- Occupational health and safety (OH & S) requirements.

Skills required include:

- Ability to relate effectively to customers to clarify information, advocate strategies and negotiate outcomes
- Ability to liaise strongly with customers on all credit management business
- Strong interpersonal, telephone and written skills.

## KEY COMPETENCIES

Key Competency	Example of Application	Performance Level
How can information be collected, analysed and organised?	Gathering of information from established sources will require information to be collected, analysed and organised.	3
How are ideas and information communicated within this competency?	Provision of instructions in relation to debt recovery will require communication of ideas and information.	3
How are activities planned and organised?	Regular review of debtor's ledger to identify errant debts will require activities to be planned and organised.	3
How are problem solving skills applied?	Identification of bad debts and reviewing of recovery action will require problem solving skills	3
How are mathematical ideas and techniques applied?	Review of debtor's ledger will require the use of mathematical ideas and techniques	2
How is use of technology applied?	Use of databases will require the use technology	2
How is teamwork used within this competency?	Maintaining knowledge of workplace procedures will require reporting to other staff members	3

RANGE OF VARIABLES	
VARIABLE	SCOPE
Company policy	<p><b>Company policy and guidelines may cover:</b></p> <ul style="list-style-type: none"> <li>➤ <i>overall company goals and objectives</i></li> <li>➤ <i>trading terms and credit limits</i></li> <li>➤ <i>legal obligations and framework</i></li> <li>➤ <i>economic environment</i></li> <li>➤ <i>gathering information and its evaluation</i></li> <li>➤ <i>setting credit limits or credit lines for applications</i></li> <li>➤ <i>accepting and rejecting credit applications</i></li> <li>➤ <i>reviewing and adjusting credit limits for established customers</i></li> <li>➤ <i>collecting monies due the company</i></li> <li>➤ <i>fraud awareness</i></li> <li>➤ <i>recovery costs</i></li> <li>➤ <i>suspension of credit facilities</i></li> <li>➤ <i>applying customer payments to appropriate accounts</i></li> <li>➤ <i>liaison, information dissemination and marketing to internal and external parties</i></li> <li>➤ <i>assistance to customers on billing and collection problems</i></li> <li>➤ <i>making billing adjustments to customer accounts</i></li> <li>➤ <i>maintenance of customer account files</i></li> <li>➤ <i>maintenance of security of invoice and other appropriate files</i></li> <li>➤ <i>supervision and development and training of credit staff</i></li> <li>➤ <i>Sales Tax Legislation</i></li> </ul>

<b>RANGE OF VARIABLES</b>	
<b>VARIABLE</b>	<b>SCOPE</b>
<b>Established sources</b>	<p><b>Established sources may include:</b></p> <ul style="list-style-type: none"> <li>➤ Trade bureaus</li> <li>➤ Reporting agencies</li> <li>➤ Industry</li> </ul>
<b>Liaison</b>	<p><b>Liaison will primarily involve:</b></p> <ul style="list-style-type: none"> <li>➤ Telephone Communication</li> </ul>
<b>Company procedures</b>	<p><b>Company procedures may include:</b></p> <ul style="list-style-type: none"> <li>➤ Settlement schedules</li> <li>➤ Consideration of customer circumstances</li> <li>➤ Ongoing support and negotiation with customers</li> <li>➤ Referral to external organisations for advice</li> </ul>
<b>Errant Debts are identified through</b>	<ul style="list-style-type: none"> <li>➤ <i>dishonoured cheques</i></li> <li>➤ <i>ASIC action</i></li> <li>➤ <i>return mail</i></li> <li>➤ <i>peer and trade associates</i></li> <li>➤ <i>close of business</i></li> <li>➤ <i>utilities cut off</i></li> <li>➤ <i>gazette listings</i></li> <li>➤ <i>sheriff notices/ads</i></li> <li>➤ <i>bank forgoes overdraft</i></li> <li>➤ <i>notice of administration</i></li> <li>➤ <i>letters from solicitors/accountants</i></li> <li>➤ <i>staff complaints</i></li> <li>➤ <i>warrant returned</i></li> </ul>

<b>RANGE OF VARIABLES</b>	
<b>VARIABLE</b>	<b>SCOPE</b>
<b>Sources</b>	<p><b>Established sources may include:</b></p> <ul style="list-style-type: none"> <li>➤ <i>trade bureaux</i></li> <li>➤ <i>reporting agencies</i></li> <li>➤ <i>industry representatives</i></li> </ul>
<b>Legislative guidelines may include</b>	<ul style="list-style-type: none"> <li>➤ <i>Uniform Consumer Credit Code (UCCC) and the adopting acts of each State and Territory</i></li> <li>➤ <i>Privacy Act</i></li> <li>➤ <i>Trade Practices Act</i></li> <li>➤ <i>Fair Trading Act</i></li> <li>➤ <i>Companies and Securities Code</i></li> <li>➤ <i>Partnership Act</i></li> <li>➤ <i>Corporations law</i></li> <li>➤ <i>Consumer Credit</i></li> <li>➤ <i>The Bankruptcy Act</i></li> <li>➤ <i>The Magistrate's Court Act</i></li> <li>➤ <i>Small Debts Court Act or equivalent</i></li> <li>➤ <i>Evidence Reproduction Act or equivalent</i></li> <li>➤ <i>Bills of Sale and Other Instruments Act</i></li> <li>➤ <i>Cheques and Payment Orders Act</i></li> <li>➤ <i>Door to Door Sales Act or equivalent</i></li> <li>➤ <i>Tax Law</i></li> <li>➤ <i>Criminal Act</i></li> </ul>
<b>Recovery actions may include</b>	<ul style="list-style-type: none"> <li>➤ <i>liaison with client</i></li> <li>➤ <i>legal action</i></li> <li>➤ <i>third party intervention</i></li> <li>➤ <i>return of goods</i></li> <li>➤ <i>retention of title</i></li> <li>➤ <i>debtor insurance</i></li> <li>➤ <i>exercising securities</i></li> </ul>

RANGE OF VARIABLES	
VARIABLE	SCOPE
	<ul style="list-style-type: none"> <li>➤ <i>buy debt</i></li> <li>➤ <i>trade out</i></li> </ul>
Documents	<p><b>Documents may include:</b></p> <ul style="list-style-type: none"> <li>➤ <i>order for oral examination</i></li> <li>➤ <i>examination summons (persons before the court)</i></li> <li>➤ <i>garnishee order (of wages, bank account, contract)</i></li> <li>➤ <i>writ of seizure (performed by the bailiff)</i></li> <li>➤ <i>transfer to Federal Court of Bankruptcy (Statutory Limit)</i></li> <li>➤ <i>warrant of execution</i></li> <li>➤ <i>instalment order</i></li> <li>➤ <i>bankruptcy order</i></li> </ul>

### EVIDENCE GUIDE

Assessment of performance requirements in the unit should be undertaken in an industry context. The Evidence Guide identifies the critical aspects, knowledge and skills to be demonstrated to confirm competency for the unit. Competency is demonstrated by performance of all stated criteria including the Range of Variables applicable to the workplace.

#### Overview of assessment requirements

To achieve competency in this unit, a person must be able to demonstrate:

- a strong knowledge of appropriate legislation and Common Law
- a comprehensive understanding and ability to implement company credit policy
- strong liaison skills to clarify information for all credit accounts
- strong telephone communication skills
- strong interpersonal skills to achieve positive outcomes
- strong negotiation skills to resolve disputes, queries and problems
- ability to use data entry and recording systems

## EVIDENCE GUIDE

### Critical aspects of evidence

**Evidence required for demonstration of consistent performance:**

- Competence in this unit must be assessed over a period of time in order to ensure consistency of performance over the Range of Variables and contexts applicable to the work environment.

**Delivery/assessment relationship to other units:**

- This unit may be assessed on its own or it may be assessed with other units that cover related skills and knowledge.
- Evidence is most relevant when provided through an integrated activity which combines the elements of competency for the unit, or a cluster of units of competency.

### Assessment requirements

**Method of assessment:**

- For valid and reliable assessment of this unit, evidence must be gathered through a range of methods to indicate consistent performance.
- Assessment of this unit of competence will usually include observation of processes and procedures, oral and/or written questioning on underpinning knowledge and skills and other methods as required.

**Context of assessment:**

- This unit may be assessed in a simulated work environment.
- Assessment of performance requirements in the unit should be undertaken in an industry context.

**Resources required for assessment:**

- Assessment of this unit of competence requires access to:
  - qualified assessors and assessment guidelines
  - a system which facilitates recording of trainee' profiles and progress
  - facilities for workplace or simulated environment assessment.



**Attachment C - Assessment Plan**

Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone: \_\_\_\_\_

Email: \_\_\_\_\_

Fax: \_\_\_\_\_

Assessor: \_\_\_\_\_

Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

Fax: \_\_\_\_\_

Recognition for: Cert III/Cert IV/Diploma (circle)

Unit of Competence	Portfolio/Task	Commencement Date	Submission Date	Variations

Signed by Participant: \_\_\_\_\_

Date: \_\_\_\_\_

Signed by Assessor: \_\_\_\_\_

Date: \_\_\_\_\_