

BSBSBM405A Monitor and manage business operations

Unit descriptor

This unit is concerned with the operation of the business and with implementing the business plan. The strategies involve monitoring, managing and reviewing operational procedures. It is suitable for existing micro and small businesses or a department in a larger organisation.

ELEMENT

PERFORMANCE CRITERIA

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| 1 | Develop operational strategies | 1.1 | Action plan is developed to provide a clear and coherent direction in accordance with the <i>business goals and objectives</i> |
| | | 1.2 | Occupational health and safety and environmental issues are identified and strategies implemented to minimise risk factors |
| | | 1.3 | Strategies for using existing, new or emerging technologies are developed and implemented where practicable to optimise business performance |
| | | 1.4 | Performance measures, operational targets and quality assurance issues are developed to conform with the business plan |
| | | 1.5 | Structured approach to innovation, including the utilisation of existing, new or emerging technologies, is developed to respond to changing customer requirements |
| 2 | Implement operational strategies | 2.1 | Systems and key performance indicators/targets are implemented to monitor business performance and customer satisfaction |
| | | 2.2 | Systems to control stock, expenditure/cost, wastage/shrinkage and risks to health and safety are implemented in accordance with the business plan |
| | | 2.3 | Staffing requirements, where applicable, are maintained within budget to maximise productivity |
| | | 2.4 | The provision of goods/services is carried out in accordance with established <i>technical</i> , legal and ethical <i>standards</i> |
| | | 2.5 | The provision of goods/services meets time, cost and quality specifications in accordance with customer requirements |

BSBSBM405A Monitor and manage business operations

ELEMENT	PERFORMANCE CRITERIA
3 Monitor business performance	2.6 Quality procedures are applied to address product/service and customer requirements
	3.1 The achievement of operational targets is regularly monitored/reviewed to ensure optimum business performance in accordance with the goals and objectives of the business plan
	3.2 Systems and structures are reviewed, with a view to more effectively supporting business performance
	3.3 Operating problems are investigated and analysed to establish causes, and changes implemented as required
4 Maintain networks	3.4 Operational policies and procedures are changed to incorporate corrective action taken
	4.1 Relevant personal and professional networks identified and maintained to support business operation
	4.2 Strategies developed for use of networks to assist in promoting the business and for monitoring changing business requirements
5 Review business operations	5.1 Business plan is reviewed and adjusted as required to maintain business viability in accordance with business goals and objectives
	5.2 Proposed changes are clearly recorded to aid future planning and evaluation
	5.3 Ongoing research into new business opportunities is undertaken and business goals and objectives adjusted as new business opportunities arise

BSBSBM405A Monitor and manage business operations

RANGE STATEMENT

The range statement provides advice to interpret the scope and context of this unit of competence, allowing for differences between enterprises and workplaces. It relates to the unit as a whole and facilitates holistic assessment. The following variables may be present for this particular unit:

Legislation, codes and national standards relevant to the workplace that may include:

- award and enterprise agreements and relevant industrial instruments
- national, state/territory and local government legislative requirements affecting business operation, especially in regard to occupational health and safety and environmental issues, EEO, industrial relations and anti-discrimination
- relevant industry codes of practice.

Operational strategies/procedures may be determined by:

- business premises (e.g. size, location, layout)
- purchase (sole or shared ownership) or leasing.
- premises, plant and equipment may be new or previously owned.
- requirements may be one-off requirements or recurrent requirements (such as equipment maintenance) specific to the nature of the business
- use of existing, new and emerging technologies including e-commerce
- plant and equipment, including OHS requirements
- physical and natural resources
- methods/techniques/technology
- management and administrative systems and procedures
- technology
- raw materials.

Occupational health and safety and environmental issues must include:

- establishment and maintenance of procedures for identifying risks to health and safety
- establishment and maintenance of procedures for assessing and controlling risks
- controls may include instructions to workplace personnel concerning: site hazards and controls, material safety data sheets, use of personal protective equipment, vehicle access, signs and barricades, traffic control, outside contractors
- waste and by-products.

Business goals and objectives may include:

- goals, objectives, plans, systems and processes
- short, medium or long-term goals
- financial projections
- customer needs/marketing projections
- proposed size and scale of the business, market focus of the business

BSBSBM405A Monitor and manage business operations

- lifestyle issues.

Business outputs may include products and services.

Operational targets may include:

- internal targets which may relate to size, quality, quantity and diversity, wages to sales, sales to area/stock levels/stock turnover/average debtor payment periods and levels
- external targets which may relate to market share and positioning and may involve exploring new markets, building national or international trade links
- targets which may be short, medium or long-term
- staffing level and skills mix.

Technical standards may include any current and generally agreed descriptions of what the product/service is, how it should be produced/delivered and the quality, safety, efficiency or other measures to determine the activity is done effectively.

Networks may include:

- personal contacts
- professional associations
- business/industry association contacts
- formal/informal/individual/group/organisational contacts.

And may assist in the provision of information on:

- business trends
- changes in business environment
- client requirements
- technical support
- financial advice.

EVIDENCE GUIDE

The evidence guide identifies the critical aspects, knowledge and skills to be demonstrated to confirm competence for this unit. This is an integral part of the assessment of competence and should be read in conjunction with the range statement.

Critical aspects of evidence

Ability to:

- develop strategies to successfully manage the operation of the business by interpreting information
- make appropriate adjustments to the business operations as required.

Underpinning knowledge

At this level the learner must demonstrate understanding of a broad knowledge base incorporating some theoretical concepts.

BSBSBM405A Monitor and manage business operations

- National, state/territory and local government legislative requirements affecting business operation, especially in regard to occupational health and safety and environmental issues, EEO, industrial relations and anti-discrimination.
- OHS responsibilities and procedures for managing hazards.
- Technical or specialist skills relevant to the business operation.
- Relevant industry codes of practice.
- Identification of relevant performance measures.
- Quality assurance principles and methods.
- Role of innovation.
- Principles of risk management relevant to the business, including risk assessment.
- Relevant marketing, sales and financial concepts.
- Methods for implementing operation and revenue control systems.
- Systems to manage staff, control stock, expenditure, services and customer service.
- Methods for monitoring performance and implementing improvements.
- Methods for developing and maintaining networks.

Underpinning skills

- Literacy skills to interpret legal requirements, company policies and procedures.
- Communication skills including questioning, clarifying and reporting.
- Numeracy skills for performance information and financial control.
- Technical skills as relevant to the business.
- Ability to relate to people from a range of social, cultural and ethnic backgrounds and physical and mental abilities.

Resource implications

The learner and trainer should have access to appropriate documentation and resources normally used in the workplace.

Consistency of performance

In order to achieve consistency of performance, evidence should be collected over a set period of time which is sufficient to include dealings with an appropriate range and variety of situations.

Context of assessment

- Competency is demonstrated by performance of all stated criteria, including paying particular attention to the critical aspects and the knowledge and skills elaborated in the evidence guide, and within the scope as defined by the range statement.
- Assessment must take account of the endorsed assessment guidelines in the Business Services Training Package.
- Assessment of performance requirements in this unit should be undertaken in an actual workplace or simulated environment.
- Assessment should reinforce the integration of the key competencies and the business services common competencies for the particular AQF level. Refer to the key competency levels at the end of this unit.



BSBSBM405A Monitor and manage business operations

Key competency levels

- **Collecting, analysing and organising information** (level 3) to assist in business operation.
- **Communicating ideas and information** (level 3) to deal with customers, suppliers and staff.
- **Planning and organising activities** (level 3) to support and enhance the business operation.
- **Working with teams and others** (level 3) to build the business.
- **Using mathematical ideas and techniques** (level 2) to support the business operation.
- **Solving problems** (level 3) to reduce risk and enhance business opportunities.
- **Using technology** (level 1) to optimise business performance.

Please refer to the assessment guidelines for advice on how to use the key competencies.