



# Guidance Notes

## Practical Experience Requirements for Prospective Members

*The scope of these Guidance Notes is to assist prospective members in applying for Membership of the Institute at a Member level.*

The Malta Institute of Accountants ("MIA") has three tiers of membership, namely:

**Associate:** synonymous to 'entry level' membership. An individual can apply to become an Associate of the Institute only if he or she is fully qualified, and is thus in possession of a relevant Professional Accountancy Qualification, but has not yet obtained the necessary practical experience.

**Member:** an individual can apply to become a Member of the Institute only if he or she is fully qualified (hence in possession of a relevant Professional Accountancy Qualification), and has obtained the necessary practical experience.

**Fellow:** an individual who has been a Member of the Institute for five years is automatically upgraded to Fellow.

One can apply to join the Institute as an **Associate** or a **Member**, depending on whether an applicant has obtained the necessary practical experience. One can also apply to be **upgraded** from Associate to Member once he or she has obtained the necessary practical experience.

For an applicant to be eligible for Member status, both of the following must be satisfied:

1. An applicant must demonstrate that he or she has obtained acceptable, supervised, practical experience for a period of at least three years, of which at least one year's experience must have been gained after the applicant has obtained the Professional Accountancy Qualification (hereinafter referred to as 'the relevant experience').
2. An applicant must demonstrate that he or she has obtained the relevant experience in at least 16 Elements of Competence made up as follows:
  - a. All 4 Mandatory Management Elements of Competence (marked with the letter 'M') in Key Area 9 Manage People (*pgs. 26 – 29 of this document*); and
  - b. At least 12 Technical Elements of Competence in Key Areas 1 – 8 (*pgs. 2 – 25 of this document*) including a minimum of 6 Key Technical Elements of competence (marked with the letter 'K') taken from at least two Key Areas.

These Guidance Notes give detailed guidance on the aforementioned competencies and should be read by prospective members in conjunction with the MIA Application Form or the Upgrade to MIA Application Form, and should be referred to when filling in any of those forms.

# KEY AREA 1 – FINANCIAL INFORMATION

## Unit A - Prepare financial and other statements and accounts for external purposes

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### ***Element 1 (K)***

#### **Appraise information for the preparation of financial and other statements and accounts**

To gain competence in this area, you should:

- Collect information for the preparation of accounts, ensuring that it is complete and accurate
- Ensure any estimates are reasonable
- Investigate any unusual trends or variances, giving explanations where appropriate

*Examples:*

- *Maintain sales ledger, purchase ledger, cash book and payroll*
- *Prepare bank and other reconciliations*
- *Prepare the Trial Balance*
- *Identify the assets and liabilities of an organisation to form the basis of a statement of affairs*

### ***Element 2 (K)***

#### **Prepare and present financial and other statements and accounts**

To gain competence in this area, you should:

- Prepare statements and accounts in an appropriate format and in accordance with relevant accounting regulations and guidelines
- Provide supporting information where appropriate
- Identify whether or not the accounts show an adverse financial position

*Examples:*

- *Prepare the financial statements and accounts*
- *Prepare supporting schedules/notes to the accounts*
- *Prepare an up-to-date statement of affairs*
- *Prepare a prospectus for a public listing*
- *Prepare a cover statement for a bank report*

# KEY AREA 1 – FINANCIAL INFORMATION

## Unit B - Prepare financial information for management

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### ***Element 3 (K)***

#### **Appraise financial information for the preparation of management information**

To gain competence in this area, you should:

- Collect information for the preparation of accounts to meet management requirements
- Investigate areas where there is doubt as to the completeness, accuracy and validity of information
- Review variations between actual and anticipated major ratios, giving explanations where appropriate

*Examples:*

- *Prepare a schedule of fixed assets*
- *Analyse stock levels*
- *Analyse sales figures*
- *Prepare graphs*
- *Analyse trends*
- *Obtain market, industry and organisational statistics for a share valuation*

### ***Element 4 (K)***

#### **Prepare and present financial information for management purposes**

To gain competence in this area, you should:

- Present information for management purposes
- Provide any necessary supporting explanations

*Examples:*

- *Prepare monthly management accounts*
- *Prepare monthly management reporting package*
- *Prepare management information for buyouts, mergers and takeovers*

# KEY AREA 1 – FINANCIAL INFORMATION

## Unit C - Advise and support clients/management in meeting their regulatory obligations

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### **Element 5 (K)**

#### **Advise on relevant regulatory obligations**

To gain competence in this area, you should:

- Identify and monitor specific regulations that the organisation must comply with
- Offer advice which is consistent with the regulations

*Examples:*

- *Ensure compliance with taxation legislation, accounting standards, industry standards and regulations or public sector regulations and instructions*
- *Monitor compliance with legislation for buyouts, mergers and takeovers*

### **Element 6**

#### **Provide support in meeting regulatory obligations**

To gain competence in this area, you should:

- Carry out the functions required to meet regulatory obligations
- Be aware of and be able to explain any reasons for being unable to perform certain executive functions, or other roles which impinge on the accountant's independence (practice only)

*Examples:*

- *Prepare minutes of meetings*
- *Prepare documents for the issue of shares or debentures*
- *Review/file Annual Returns*
- *Maintain statutory books*
- *Prepare returns specific to the organisation for submission to the appropriate authority e.g. pension schemes, charities commission*
- *For an insolvent organisation, ensure that creditors are paid in the appropriate order of priority.*
- *For an insolvent organisation, file all relevant statutory returns.*

# KEY AREA 1 – FINANCIAL INFORMATION

## Unit D - Assist in the development and implementation of accounting systems

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### ***Element 7 (K)***

#### **Identify potential changes to an organisation's accounting systems**

To gain competence in this area, you should:

- Review existing accounting systems and discuss future requirements
- Assess current and potential needs in consultation with clients/users
- Identify potentially suitable systems and packages

*Examples:*

- *Recommend changes/improvements to current accounting system*

### ***Element 8***

#### **Assist in the introduction of new/changes to accounting systems**

To gain competence in this area, you should:

- Implement a new system or changes to an existing system
- Monitor the introduction of / changes to the system and obtain feedback from users

*Examples*

- *Introduce a new software package*
- *Train staff and deal with any queries arising*

### ***Element 9***

#### **Assist in the evaluation of changes to accounting systems**

To gain competence in this area, you should:

- Monitor changes to accounting systems and provide on-going advice and support
- Make recommendations for modifications to the system where required

*Examples*

- *Meet clients/users to obtain feedback and offer support*

# KEY AREA 2 – BUSINESS ANALYSIS & MANAGEMENT

## Unit A - Assist in the planning and monitoring of business performance

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### **Element 10 (K)**

#### **Assist in identifying financial objectives and performance measures**

To gain competence in this area, you should:

- Gain an understanding of the overall business objectives and performance measures
- Set performance measures and financial objectives

*Examples:*

- *Identify key financial ratios that are to be used by the business to assess performance e.g. return on capital employed or debtors ratios*
- *Identify other relevant performance indicators*

### **Element 11**

#### **Assist in the introduction of systems and practices to plan and monitor financial performance**

To gain competence in this area, you should:

- Agree the nature and scope of systems to measure and monitor financial performance
- Demonstrate the system to users and ensure that they understand it

*Examples:*

- *Set up a system for benchmarking organisational performance against competitors' activities*
- *Train staff to identify sales trends and seasonal variations, using pre-set performance indicators*

### **Element 12 (K)**

#### **Assist in monitoring the achievement of financial performance and objectives**

To gain competence in this area, you should:

- Assess performance and inform management of the outcome
- Diagnose problems in performance and give advice on how to solve them
- Report the results of monitoring and analysis to the client/management
- Set new or amend existing business objectives/performance measures to accommodate changes in circumstances

*Examples:*

- *Produce a report of achievement of monthly sales targets per region*
- *Compare the achievement of objectives/margins/ratios/targets with expectations/previous periods/industry averages/benchmarks*
- *Produce detailed variance analysis*

# KEY AREA 2 – BUSINESS ANALYSIS & MANAGEMENT

## Unit B - Identify and analyse the costs associated with products and services

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### ***Element 13***

#### **Identify the cost of products and services**

To gain competence in this area, you should:

- Identify both short term and long term costs of products and services
- Identify and contact potential suppliers
- Maintain an awareness of market conditions as they affect supply

*Examples:*

- *Prepare costings of new raw materials or service contracts*
- *Investigate alternative suppliers of goods and services*

### ***Element 14***

#### **Identify the potential profitability of products and services**

To gain competence in this area, you should:

- Calculate potential revenue from products and services and estimate future profitability
- Consider if the profitability of products and services meets the organisation's objectives and strategies

*Examples:*

- *Prepare predictions of profit margins*
- *Prepare information for price setting policies*

### ***Element 15***

#### **Calculate the actual costs of products and services**

To gain competence in this area, you should:

- Identify the actual costs of production and delivery, for products and services
- Calculate and analyse differences between estimated and actual costs

*Examples:*

- *Prepare an illustration of how actual costs compare to estimated costs*
- *Prepare a report to management which explains any major cost variances*

# KEY AREA 2 – BUSINESS ANALYSIS & MANAGEMENT

## Unit B - Identify and analyse the costs associated with products and services (cont.)

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### *Element 16*

#### **Make recommendations to reduce costs and enhance value**

To gain competence in this area, you should:

- Follow up evaluations on the cost of products and services and their value to the organisation
- Give advice to improve profitability

*Examples:*

- *Make recommendations to discontinue an unprofitable product line*
- *Produce a report to management/the client on potential cost reductions*

# KEY AREA 2 – BUSINESS ANALYSIS & MANAGEMENT

## Unit C - Control expenditure and monitor budgets

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### ***Element 17 (K)***

#### **Prepare spending proposals and profiles**

To gain competence in this area, you should:

- Understand the business objectives of the organisation and the economic environment in which it operates
- Identify the funding required for business activities and relevant sources of funding
- Design spending plans/cash flow forecasts

*Examples:*

- *Prepare spending proposals for the department's activities*
- *Prepare cash flow forecasts*

### ***Element 18 (K)***

#### **Agree budgets for activities**

To gain competence in this area, you should:

- Negotiate budgets and resolve any outstanding issues
- Communicate agreed budgets to those who are responsible for administering or controlling funds

*Examples:*

- *Attend meetings to discuss and agree budgets*
- *Amend budgets to reflect the outcome of negotiations*

### ***Element 19 (K)***

#### **Monitor and report on budgets**

To gain competence in this area, you should:

- Analyse variations between actual and budgeted figures
- Report to management/the client on the variations identified, giving adequate explanation and interpretation of the data

*Examples:*

- *Prepare monthly variance analysis reports*
- *Give explanations and make recommendations based on the analysis*

# KEY AREA 3 - TAXATION

## Unit A - Compute tax payable

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### ***Element 20 (K)***

#### **Compute the tax payable by the client/organisation**

To gain competence in this area, you should:

- Collect the necessary data and make accurate calculations of tax(es) payable
- Prepare and submit the relevant tax returns
- Ensure that calculations and returns conform to current legal requirements

*Examples:*

- *Prepare corporation tax computations*
- *Prepare income tax computations*
- *Prepare FSS/NI returns*
- *Prepare VAT returns*

### ***Element 21***

#### **Negotiate with the tax authorities**

To gain competence in this area, you should:

- Liaise with the tax authorities on routine or specific tax enquiries
- Negotiate with the tax authorities on behalf of the client/management
- Correspond, in writing or conduct face to face negotiations with both the client/management and the tax authorities

*Examples:*

- *Correspond with the tax authorities on routine or specific issues arising from the submission of tax correspondence*
- *Agree final settlement of disputed tax position, including payment schedule and interest, if relevant*
- *Attend VAT/TCU investigations and liaise with the tax officer on the clients/management's behalf*

# KEY AREA 3 - TAXATION

## Unit B – Develop plans for tax liabilities

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### ***Element 22 (K)***

#### **Advise on tax liabilities and payments**

To gain competence in this area, you should:

- Provide oral or written advice to the client/management about their tax liabilities and payments
- Respond to any queries resulting from the advice given
- Ensure that the client/management fully understand the advice given

Examples:

- Inform the client/management of their tax liabilities and explain any issues arising
- Provide reminders of due dates for submission of tax returns/payment of tax liabilities

### ***Element 23 (K)***

#### **Assist clients/management with tax planning**

To gain competence in this area, you should:

- Have a working knowledge of the client's/organisations business and its' future plans
- Forecast the future tax payable and compare the potential cash requirements against the level of cash that is needed for the planned activity
- Advise the client/management on ways to optimise the timing of activities/transactions to ensure the best possible tax position

Examples:

- *Compare the effect of changes in tax rates on client's/organisation's tax liabilities and advise on any action required by the client/organisation to optimise their tax position*
- *Advise on the timing of capital asset purchases to optimise the client's/organisation's tax position*
- *Review the interaction of taxes under future plans of the client/organisation and advise on how future tax liabilities may be minimised*

# KEY AREA 4 – STATUTORY AUDIT

## Unit A - Prepare for and control the statutory audit process

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### **Element 24 (K)**

#### **Determine the level of audit risk**

To gain competence in this area, you should:

- Obtain and evaluate information about the business and its environment, including any work prepared by internal auditors and any risks identified in previous audits
- Identify the risk areas
- Document the audit approach
- Plan the use of audit tests and design audit programmes

*Examples:*

- *Prepare an Audit Planning Memorandum and supporting schedules*
- *Design/tailor audit programmes*

### **Element 25 (K)**

#### **Evaluate the control risk within an organisation's accounting systems**

To gain competence in this area, you should:

- Test and evaluate the adequacy of the accounting system as a basis for the preparation of financial statements
- Investigate areas of concern
- Make any necessary changes to the audit approach and the audit programme

*Examples:*

- *Record and evaluate clients systems using systems notes, flow charts, internal control questionnaires etc*
- *Design and carry out compliance tests*

### **Element 26**

#### **Co-ordinate the delivery of statutory audit evidence**

To gain competence in this area, you should:

- Plan and manage resources such as people and time to enable the audit to be completed on a timely and cost-effective basis
- Monitor audit work against audit programmes to ensure that audit objectives are met
- Resolve any problems by communicating and discussing issues with senior colleagues or the client

*Examples:*

- *Plan staffing arrangements and allocate audit work to staff according to their knowledge and level of experience*
- *Set time and cost budgets and review these on a regular basis*
- *Review audit work produced and ensure that it adequately supports the audit objective*
- *Consider if amendments to the audit programme are required to gain sufficient evidence*
- *Discuss and resolve issues arising during the audit with the client*

# KEY AREA 4 – STATUTORY AUDIT

## Unit B - Collect evidence and evaluate risk for a statutory audit

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### **Element 27 (K)**

#### **Evaluate evidence collected for a statutory audit**

To gain competence in this area, you should:

- Collect audit evidence, carry out and evaluate the results of audit tests
- Investigate inconsistencies or areas of concern arising from audit work
- Corroborate evidence based on management representations with evidence from another source
- Ensure that audit papers are complete and that all significant matters relating to audit judgement are documented for the attention of the reporting partner

*Examples:*

- *Prepare working papers that document and evaluate audit tests and conclude thereon*
- *Verify the audit programme*
- *Prepare a completion memorandum*

### **Element 28 (K)**

#### **Make judgements about the truth and fairness of an organisation's financial statements**

To gain competence in this area, you should:

- Review the financial statements
- Consider the materiality of errors or misstatements identified from the audit work performed
- Evaluate any significant lack of evidence
- Form an opinion on the truth and fairness of the financial statements

*Examples:*

- *Complete an analytical review of the financial statements at the final review stage*
- *Summarise and evaluate errors or misstatements identified during the course of the audit*
- *Document your opinion on the truth and fairness of the financial statements, and the information on which it is based*

### **Element 29**

#### **Review the performance of a statutory audit**

To gain competence in this area, you should:

- Ensure that all work undertaken by staff is complete and accurate
- Ensure that auditing standards and current legislation are adhered to
- Ensure that sufficient evidence has been obtained and that there are no outstanding queries

*Examples:*

- *Review audit work prepared by other staff*
- *Complete the audit programme and clear all outstanding points*
- *Complete a statutory disclosure checklist*

# KEY AREA 4 – STATUTORY AUDIT

## Unit C - Report on the findings of the audit

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### ***Element 30***

#### **Advise on the findings and implications of the audit**

To gain competence in this area, you should:

- Inform the client of the audit results and opinion and discuss matters of concern with management
- Prepare and retain records of management responses
- Record instances where management sheds further light on matters where sufficient evidence is lacking
- Design and discuss a management letter

*Examples:*

- *Attend a closing meeting with the audit partner and the client and prepare minutes thereon*
- *Obtain a letter of representation*
- *Prepare and issue a management letter*

### ***Element 31 (K)***

#### **Prepare a formal audit report**

To gain competence in this area, you should:

- Draft the audit report in accordance with current auditing standards, relevant legislation and statutory declarations
- Arrange for this to be reviewed and confirmed by the audit principal
- Explain the consequences of any qualification of the audit report to the client organisation
- Ensure that audit files adequately document the reasons for any qualification and any relevant discussions before the audit report is signed

*Examples:*

- *Prepare an appropriately worded audit report*
- *Prepare a working paper to discuss the issues contributing to any qualification, and the client's responses*

# KEY AREA 5 – INTERNAL REVIEW & CONSULTANCY

## Unit A - Prepare for and control an internal review

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### ***Element 32 (K)***

#### **Determine the scope, purpose and objectives of an internal review**

To gain competence in this area, you should:

- Determine the scope and objectives of the review and the specific areas to be reviewed
- Establish criteria against which the evidence will be judged
- Collect any relevant background documentation
- Design the review programmes and planning documentation

*Examples:*

- *Collect and document information on the business environment*
- *Produce planning documentation and audit programmes*
- *Establish the objectives of a due diligence assignment and plan the work accordingly*

### ***Element 33***

#### **Co-ordinate the delivery of evidence for an internal review**

To gain competence in this area, you should:

- Manage staff and resources to ensure that the review outcomes are delivered
- Monitor the completion of the review programme and amend it where necessary
- Ensure that any organisational and other regulatory requirements are met
- Resolve any problems as they arise through discussion with client/management

*Examples:*

- *Complete the review programme*
- *Discuss major issues as they arise with client/management*

# KEY AREA 5 – INTERNAL REVIEW & CONSULTANCY

## Unit B - Deliver the objectives of an internal review

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### ***Element 34***

#### **Obtain evidence for analysis against the objectives of an internal review**

To gain competence in this area, you should:

- Collect evidence to meet the objectives of the review
- Investigate any areas of inconsistency or concern and document all significant findings
- Corroborate management representations

*Examples:*

- *Carry out interviews with client staff*
- *Prepare documentation from site visits*
- *Obtain third party evidence e.g. by performing a debtors' circularisation*
- *Produce systems documentation and working papers*

### ***Element 35 (K)***

#### **Make judgements against the objectives of an internal review**

To gain competence in this area, you should:

- Analyse the evidence gathered
- Compare results with the criteria established at the planning stage
- Select appropriate areas for further investigation and collect further evidence as necessary

*Examples:*

- *Perform analytical review of evidence*
- *Prepare a summary of findings*

### ***Element 36 (K)***

#### **Report on the findings and outcomes of an internal review**

To gain competence in this area, you should:

- Prepare a written report on the outcomes of the review
- Present the report to the client/management
- Ensure that the report meets the set requirements

*Examples:*

- *Produce a final written report on the review*
- *Present the report to the client/management*

# KEY AREA 6 – ASSET MANAGEMENT

## Unit A - Monitor and maintain the organisation's working capital requirements

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### ***Element 37***

#### **Assess the organisation's working capital requirements**

To gain competence in this area, you should:

- Collect information on working capital requirements
- Consider current and expected market trends which may affect working capital requirements
- Have adequate knowledge of the organisation's structure and processes, customers and suppliers in order to make informed decisions

*Examples:*

- *Produce a schedule of working capital requirements and timings of these requirements*

### ***Element 38***

#### **Co-ordinate the provision of working capital**

To gain competence in this area, you should:

- Identify assets available
- Deposit funds in order to gain the optimum return on capital
- Phase the provision of working capital over suitable time periods as required
- Identify sources of finance and prepare finance applications

*Examples:*

- *Make arrangements for bank overdrafts or loans*
- *Prepare grant applications*
- *Investigate potential financing options and consider alternative costs of financing*

# KEY AREA 6 – ASSET MANAGEMENT

## Unit B - Contribute to controlling credit and monitoring debt

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### ***Element 39***

#### **Contribute to the specification of credit and debt policies and mechanisms**

To gain competence in this area, you should:

- Evaluate existing policies and mechanisms and make recommendations for modifications to existing/the introduction of new policies
- Investigate relevant market trends and organisational developments to determine their effect on future policies and mechanisms
- Assess the organisation's payments policies

*Examples:*

- *Establish credit and debt control policies*
- *Evaluate and report on existing credit and debt control policies*

### ***Element 40***

#### **Monitor and maintain credit control mechanisms**

To gain competence in this area, you should:

- Ensure that customers are offered credit appropriate to their level of credit worthiness and consistent with organisational policy
- Ensure that customers comply with agreements
- Monitor the activities of colleagues to ensure that they are working within the limits of their stated authority

*Examples:*

- *Perform credit control checks on new customers*
- *Ensure that the sales department are operating within set credit limits for specific customers*
- *Monitor customers' payment patterns*

### ***Element 41***

#### **Monitor and control the level of outstanding debt**

To gain competence in this area, you should:

- Check on outstanding debt and make arrangements for its' payment
- Take necessary action when agreements are not reached or adhered to

*Examples:*

- *Produce late payment records*
- *Take action against late-paying customers*

# KEY AREA 6 – ASSET MANAGEMENT

## Unit C - Evaluate potential business/investment opportunities

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### ***Element 42 (K)***

Determine the risks and benefits associated with business/investment opportunities

To gain competence in this area, you should:

- Evaluate the potential returns of business/investment opportunities
- Evaluate the risks associated with business/investment opportunities
- Analyse the need to secure finance and identify sources from which that finance may be obtained

*Examples:*

- *Perform cost benefit analysis of potential investments*
- *Perform value for money studies*
- *Identify the advantages and constraints of potential corporate action (e.g. buyout, merger, takeover, division)*
- *Evaluate potential capital investment opportunities.*

### ***Element 43 (K)***

Identify ways to optimise the use of assets

To gain competence in this area, you should:

- Consider the way that assets (cash/current assets/fixed assets) are used
- Identify ways to optimise the use of these assets in the organisation
- Analyse trends and developments which may affect the way that assets are used
- Recommend ways of developing assets where appropriate

*Examples*

- *Perform ratio analysis such as the return on capital employed, debtors and creditors days and make recommendations on how improvements may be made*
- *Investigate the tax implications of the current and future asset structure*

# KEY AREA 7 – BUSINESS GROWTH & DEVELOPMENT

## Unit A - Contribute to formulating business strategy and objectives

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*(Please note that this unit does not include controlling expenditure and monitoring budgets, which is covered in Key Area 2, Unit C)*

### **Element 44 (K)**

#### **Assist in formulating business strategy**

To gain competence in this area, you should:

- Formulate recommendations for business strategy
- Take into account any internal and external factors such as budget constraints and competitor information
- Present information in a clear and precise form, as required by users

*Examples:*

- *Formulate a 12 month strategic plan for the activities of the business or department*
- *Produce a 5 or 10 year business plan for the organisation*
- *For administrative receiverships, review the possible outcomes for continuing to trade or closure of the business.*
- *Provide advice to management/clients on possible alternative exit routes e.g. sale of the business, public listing etc.*

### **Element 45**

#### **Assist in the setting of business targets and objectives**

To gain competence in this area, you should:

- Translate business strategy into clear targets and objectives
- Consult relevant personnel to determine business targets and objectives
- Use suitable performance measurement criteria
- Communicate targets to those responsible for their achievement

*Examples:*

- *Set cost and expenses category targets in line with the organisation's strategy*
- *Communicate targets and performance criteria to cost centre managers or budget-holders*

### **Element 46**

#### **Develop plans to achieve business targets and objectives**

To gain competence in this area, you should:

- Set clear operational plans so that targets can be achieved
- Provide details of the resources required to implement the plans
- Involve the relevant personnel in the development of the plans
- Where necessary, make allowances for risks and contingencies

*Examples:*

- *Develop plans for the department or organisation which show how targets and objectives will be met*
- *Negotiate and agree plans to optimise the trading position of an organisation in financial difficulty*

# KEY AREA 7 – BUSINESS GROWTH & DEVELOPMENT

## Unit B - Contribute to developing products and services

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### ***Element 47***

#### **Identify and evaluate new ideas for products and services**

To gain competence in this area, you should:

- Consider ways to improve existing products or services or to introduce new ones
- Consider ways to improve the quality of service offered by the organisation
- Analyse and evaluate ideas for changes to products and services

*Examples:*

- *Advise the client/management on how goods can be produced/services provided in a more cost-effective way by undertaking an internal review or project*

### ***Element 48***

#### **Contribute to the identification of changes to products and services**

To gain competence in this area, you should:

- Monitor the organisation's products and services with a view to improving them
- Evaluate the ongoing value and applicability of existing products and services
- Make recommendations for changes to products and services

*Examples:*

- *Review sales and usage figures to identify slow moving stock lines and suggest possible improvements*

### ***Element 49***

#### **Define and implement plans for the introduction of changes to products and services**

To gain competence in this area, you should:

- Reach agreement on how changes will be implemented
- Plan and monitor the implementation of the changes identified
- Amend plans as necessary

*Examples:*

- *Design plans for the phasing out of obsolete stock or the introduction of new stock lines*

# KEY AREA 7 – BUSINESS GROWTH & DEVELOPMENT

## Unit C - Monitor and maintain the quality of service to customers

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### **Element 50**

#### **Specify customer service standards and policies**

To gain competence in this area, you should:

- Gather and analyse appropriate data
- Communicate the benefits of customer service standards to staff and colleagues
- Ensure that newly defined standards are in line with organisational values and aims

*Examples:*

- *Gather feedback from customers, to specify customer service standards and policies*
- *Carry out benchmarking techniques to ascertain and measure customer satisfaction*

### **Element 51**

#### **Implement and monitor customer service standards and policies**

To gain competence in this area, you should:

- Take the newly defined standards and translate them into practical action
- Ensure that colleagues and service providers understand the new standards

*Examples:*

- *Perform a presentation at a staff meeting to communicate new standards to staff*
- *Provide staff training as necessary*

### **Element 52 (K)**

#### **Promote continuous quality improvement in products, services and processes**

To gain competence in this area, you should:

- Seek feedback on the quality of service provided by the organisation and compare to that provided by similar organisations and/or industry standards
- Constantly promote quality in products, services and processes
- Monitor quality achievement in products, services and processes

*Examples:*

- *Establish and monitor the criteria for meeting customer deadlines*
- *Monitor the level of customer complaints and ensure that appropriate remedial action is taken*
- *Monitor adherence to industry standards*

# KEY AREA 8 – MANAGE INFORMATION SYSTEMS

## Unit A - Advise on information systems to meet requirements

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### ***Element 53 (K)***

#### **Identify information system requirements**

To gain competence in this area, you should:

- Evaluate the capability and relevance of current information systems
- Identify the costs and benefits of developing information systems to meet organisational requirements

*Examples:*

- *Prepare a review of the organisations existing information systems*
- *Prepare a cost benefit analysis of new/modifications to information systems*

### ***Element 54***

#### **Assist in establishing structures to deliver information systems**

To gain competence in this area, you should:

- Review the options available to deliver information systems and consider their costs and benefits
- Provide recommendations on the most appropriate structure to deliver information systems
- Consider the most suitable method of allocating the costs of information systems

*Examples:*

- *Prepare a cost benefit analysis of different structures e.g. internal information systems such as off-the-shelf packages, bespoke software and external information systems such as outsourcing*
- *Report on the findings of analysis and provide recommendations*
- *Develop a cost allocation model*

# KEY AREA 8 – MANAGE INFORMATION SYSTEMS

## Unit B – Specify information systems to meet identified requirements

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### ***Element 55***

#### **Contribute to the design of information systems**

To gain competence in this area, you should:

- Identify the requirements for information systems and the needs of users
- Prepare a system specification
- Consider potential problems, legislative requirements; access requirements, output requirements and ease of use
- Contribute to the design of a system which balances current needs and anticipated future requirements
- Consult with users throughout the design process and negotiate approval for the design with appropriate personnel

*Examples;*

- *Construct and appraise an appropriate system specification*
- *Contribute to the design of a flexible and maintainable system*

### ***Element 56***

#### **Manage the system specification**

To gain competence in this area, you should:

- Produce a project plan for the installation of the system, detailing objectives and constraints
- Consider project risks, resources needed, timescales and the roles and responsibilities of those involved
- Seek authority to implement new/modify existing information systems

*Examples:*

- *Prepare the project plan*

# KEY AREA 8 – MANAGE INFORMATION SYSTEMS

## Unit C - Install information systems to meet requirements

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### ***Element 57 (K)***

#### **Implement information systems which meet requirements**

To gain competence in this area, you should:

- Obtain the resources for the implementation and testing of systems
- Implement and test the system in accordance with system specification and in co-operation with users and systems specialists
- Maintain the performance of the existing systems at operating levels throughout installation and testing
- Communicate the results of the system testing to the appropriate personnel

*Examples:*

- *Implement the system*
- *Produce test plans and document test results and user feedback*
- *Prepare a report detailing the results of system testing*

### ***Element 58***

#### **Review and evaluate implemented information systems**

To gain competence in this area, you should:

- Review the system and gain feedback from users at regular intervals
- Identify opportunities for improvements to the system
- Produce timely reports on systems performance
- Make recommendations for improvements and take action to rectify problems, where authorised to do so

*Examples:*

- *Produce a systems evaluation*
- *Report on systems performance*
- *Recommend improvements to the appropriate people*
- *Rectify any problems arising*

# KEY AREA 9 – MANAGE PEOPLE

## Unit A - Develop and maintain effective and ethical relationships

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### ***Element 59 (M)***

#### **Develop and maintain effective and ethical business relationships**

To gain competence in this area, you should:

- Develop effective business networks and maintain relationships with clients, statutory and professional bodies
- Ensure confidentiality of information
- Demonstrate and maintain professional integrity
- Refer matters outside your responsibility to senior colleagues or external sources as appropriate

*Examples:*

- *Develop good working relationships with auditors, clients, banks, debtors, creditors and other external bodies*
- *Attend external business meetings*

### ***Element 60 (M)***

#### **Develop and maintain effective and ethical relationships with colleagues**

To gain competence in this area, you should:

- Respond to requests and offer advice to colleagues as appropriate and when necessary
- Request assistance in a manner sensitive to the needs and work load of colleagues
- Ensure that information given to others is clear and concise

*Examples:*

- *Give support and encouragement to junior staff*
- *Ensure effective team working*

# KEY AREA 9 – MANAGE PEOPLE

## Unit B - Recruit and develop people

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### ***Element 61***

#### **Identify personnel requirements and role specifications**

To gain competence in this area, you should:

- Identify recruitment needs in terms of skills gaps and staff shortages
- Consider resource constraints against the benefits of bringing in new personnel
- Produce clear and concise job and personnel specifications

Examples:

- Produce a job specification for a sales ledger clerk
- Review staffing allocations

### ***Element 62***

#### **Recruit and select teams and individuals**

To gain competence in this area, you should:

- Use appropriate recruitment techniques to select individuals based upon agreed selection criteria
- Ensure consistency with legal and organisational requirements
- Ensure equality of opportunity and record the selection process
- Make recommendations on the recruitment and selection of personnel

Examples:

- *Review applications received for a vacant post*
- *Sit on the interview panel*

### ***Element 63***

#### **Develop teams and individuals**

To gain competence in this area, you should:

- Make assessments of the work of teams and individuals
- Identify staff training and development needs
- Identify and organise activities to meet development needs
- Provide feedback to individuals and the team on their performance and development

Examples:

- *Carry out staff appraisals*
- *Implement training plans*

# KEY AREA 9 – MANAGE PEOPLE

## Unit C - Prioritise own ongoing personal and professional development

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### ***Element 64 (M)***

#### **Maintain an awareness and understanding of changes affecting the profession**

To gain competence in this area, you should:

- Keep up to date with changes affecting the profession
- Keep a record of information gathered
- Discuss your understanding of changes with relevant people

*Examples:*

- *Read relevant literature e.g. technical articles in the student's newsletter*
- *Attend in-house or external technical update sessions*

### ***Element 65 (M)***

#### **Demonstrate a commitment to own ongoing personal and professional development**

To gain competence in this area, you should:

- Assess your own current level of competence
- Set yourself challenging and achievable objectives
- Take responsibility for your own development
- Discuss your development and progress with your supervisor/line manager on a regular basis

*Examples:*

- *Complete and discuss your Student Training Record*
- *Attend an appraisal and discuss future objectives*

# KEY AREA 9 – MANAGE PEOPLE

## Unit D - Lead others to achieve objectives

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### ***Element 66***

#### **Identify and agree objectives and methods to deliver required outcomes**

To gain competence in this area, you should:

- Develop and agree work methods and objectives with the team in order to achieve the required outcomes
- Ensure that work methods and objectives are consistent with the organisation's ethos and priorities, comply with relevant legal requirements and optimise the use of available resources

*Examples:*

- *Set team objectives*

### ***Element 67***

#### **Delegate activities to teams and individuals**

To gain competence in this area, you should:

- Allocate work to meet objectives
- Provide learning opportunities to team members as appropriate
- Allocate work in accordance with the abilities and development needs of team members

*Examples:*

- *Allocate work to team members*
- *Coach team members on specific issues*

### ***Element 68***

#### **Monitor the work of others**

To gain competence in this area, you should:

- Monitor the team and individuals performance against objectives
- Provide feedback to the team and individuals and suggest improvements
- Reschedule or reallocate work to achieve objectives

*Examples:*

- *Co-ordinate team/project meetings*
- *Carry out individual appraisals*