



**Australian Government**

# **SITXFIN601 Manage physical assets**

**Release 1**

## SITXFIN601 Manage physical assets

### Modification History

The version details of this endorsed unit of competency set are in the table below. The latest information is at the top.

Version	Comments
1.0	E Replaces and is equivalent to SITXFIN007A Manage physical assets. Re-worked Elements, Performance Criteria, Required Skills and Knowledge to more fully articulate content.

### Unit Descriptor

This unit describes the performance outcomes, skills and knowledge required to manage the physical assets of an organisation. It requires the ability to establish systems and practices for asset monitoring, maintenance and acquisition.

### Application of the Unit

This unit applies to all tourism, hospitality and event sectors.  
It applies to senior managers who operate with significant autonomy and who are responsible for making a range of strategic management decisions.

### Licensing/Regulatory Information

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

### Pre-Requisites

Not applicable.

### Employability Skills Information

This unit contains employability skills.

## Elements and Performance Criteria Pre-Content

### Elements and Performance Criteria

Elements describe the essential outcomes of a unit of competency.

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

- |   |   |
|---|---|
| <p>1. Develop practices for systematic maintenance, repair and purchase of physical assets.</p> | <p>1.1 Develop and maintain an accurate and current <b><i>physical assets</i></b> register.</p> <p>1.2 Develop practices for managing physical assets that reflect overall <b><i>business objectives</i></b>.</p> <p>1.3 Establish and implement maintenance and repair regimes that minimise disruption and loss of revenue.</p> <p>1.4 Integrate <b><i>practices to support environmental sustainability</i></b> into use of physical assets.</p> <p>1.5 Evaluate current and potential financial ability to acquire physical assets.</p> |
| <p>2. Monitor the condition and performance of physical assets.</p>                             | <p>2.1 Establish and implement <b><i>regular reporting practices</i></b> to ensure the effective performance of physical assets.</p> <p>2.2 Identify physical asset problems promptly and take appropriate action.</p> <p>2.3 <b><i>Assess</i></b> long term physical asset performance.</p> <p>2.4 Evaluate need for and access <b><i>specialist assistance</i></b>.</p>   |
| <p>3. Coordinate financing and purchase of physical assets.</p>                                 | <p>3.1 Prepare accurate equipment <b><i>specifications</i></b> to guide the acquisition process.</p> <p>3.2 Estimate acquisition costs based on evaluation of <b><i>current, accurate and relevant data</i></b>.</p> <p>3.3 Make decisions on the replacement and acquisition of physical assets.</p> <p>3.4 Select <b><i>methods of financing</i></b> to meet current financial objectives.</p> <p>3.5 Finance acquisitions in consultation with financial specialists.</p> <p>3.6 Keep accurate records of all financial agreements.</p>  |

## Required Skills and Knowledge

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

### Required skills

- communication skills to discuss asset deficiencies with team members and to negotiate purchase and financial arrangements with suppliers
- critical thinking skills to evaluate current and future asset needs and financial ability to update physical assets
- initiative and enterprise skills to identify and analyse the utility of enhanced physical assets to improve business performance
- literacy skills to:
  - read and interpret complex product specifications and financial contracts
  - research new physical assets to enhance business performance
  - write detailed specifications for the supply of physical assets
- numeracy skills to analyse financial data and interpret estimates and financial agreements for physical asset acquisition
- planning and organising skills to manage maintenance and repair regimes and plan for the acquisition of assets
- problem-solving skills to identify physical asset problems and to resolve through maintenance or replacement
- self-management skills to take responsibility for the monitoring of physical asset quality, utility and acquisition
- teamwork skills to regularly discuss the condition and utility of physical assets with team members and take account of their feedback when making acquisitions.

### Required knowledge

- types of physical assets required by tourism, hospitality and event organisations and the organisation in particular
- maintenance requirements for different types of physical assets
- a range of formats for and inclusions of asset registers
- features and benefits of different financing options for asset acquisition, including purchase, rent, lease and hire purchase
- depreciation that can be applied to different types of physical assets
- practices to support environmental sustainability using different types of physical assets.

## Evidence Guide

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

### Overview of assessment

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

Evidence of the ability to:

- plan for and manage the acquisition, maintenance and replacement of a diverse range of physical assets
- monitor the utility of assets to meet business needs over a period of time
- develop and maintain a current assets register
- demonstrate knowledge of the features and benefits of different financing options for asset acquisition.

#### Context of and specific resources for assessment

Assessment must ensure use of:

- a real or simulated tourism, hospitality or event industry business operation for which physical assets are monitored and maintained
- current commercial purchase specifications, supplier product and cost information and contractual documentation used for the purchase of assets
- suppliers with whom the individual can interact and negotiate.

#### Method of assessment

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

- projects, activities and case studies that allow assessment of the individual's ability to:
  - manage physical assets for specific tourism, hospitality and event business environments
  - develop and maintain a physical assets register
  - evaluate the performance of physical assets and take actions to address deficiencies
- written or oral questioning to assess knowledge of financing options
- review of portfolios of evidence and third-party workplace reports of on-the-job performance by the individual.

#### Guidance information for assessment

The assessor should design integrated assessment activities to holistically assess this unit with other units relevant to the industry sector, workplace and job role, for

example:

- BSBWRT401A Write complex documents
- SITXFIN401 Interpret financial information
- SITXFIN501 Prepare and monitor budgets
- SITXMGT501 Establish and conduct business relationships.

## Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

*Physical assets* may include:

- buildings
- computer systems
- equipment fixtures, fittings and furniture contained within:
  - accommodation establishments
  - commercial kitchens
  - restaurants and bars
  - storage areas
  - tourism, hospitality and event offices
  - transportation depots
- gardens
- pools
- rides and games
- vehicles
- vessels.

*Business objectives* may include:

- profitability
- growth
- provision of quality products and services to customers
- adherence to:
  - codes of conduct
  - environmental sustainability philosophies and practices
  - industry accreditation schemes.

*Practices to support environmental sustainability* may include:

- effective use of consumables
- minimising waste
- regular maintenance to ensure efficiency of machinery
- systems to reduce resource use:
  - fuel
  - power
  - water.

*Regular reporting practices* may include a requirement for:

- formal and informal customer and staff feedback
- procedures to integrate day-to-day condition

- Assess* may involve evaluation of:
- reports
  - scheduled:
    - internal or external inspections and audits
    - management reports.
  - ability to meet business objectives
  - cost of maintenance over a period of time
  - customer and staff feedback
  - input from specialists
  - operational efficiency
  - safety.
- Specialist assistance* may involve:
- architects
  - builders
  - designers
  - electronic specialists
  - information technology suppliers
  - landscape architects
  - manufacturers
  - mechanics
  - tradespeople
  - vendors.
- Specifications* may include:
- budget parameters
  - environmental sustainability policies for the business
  - floor plans
  - numbers and types of required equipment fixtures, fittings and furniture
  - operational performance requirements:
    - efficiency
    - customer traffic
    - staff usage
  - types of products and services offered by the business.
- Current, accurate and relevant data* used for estimating costs may include:
- current maintenance contracts
  - estimates and quotations from suppliers
  - previous contracts and costs
  - published or advertised prices.
- Methods of financing* may include:
- hire purchase
  - lease
  - purchase
  - rent.



## **Unit Sector(s)**

Cross-Sector

## **Competency Field**

Finance