

Course Outline - FNS40110 Certificate IV in Credit Management

This qualification is designed to meet the skills and knowledge development needs for people working in credit. This qualification is designed to cover all areas of credit providing a 'bigger picture' and providing the opportunity for participants to extend their knowledge and raise their contribute to an organisation.

Entry Requirements

There are no entry requirements or prerequisites for this course, although prior working experience in a credit role would be beneficial.

Assessment

To complete this qualification you must successfully complete the assessment requirements for each component. The assessment tasks are based upon issues commonly experienced within credit functions. As well, you will be asked to have your workplace supervisor/team leader confirm your application of the skills and knowledge addressed in each component. If you choose to only undertake selected units of competency within a qualification, you will receive a nationally recognised Statement of Attainment upon successful completion of the assessment(s).

Your trainer will provide advice and guidance on how to undertake the assessment task(s). You are welcome to submit an initial draft of your assessment for consideration and feedback prior to final submission.

How the program works

To gain a FNS40110 Certificate IV in Credit Management qualification, learners will need to complete **Components 1, 2, 3** as these components address the compulsory core requirements. The learner will then be required to select **one** of two elective components in accordance with their individual requirements.

12 units of competency must be completed to gain a qualification in FNS40110 Certificate IV in Credit Management.

Delivery Options

Face-to face

The program is offered via face-to-face and online. AICM Learning Services offers flexibility in learning assessment delivery, and participants are able to elect their own unique blended learning program incorporating on-line/classroom based.

The public program is available in Sydney, Brisbane and Melbourne.

Each component is two days together with a post component assessment. Each day will be offered over consecutive calendar months.

AICM offers corporate programs that can be customised and delivered onsite.

On-Line FNS40110 Certificate IV in Credit Management

Our virtual learning environment mirrors the face-to-face experience, with small groups of participants being guided through the program by one of our expert trainers. The on-line program provides access to learning that would otherwise be inaccessible to many credit professionals, assisting them to study wherever and whenever their busy schedule allows.

Recognition of prior learning

Learners are able to complete up to 100% of the qualification by Recognition of Prior Learning (RPL). Learners who seek RPL will need to meet evidence requirements relating to the units selected.

An RPL guide will be provided to applicants and support will be provided to assist them complete this process.

FNS40110 Certificate IV in Credit Management

Component 1: Evaluate credit applications and minimise risk

Understanding the different legal entities that are our customers also gives insight into the different risks that are attached to offering credit. This course looks at the different types of securities that an organisation may require to limit risk.

Participants go through a step-by-step process of assessing a credit application. Each step is analysed and evaluated to give participants a thorough understanding of how to assess the information and most importantly, why we need to do so. These procedures are linked to the Credit Policy which gives perspective to the learner on how and why credit limits are formed as well as the importance of communication between other departments.

Participants will develop an understanding of the options available and why they may be necessary if a debt becomes doubtful or bad.

The units to be addressed are as follows:

FNSCRD401A Assess credit applications (core)

- Satisfy initial enquiry
- Assess and monitor credit information
- Assess the risk
- Establish credit terms and limits

FNSCRD402A Establish and maintain appropriate securitisation (core)

- Identify available securitisation options
- Assess if security is required and identify appropriateness of securities available
- Apply appropriate security
- Monitor and review effectiveness of security arrangement

FNSRSK401A Implement risk management strategies (core)

- Identify application of risk management strategies to job role
- Apply risk management strategies
- Identify and propose changes to improve risk management strategies

FNS40110 Certificate IV in Credit Management

Component 2: Facilitate legal compliance

This component is essential for people working in credit. Legal compliance for all organisations is the foundation for the ongoing operations of any business.

Legal compliance must be embedded into an organisation in everything that employees do. This entails each employee having a detailed understanding of which legislation applies, how it applies to them and how they can ensure that compliance is maintained at all times. This is referred to as 'due diligence'. It is the people who are 'doing the job' that need to know what compliance and 'due diligence' means as it needs to be incorporated into all credit procedures and communications with customers.

The units to be addressed are as follows:

BSBCOM405A Promote compliance with legislation (core)

- Determine compliance strategies
- Model and encourage compliance with legislative requirements

FNSINC401A Apply principles of professional practice to work in the financial services industry (core)

- Identify the scope, sectors and responsibilities of the industry
- Identify and apply financial services industry guidelines, procedures and legislation
- Identify sustainability issues for the financial services industry
- Manage information
- Participate in and facilitate work team activities
- Plan work to be completed taking into consideration time, resources and other constraints
- Develop and maintain personal competency

Successful completion of:

BSBCOM405A Promote compliance with legislation

FNSINC401A Apply principles of professional practice to work in the financial services industry

will provide a learner with recognition via credit transfer towards a FNS51510 Diploma in Credit Management.

FNS40110 Certificate IV in Credit Management

Component 3: Debt recovery strategies

Close monitoring and evaluation of the ledgers as well as communication with both internal and external customers will assist in identifying accounts that may become doubtful or bad. Negotiation and problem solving strategies are then utilised to obtain the best outcome for collecting doubtful debts to assist the participant's organisation to enhance its cashflow.

Analysis of how the debts became doubtful or bad can then lead to the adoption of improved practices that may reduce the likelihood of this occurring in future.

By gathering and documenting (with regard to the legal compliance) and implementing their organisation's policies and procedures, participants also gain an understanding of the legal requirements for writing off bad debts and the steps and documentation required for litigation.

The units to be addressed are as follows:

FNSCRD403A Manage and recover bad and doubtful debts (Core)

- Implement an appropriate course of action to recover outstanding debt
- Monitor and review effectiveness of recovery action
- Assess account to determine eligibility for write-off

FNSCRD404A Utilise the legal process to recover outstanding debt (core)

- Determine appropriateness of legal recovery
- Instigate legal process
- Implement actions arising from legal process

Electives

Learners will only need to complete **one** of the elective components.

FNS40110 Certificate IV in Credit Management

Component E1: Collection skills and customer service

This program is designed to help participants plan, prepare and make collection calls and provide quality customer service. Participants are encouraged to understand and apply their company's policies and procedures whilst complying with relevant codes of practice and legislation such as the Debt Collection Guidelines.

The preparation involves not only collecting the information pertinent to the customer, but also developing the correct 'attitude' to building positive and proactive relationships. It is important to gather all the information available about the outstanding account such as credit history, past payments, and attitude to payments. Having a positive attitude enables participants to utilise these key skills when dealing with different customer situations.

Collection Skills also involves developing communication skills including negotiation and dispute resolution skills and strategies for dealing with difficult customers and customer complaints.

The units to be addressed are as follows:

BSBCUS403A Implement customer service standards (elective)

- Contribute to quality customer service standards
- Implement customer service systems
- Implement team customer service standards

BSBCCO201A Action customer contact (elective)

- Prepare for customer contact
- Provide responsive and quality service in response to customer queries
- Arrange provision of a product or service
- Manage customer contact

FNSCRD405A Manage overdue customer accounts (core)

- Identify customers requiring collection activity
- Establish contact with customer and attempt to resolve outstanding payment matters
- Negotiate resolution of outstanding payments
- Agreement is monitored to ensure adherence

BSBCMM301A Process customer complaints (elective)

- Respond to complaints
- Refer complaints
- Exercise judgement to resolve customer service issues

FNSCUS402A Resolve disputes (core)

- Establish that a dispute exists
- Investigate the dispute and determine the action to be taken
- Resolve dispute
- Finalise dispute

FNS40110 Certificate IV in Credit Management

Component E2: Collection skills and customer service in a consumer credit context

This component has been specifically designed to address the needs of learners who must comply with ASIC RG 206. This program is also relevant to credit personnel who need to plan, prepare and make collection calls, and provide quality customer service. Participants are encouraged to understand and apply their company's policies and procedures whilst complying with relevant codes of practice and legislation such as the Debt Collection Guidelines.

The preparation involves not only collecting the information pertinent to the customer, but also developing the correct 'attitude' to building positive and proactive relationships. It is important to gather all the information available about the outstanding account such as credit history, past payments, and attitude to payments. Having a positive attitude enables participants to utilise these key skills when dealing with different customer situations.

Collection Skills also involves developing communication skills including negotiation and dispute resolution skills and strategies for dealing with difficult customers and customer credit complaints.

The units to be addressed are as follows:

FNSCRD503A Promote understanding of the role and effective use of consumer credit (elective)

- Identify range and type of consumer credit options
- Identify and discuss costs of using credit
- Promote effective use of consumer credit
- Provide client with information regarding credit reference reports

FNSCNV506A Establish and manage a trust account (elective)

- Review trust account for compliance with trust account requirements
- Establish and manage trust accounts
- Manage and control trust accounts
- Monitor and review trust accounts
- Authorise and verify trust accounts

FNSCRD405A Manage overdue customer accounts (core)

- Identify customers requiring collection activity
- Establish contact with customer and attempt to resolve outstanding payment matters
- Negotiate resolution of outstanding payments
- Agreement is monitored to ensure adherence

BSBCMM301A Process customer complaints (elective)

- Respond to complaints
- Refer complaints
- Exercise judgement to resolve customer service issues

FNNSCUS402A Resolve disputes (core)

- Establish that a dispute exists
- Investigate the dispute and determine the action to be taken
- Resolve dispute
- Finalise dispute

Successful completion of:

FNNSCRD503A Promote understanding of the role and effective use of consumer credit

FNNSCNV506A Establish and manage a trust account

will provide a learner with recognition via credit transfer towards a FNS51510 Diploma in Credit Management.

Contact Details

For further information, please contact:

AICM Learning Services

Level 3, 619 Pacific Highway

St Leonards, Sydney NSW 2065

AUSTRALIA

Phone: +61 2 9906 4563

Fax: +61 2 9906 5686

E-mail: education@aicm.com.au

Web: www.aicm.com.au