

## SFJPSG5.2.4

### Guide the organisation's business model development and financial management



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#### Overview

This unit is about guiding an organisation's development of its business model and associated financial management. It includes establishing and monitoring business goals, and determining business policy and strategy.

This standard reflects best practice within the PSG in relation to aspects of Financial Management core skill.

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#### Performance criteria

*You must be able to:*

- P1 establish a clear, achievable and compelling vision, which sets the direction for your organisation
- P2 determine and agree financial and business drivers for your organisation's business strategy
- P3 determine and set business goals for your organisation, which are challenging, yet realistic, and which are consistent with the vision for the organisation
- P4 develop a strategy and corporate business plan for your organisation, with associated policies that will guide the work of others towards achieving the organisation's vision and business goals
- P5 engage with financial specialists to integrate finance issues into the corporate strategy
- P6 determine and assess the corporate risks associated with achieving the business goals, and develop contingency plans to address these
- P7 delegate responsibility for achieving goals, and allocate resources effectively
- P8 challenge constructively plans and budgets, agreeing a way forward
- P9 balance the needs and expectations of key stakeholders, and win their support
- P10 assess your organisation's financial systems and procedures, and make reasonable recommendations regarding how these can be enhanced
- P11 establish improvement targets, which are demanding yet achievable, for the organisation's use of resources, including the resources of people, finance and assets
- P12 identify measures and methods for monitoring and evaluating progress against the corporate plan
- P13 benchmark the performance and relevant business practices of your organisation against those of selected organisations, and take action based upon the findings, using your findings to influence how your business practices can be enhanced
- P14 monitor financial performance, recognising good outcomes, and identifying where improvements are required, taking the necessary action

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#### Knowledge and understanding

*You need to know and understand:*

- K1 the financial strategy of your organisation, including the risks, constraints and implications for policies
- K2 recent financial performance of your organisation, including trends and why these have occurred, and the strategies in place to improve future performance
- K3 the main relevant economic and financial strategies of government
- K4 the targets and/or goals for your organisation's corporate business plan, and the rationale for these
- K5 the relative costs and benefits of progressing different delivery options
- K6 key features of operating and financial reviews, and statements of internal control
- K7 how political and business issues impact upon your organisation's business
- K8 the principles of effective corporate governance and risk management
- K9 the financial data required to support your decision making and forecasting, and how to access this
- K10 the management information required to improve decision making, and how to acquire this
- K11 key financial variables to consider when assessing or reviewing policy and investment decisions
- K12 the importance of involving financial specialists in establishing your organisation's business model and corporate plan, and how to do this
- K13 your organisation's internal control procedures for managing financial expenditure
- K14 concepts of regularity and propriety, and the need for financial accountability

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#### Additional Information

##### Behaviours

- 1 You present complex information clearly, concisely and accurately and in ways that promote understanding
- 2 You articulate the assumptions made, and risks involved, in understanding the situation
- 3 You present information and assessments convincingly, and in ways which gain the commitment and support of others
- 4 You anticipate likely future scenarios based upon a realistic assessment of trends and developments
- 5 You balance risks against the benefits that may arise from taking the risks
- 6 You generate and recognise imaginative and innovative solutions
- 7 You take decisions, based upon incomplete or diverse data, and/or in difficult situations
- 8 You promote an open and honest exchange of views

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<b>Developed by</b>	Skills for Justice
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<b>Relevant occupations</b>	Public Services; Public Service Professionals; Government and Related Organisations
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<b>Suite</b>	Professional Skills for Government (PSG)
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<b>Key words</b>	Business models, Finance, Management, Plans, PSG
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