
Overview

This standard is for archaeologists who have responsibility for implementing the strategies and policies of the organisation; who have responsibility for the development of the organisation or a substantial part of the organisation and who have responsibility within the organisation to allocate resources, including people, to achieve their requirements.

It is important to make effective use of resources in an organisation. This is a complex activity as there are many competing demands for expenditure, and they have to be approached in a way that maintains the integrity of the organisation. This unit covers making proposals for expenditure, agreeing budgets for programmes of work and controlling expenditure and activities against budgets.

**Performance
criteria**

You must be able to:

Make recommendations for expenditure

- P1 Provide opportunities to relevant people to make suggestions for future expenditure
- P2 Ensure that your recommendations take account of past experience, trends, developments and other factors likely to affect future expenditure
- P3 Clearly state the expected benefits from the recommended expenditure, and any potential negative consequences
- P4 Ensure that where you have considered alternative options for expenditure, you provide valid reasons why you have rejected them
- P5 Ensure that you provide sufficient, valid information for relevant people to make a decision on your recommendations
- P6 Ensure that your recommendations for expenditure are consistent with your organisation's plans and objectives
- P7 Present your recommendations to relevant people in an appropriate format and at an appropriate time

Control expenditure against budgets

- P8 Provide team members with clear and consistent advice on how they can help to control expenditure
- P9 Provide team members with opportunities to take individual responsibility for monitoring and controlling expenditure
- P10 Ensure that your methods of monitoring expenditure are reliable and comply with organisational requirements
- P11 Monitor expenditure against agreed budgets at appropriate intervals
- P12 Control expenditure in line with budgets and organisational requirements
- P13 Ensure that the corrective action you take in response to actual or potential significant variations from budget is prompt and complies with organisational requirements
- P14 Refer requests for expenditure outside your responsibility promptly to the appropriate people
- P15 Ensure that your records of expenditure are complete, accurate and

available to authorised people only

Maintain the financial viability of the business unit

- P16 Clearly specify financial management objectives that are in line with the financial strategy of the business
- P17 Accurately calculate the income and expenditure of the business and periodically compare against cash-flow targets and financial management objectives
- P18 Calculate the financial viability of the business using reliable information and generate forecasts that can be assessed against the business plan
- P19 Correctly identify discrepancies between forecast and actual income and expenditure and explore the reasons for them
- P20 Control the income and expenditure of the business to meet financial management objectives
- P21 Calculate and regularly report to relevant people on the financial viability of the business in accordance with organisational formats and procedures

Knowledge and understanding

You need to know and understand:

- K1 How to analyse expenditure in the past and use the results to make recommendations on more effective use of financial resources in the future
- K2 How to carry out cost-benefit analyses in regard to proposed expenditure
- K3 How to identify and evaluate alternative options to proposals on expenditure
- K4 The importance of communicating effectively on issues to do with proposed expenditure
- K5 How to enable colleagues and line managers to identify and communicate their needs regarding expenditure
- K6 How to develop and argue an effective case for expenditure
- K7 The trends and developments which may influence future expenditure and how to forecast and plan for these
- K8 The procedures which need to be followed to make recommendations for expenditure
- K9 The importance of effective budgetary control to team and organisational efficiency and your role and responsibilities in relation to this
- K10 The principles and methods which underpin effective budgetary control
- K11 The importance of keeping accurate records of past expenditure
- K12 The information which others need to make decisions on expenditure and how to gather and check the validity of this information
- K13 How to advise, encourage and motivate team members to help in controlling expenditure
- K14 The principles of confidentiality in relation to budgets - what information may be provided to which people
- K15 The contributions your team members can make to expenditure control
- K16 Your organisation's requirements for expenditure control
- K17 The range of variations from the budget which may occur and what effective corrective action to take in response to these
- K18 The types of requests for expenditure outside your control which are likely to occur and the correct procedures to follow in response to these
- K19 The importance of effective expenditure control to your team and

Manage finance in the business unit

organisation's efficiency and your role and responsibilities in relation to this

- K20 The principles and systems which underpin effective expenditure control
- K21 The importance of accurate and comprehensive record keeping to expenditure control and systems to achieve this.
- K22 How to calculate basic statements of financial viability, forecasts and simple ratios; key margins by service type and market; high and low forecasts, basic risk assessment
- K23 How to monitor financial viability, and how frequently this should be done
- K24 What type of trade-offs need to be determined in the business
- K25 What the appropriate margins are for the business and its services and how to differentiate between gross and net profit
- K26 Basic means of dealing with tax liability and appropriate sources of advice on this
- K27 The financial manager's liabilities under current legislation including statutory reporting duties
- K28 What sources of internal and external support, advice and information are available to support the financial manager

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Manage finance in the business unit

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**Relevant
occupations**

Suite

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