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| Title | **Manage credit accounts** | | |
| Level | **4** | **Credits** | **10** |

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| Purpose | This unit standard is for people who are involved in or intending to be involved in the management of accounts receivable and credit processes.  People credited with this unit standard are able to manage credit accounts. |

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| Classification | Financial Management > Credit Management |

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| Available grade | Achieved |

**Guidance Information**

1 Legislation applicable to this unit standard includes:

Anti-Money Laundering and Countering Financing of Terrorism Act 2009;

Personal Properties Security Act 1999;

Credit Contracts and Consumer Finance Act 2003;

and all subsequent amendments and replacements.

2 Definitions

*Industry practice* includes policies, procedures and standards that competent practitioners in the industry recognise as current industry best practice.

*Organisational practice* includes documented policies, procedures, and practices, and policy, and procedure manuals pertaining to credit.

*Processes for approving credit* may include but are not limited to – processing credit applications, analysing credit worthiness, securing of credit facilities, managing export credit, classifying debtors, recording debtors’ credit data.

*Processes for managing credit* may include but are not limited to – revolving credit facilities, monitoring and reviewing credit behaviour, answering queries on accounts.

*Processes for recovering credit* may include but are not limited to – ageing debtors’ accounts, stopping credit facilities for overdue accounts, collecting overdue accounts, communicating with debtors regarding overdue accounts, implementing legal action on overdue accounts.

*Terms of trade* include any conditions of purchase, credit limit billing cycles, payment due dates, discounts for prompt payment, and any trade card conditions.

3 This unit standard may be assessed on-job in the workplace using naturally occurring evidence or in off-job simulated work situations designed to draw upon similar performance to that required in work in a credit administration and/or credit management context.

4 All evidence is in accordance with organisational practice where possible, otherwise evidence may be based on industry practice.

**Outcomes and performance criteria**

**Outcome 1**

Manage credit accounts.

**Performance criteria**

1.1 Manage credit accounts to meet organisational objectives.

Range managing credit accounts includes – processes for approving credit, processes for managing credit, and processes for recovering credit.

1.2 Group and prioritise managed accounts according to account requirements.

1.3 Monitor performance of managed accounts.

Range may include but is not limited to – credit collection performance, rate of credit rejections, indebtedness, compliance with legislative requirements.

1.4 Assess credit accounts and identify response required to achieve organisational objectives in respect of credit management.

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| **Replacement information** | This unit standard replaced unit standard 16959. |

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| Planned review date | 31 December 2030 |

**Status information and last date for assessment for superseded versions**

| Process | Version | Date | Last Date for Assessment |
| --- | --- | --- | --- |
| Registration | 1 | 24 September 2020 | N/A |
| Review | 2 |  | N/A |

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| Consent and Moderation Requirements (CMR) reference | 0121 |

This CMR can be accessed at [www.nzqa.govt.nz/framework/search/index.do](http://www.nzqa.govt.nz/framework/search/index.do).

**Comments on this unit standard**

Please contact Ringa Hora Services Workforce Development Council [qualifications@ringahora.nz](mailto:qualifications@ringahora.nz) if you wish to suggest changes to the content of this unit standard.