
Overview

This standard is about obtaining finance from external sources to achieve organisational objectives.

This standard is relevant to managers and leaders with specific responsibility for obtaining finance for their organisation or for major projects or programmes of work.

This standard links to *CFAM&LEA1 Identify and justify requirements for financial resources* and *CFAM&LEA3 Manage the use of financial resources*. It also links to standards on strategic and operational planning, such as, *CFAM&LBA6 Develop strategic business plans*, *CFAM&LBA9 Develop operational plans*, *CFAM&LFA4 Manage programmes* and *CFAM&LFA5 Manage projects*. *CFAM&LEA4 Manage budgets* is for those who manage financial resources for more limited areas of work or projects.

Performance criteria

- You must be able to:*
- P1 Identify the finance required to achieve goals and objectives.
 - P2 Seek and make effective use of specialist financial expertise, where required.
 - P3 Evaluate the costs, benefits and risks of different types of finance.
 - P4 Select the types of finance which are most appropriate to the needs of your organisation, taking account of levels of acceptable risk and views of stakeholders.
 - P5 Identify and evaluate potential providers of finance.
 - P6 Ensure timely submission of clear, evidenced and convincing proposals, bids or applications to potential providers of finance and seek regular updates on progress.
 - P7 Make formal agreements with providers of finance, specifying amounts, timing and, where appropriate, costs and repayment schedules.
 - P8 Identify any shortfall in the level of finance obtained and take appropriate action.
 - P9 Put contingency plans in place to deal with any problems in finance being made available and any changes to the level of finance required.
 - P10 Monitor the effectiveness of agreements for providing finance, identifying and making changes where necessary and identifying improvements for the future.

Knowledge and understanding

You need to know and understand:

General knowledge and understanding

- K1 Where to obtain and how to evaluate information in order to identify an organisation's requirement for finance.
- K2 Sources of specialist financial expertise and how to make effective use of them.
- K3 Different types of finance.
- K4 Different providers of finance.
- K5 How to evaluate the costs, benefits and risks of different types and providers of finance.
- K6 Criteria for selecting types and providers of finance which are appropriate to organisational needs and the views of stakeholders.
- K7 The importance of risk in obtaining finance and ways in which the level of risk can be identified and managed.
- K8 How to work out the full cost of obtaining finance from providers.
- K9 The importance of consulting with relevant people in the organisation and key stakeholders on proposals and recommendations for obtaining finance, and how to do so.
- K10 The importance of submitting clear proposals or bids or applications to potential providers of finance and allowing sufficient time for their submission and consideration.
- K11 The type of formal agreements that should be put in place with providers of finance and what they should cover.
- K12 The type of actions that might need to be taken in the event of a shortfall in finance.
- K13 Why it is necessary to put contingency plans in place in relation to obtaining finance and the type of contingencies that might occur.
- K14 How to monitor the effectiveness of agreements put in place for providing finance.
- K15 The changes that might need to be made to agreements for finance.

Industry/sector specific knowledge and understanding

You need to know and understand:

- K16 The types and providers of finance that tend to be used in your industry or sector, and why they are preferred.

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- K17 Guidelines and codes of practice and any legislative, regulatory and ethical requirements in relation to types and providers of finance in your industry or sector.

Context specific knowledge and understanding

You need to know and understand:

- K18 The vision, objectives and plans of your organisation.
- K19 The proposed activities of your organisation, including those which require finance.
- K20 Your organisation's stakeholders and their views in relation to the financing of the organisation's activities.
- K21 The current types and providers of finance used by your organisation and other potential types and providers of finance and their associated costs, benefits and risks.
- K22 The particular needs of your organisation in terms of securing finance, including the organisation's attitude to risk.
- K23 Relevant people in your organisation and any key stakeholders who should be consulted on proposals and recommendations for obtaining finance.
- K24 Proposals, bids or applications submitted to providers of finance and how they have been progressed.
- K25 Formal agreements with providers of finance to your organisation.
- K26 The contingency plans that have been put in place in relation to finance.
- K27 The specialist financial expertise currently used by your organisation and other potential sources of expertise.
- K28 The systems in place for monitoring the effectiveness of the agreements for finance and identifying changes to agreements and improvements for the future.

Behaviours

When performing to this standard, you are likely to demonstrate the following behaviours:

- 1 Present information clearly, concisely, accurately and in ways that promote understanding
- 2 Balance risks against the benefits that may arise from taking risks
- 3 Identify and seize opportunities to obtain resources
- 4 Comply with, and ensure others comply with, legal requirements, industry regulations, organisational policies and professional codes
- 5 Act within the limits of your authority
- 6 Watch out for potential risks and hazards
- 7 Identify and raise ethical concerns
- 8 Communicate clearly the value and benefits of a proposed course of action
- 9 Work towards win-win solutions
- 10 Identify and work with people and organisations that can provide support for your work
- 11 Recognise stakeholders' needs and interests and manage these effectively
- 12 Identify the implications or consequences of a situation
- 13 Specify the assumptions made and risks involved in understanding a situation
- 14 Take timely decisions that are realistic for the situation

Skills

When performing to this standard, you are likely to demonstrate the following skills:

- Communicating
- Contingency planning
- Decision-making
- Evaluating
- Forecasting
- Influencing
- Information management
- Involving others
- Leadership
- Monitoring
- Negotiating
- Persuading
- Planning
- Presenting information
- Prioritising
- Problem solving
- Questioning
- Reviewing
- Risk management
- Thinking strategically

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