

COSBEDMO24

Monitor budgets and contribute to improving services in built environment design management



Overview

This unit is concerned with the financial control of projects and improving the design services of your business.

It is about managing budgets and cost flow. You must know about budgeting methods and processes, and show how their application has resulted in the control of your cash flow.

It is about improving the design services of your business. You must understand what business improvement means; you must be able to engage your customers and your colleagues in your business in finding ways of continually providing better design services. It will also link with many of the examples of current best business practice, e.g. IIP, ISO 9001, EFQM, Constructing Excellence, etc.

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Performance criteria

Monitor budget and cash flow projections

- You must be able to:*
- P1 monitor allocated budgets and accurately calculate fluctuations in financial performance
 - P2 estimate cash flow projections against actual income and expenditure
 - P3 assess actions which are recommended by staff and compare them with relevant sources of information about allocated budgets and cash flow projections
 - P4 recommend ways of dealing with variances and contingencies in a way which enables decisions to be made
 - P5 take appropriate corrective action promptly and inform staff about the changes that are required to allocated budgets
 - P6 investigate the reasons for variances and contingencies and take action which will prevent them happening again
 - P7 inform interested parties about actions which will require major restructure of allocated budgets and cash flow projections
 - P8 update allocated budgets accurately and reissue them to people who have financial responsibilities

Identify and implement improvements to design services

- You must be able to:*
- P9 evaluate the strengths and weaknesses of existing design services and check whether they are suitable for achieving the required design service to clients and customers
 - P10 analyse available data and information and identify needs and requirements for operational change and development
 - P11 identify valid and realistic improvement measures which will maximise added value
 - P12 recommend the introduction of improvement measures into the organisation's operations and develop programmes for their implementation
 - P13 implement agreed improvement measures in design services and projects

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- P14 monitor the compliance of projects with the improvement objectives, investigate variances and restore compliance with the development plan
- P15 check with clients and customers that the improvement measures have satisfied their needs
- P16 contribute to a culture of continuous improvement to design services

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Knowledge and understanding

You need to know and understand:

Monitor budget and cash flow projections

- K1 how and why to monitor allocated budgets (analysis)
- K2 how to calculate fluctuations in financial performance (application)
- K3 how and why to estimate cash flow projections against actual income and expenditure (analysis)
- K4 how and why to assess actions which are recommended by staff (analysis)
- K5 how and why to compare actions which are recommended by staff with relevant sources of information about allocated budgets and cash flow projections (synthesis)
- K6 how and why to recommend ways of dealing with variances and contingencies (synthesis)
- K7 how to take appropriate corrective action promptly and inform staff about the changes that are required to allocate budgets (application)
- K8 how to investigate the reasons for variances and contingencies (analysis)
- K9 how to inform interested parties about actions which will require major restructuring of allocated budgets and cash flow projections (application)
- K10 how to update allocated budgets and reissue them to people who have financial responsibilities (application)

Identify and implement improvements to design services

You need to know and understand:

- K11 how and why to evaluate the strengths and weaknesses of existing design services and check whether they are suitable for achieving the required design service to clients and customers (evaluation)
- K12 how and why to analyse available data and information needs and requirements for operational change and development (analysis)
- K13 what to identify as needs and requirements for operational change and development (understanding)
- K14 what to identify as valid and realistic improvement measures which will maximise added value (understanding)

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- K15 how and why to recommend the introduction of improvement measures into the organisation's operations and develop programmes for their implementation (synthesis)
- K16 how to implement agreed improvement measures in design services and projects (application)
- K17 how and why to monitor the compliance of projects with the improvement objectives and investigate variances (analysis)
- K18 how to restore compliance with the development plan (application)
- K19 how to check with clients and customers that the improvement measures have satisfied their needs (application)
- K20 how to contribute to a culture of continuous improvement to design services (application)

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Additional Information

Scope/range

Monitor budget and cash flow projections

1. Budgets:

- 1.1. earned income
- 1.2. employment costs
- 1.3. liabilities
- 1.4. subcontract costs
- 1.5. consumables

2. Cash flow projections:

- 2.1. income receivable
- 2.2. expenditure

3. Variances:

- 3.1. overspend
- 3.2. underspend
- 3.3. change in value of the work

4. Contingencies:

- 4.1. delays in receivables
- 4.2. project and contract delays
- 4.3. interruptions
- 4.4. Interested parties:
- 4.5. risk
- 4.6. colleagues
- 4.7. financial providers

Identify and implement improvements to design services

5. Strengths and weaknesses:

- 5.1. market share
- 5.2. scope of products and services
- 5.3. availability of resources
- 5.4. working practices
- 5.5. productivity
- 5.6. profitability and cost factors
- 5.7. corporate values environmental impact
- 5.8. socio-econometric factors

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- 5.9. ability to innovate
- 5.10. efficiency of systems (including Information Technology)
- 5.11. waste reduction
- 5.12. availability of skills
- 5.13. standardisation

6. Design services:

- 6.1. design expertise and systems
- 6.2. advisory services
- 6.3. management services
- 6.4. control systems
- 6.5. information systems
- 6.6. inter-disciplinary working

7. Analyse:

- 7.1. feasibility studies
- 7.2. Strengths, Weaknesses, Opportunities and Threats analyses
- 7.3. against industry performance benchmarks
- 7.4. reflection on professional practice

8. Data and information - sources:

- 8.1. professional journals and publications data from within the built environment
- 8.2. information from other industries
- 8.3. project feedback

9. Measures:

- 9.1. adopting current best practice e.g liP, ISO 9001, EFQM
- 9.2. new processes, methods and techniques

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