

Overview

This standard is about identifying and justifying the financial resources required for achieving organisational objectives. You identify financial resource requirements, justifying them in accordance with the objectives set. You estimate costs of activities and overheads for the method you have selected. You prepare a business case including methods, timescale, costs, risks and evaluation arrangements and seek approval from decision-makers. The standard also includes providing alternative options when required and seek feedback on your presentation of the business case to improve future proposals.

This standard is for all managers and leaders.



Performance criteria

You must be able to:

- 1. confirm the organisational objectives to be achieved
- 2. identify and justify requirements for financial resources by engaging with stakeholders
- 3. identify methods of achieving objectives
- 4. evaluate the effectiveness and efficiency of methods to select the optimal method
- 5. estimate the costs of the activities and overheads required to achieve objectives by the optimal method
- 6. prepare the business case for your requirements for financial resources, specifying objectives and the benefits of achieving these objectives
- 7. outline the proposed method, timescales for activities and costs involved in your business case
- 8. perform cost benefit analysis
- 9. specify the assumptions made, the risks and how these will be managed in your business case
- 10. outline evaluation arrangements
- 11. provide any alternative options considered but rejected as suboptimal to stakeholders
- 12. prepare alternative options for achieving objectives, in case your budget requirements are not approved
- 13. present your business case to budget decision-makers, providing any further information or rationale required
- 14. defend your business case, engaging the support of stakeholders and decision-makers
- 15. seek approval for alternative options when your original business case for budget requirements is not accepted
- 16. obtain feedback on your presentation of the business case from decision-makers to help improve future proposals
- 17. communicate the decision on your budget requirements to stakeholders, explaining the reasons for any changes or alternative options adopted
- follow the legal, organisational, codes of practice and policies relevant to your role when identifying and justify requirements for financial resources

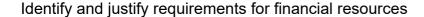


Knowledge and understanding

You need to know and understand:

General knowledge and understanding

- 1. how to engage stakeholders in identifying and justifying requirements for financial resources
- 2. the financial resource planning principles and methods available and how to apply them
- 3. how to identify and select optimal methods for achieving objectives
- 4. how to calculate fixed and variable costs of activities
- 5. the importance of cost-benefit analysis techniques and how to use them
- 6. the different decision-making techniques available and how to select and apply them
- 7. what a business case should cover and how to develop convincing arguments for what you are proposing
- 8. how to present and argue a business case
- 9. the importance of identifying assumptions made
- 10. how to identify and manage risks
- 11. the different negotiation techniques that can be used and how to apply them
- 12. the importance of developing alternative solutions as fallback positions





13. the importance of obtaining feedback on your presentation of the business case and how to use this feedback to improve future proposals

Industry and sector specific knowledge and understanding

14. the legal, organisational, codes of practice and policies relevant to your role when identifying and justify requirements for financial resources

Context specific knowledge and understanding

- 15. your organisation's stakeholders and their interests and strategic objectives
- 16. the objectives you are responsible for achieving
- 17. the roles and employees with budgetary responsibility in your organisation



Skills

- 1. Acting assertively
- 2. Analysing
- 3. Communicating
- 4. Decision-making
- 5. Evaluating
- 6. Involving colleagues
- 7. Negotiating
- 8. Obtaining feedback
- 9. Persuading
- 10. Presenting information
- 11. Problem solving
- 12. Providing feedback
- 13. Reflecting
- 14. Reporting
- 15. Risk management



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