



# ***KD TRAINING SOLUTIONS***

## **The Chartered Management Institute Diploma in Management and Leadership (Level 5)**

### **Work Brief for: Resource Management (Unit 5004)**

#### **Introduction**

The purpose of this assessment brief is to give you the opportunity to demonstrate your knowledge, skills and abilities in the topic of managing resources.

You are required to produce a formal management report of about 3,000 words in length that addresses real resource issues in your work area.

#### **Part A – The Nature of Resources**

*Analyse the effectiveness of your organisation in identifying the resources it needs (750 words):*

(You should consider your organisation as a transformation process and explain the link between strategic objectives and business/operational plans. You also need to find out how resources are currently identified by both managers and team members – you should use examples where possible)

#### **Part B – Sourcing Suppliers**

*Describe how you might improve the supply of goods and/or services in your work area (750 words):*

(You should consider discussing either an internal or external supplier, how you would identify what you want from them and how you might resolve any problems that occur – you should use examples where possible)

#### **Part C – Financial Planning**

*Explain how you would put together and present a budget for your own work area to senior management (750 words):*

(You should consider the benefits from your budget, the style of budget you might use, the process you would use and how you would monitor and evaluate your budget)

## Part D – Financial Forecasting

*Calculate a case for capital investment and present your findings (750 words): This question is in 4 parts:*

- (1) Imagine that you have been given the opportunity to decide which one of two projects your organisation should invest in. Based on the figures below using the payback method, carry out your calculations and make a judgment on which project you would choose and why. The figures you require are:

Project A - Cost £90,000  
Project B - Cost £90,000

Project A will generate £22,500 of cash inflow for 4 years and then be scrapped. Project B will generate £20,000 for 4 years but will be 8 years before it requires to be scrapped.

- (2) Using the payback method it appears that the project detailed below will pay for itself in 3 years. Using the discounted payback method, calculate and put the present values in the blank spaces below, then explain your findings:

Year	Cash Flow	PV Factor	Present Value
0	-£20,000	1.000	
1	£5000	0.909	
2	£7000	0.826	
3	£8000	0.751	

- (3) Below are details of two projects. Calculate the accounting rate of return and comments on your findings:

PROJECT A - Profit – Year 1 £7000.00  
Year 2 £4000.00  
Year 3 £3000.00  
Year 4 £2000.00

Outlay -£50,000.00

PROJECT B - Profit - Year 1 £2000.00  
Year 2 £3000.00  
Year 3 £4000.00  
Year 4 £7000.00

Outlay - £50,000.00

- (4) Explain why non-financial considerations are important as financial considerations when making investment decisions.

How your work will be assessed

Below are the learning outcomes for this unit, matched against the assessment you will do:

Unit	Learning Outcomes	Assessment
5004 Managing Resources	Identify and plan resources needed to meet objectives.  Select and use the resource supply chain to meet planned objectives.  Monitor and evaluate internal and external resource use to meet plans.	Analyse the effectiveness of your organisation in identifying the resources it needs  Describe how you could improve the supply of goods and/or services in your work area  Explain how you would put together and present a budget for your own work area to senior management  Calculate a case for capital investment and present your findings

## Assessment Criteria

When your tutors assess your work they will apply the following criteria in ensuring that you have:

- Demonstrated knowledge of the Unit contents at the relevant depth and breadth
- Understand the topics sufficiently to apply them to your own situation
- Produced a piece of work that is communicated in a professional manner
- Analysed the effectiveness of your organisation in identifying the resources it
- Described how you could improve the supply of goods and/or services in your work area
- Explained how you would put together and present a budget for your own work area to senior management
- Calculate a case for capital investment and present your findings