Modification history

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| Release | Comments |
| Release 2 | This version released with AHC Agriculture, Horticulture and Conservation and Land Management Training Package Version 2.0. |
| Release 1 | This version released with AHC Agriculture, Horticulture and Conservation and Land Management Training Package Version 1.0 and meets the Standards for Training Packages 2012. |

| AHCMOM601 | Analyse machinery options |
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| Application | This unit of competency describes the skills and knowledge required to analyse machinery options within an agricultural, horticultural or land management enterprise.  All work must be carried out to comply with workplace procedures, work health and safety requirements, manufacturer specifications and sustainability practices.  This unit applies to individuals who take personal responsibility and exercise autonomy in undertaking complex work. They analyse information and exercise judgement to complete a range of advanced skilled activities. They work in contexts that are subject to change and adapt a range of fundamental principles accordingly.  No occupational licensing, legislative or certification requirements apply to this unit at the time of publication. |
| Prerequisite Unit | Nil. |
| Unit Sector | Machinery operation and maintenance (MOM) |

| Elements | Performance Criteria |
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| Elements describe the essential outcomes. | Performance criteria describe the performance needed to demonstrate achievement of the element. |
| 1.Calculate costs associated with machinery use | 1.1 Calculate overhead, operating and intangible costs related to machinery  1.2 Source and compare relevant benchmark data that relates machinery costs to workplace productivity and data  1.3 Make comparison of productivity and suitability of different types and brands of machinery |
| 2.Review machinery requirements | 2.1 Review machinery inventory in the context of the goals of the workplace, current and future productivity, and profitability levels  2.2 Identify, cost and evaluate alternatives to ownership  2.3 Identify tax impact of the capital investment through professional support and incorporate into the analysis  2.4 Assess and control risks associated with high capital investment in machinery in making machinery decisions |
| 3.Analyse returns from major capital investments in machinery | 3.1 Use capital budgeting techniques including energy efficiency to calculate the rate of return on major investment decisions  3.2 Review machinery options plan, and analyse and record changes |

| Foundation Skills  This section describes those language, literacy, numeracy and employment skills that are essential for performance in this unit of competency but are not explicit in the performance criteria. | |
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| Skill | Description |
| Reading | * Review and analyse machinery requirements and machinery options plan |
| Writing | * Record changes to machinery options plan |
| Numeracy | * Calculate overhead, operating and intangible costs related to machinery * Calculate rate of return on major investment in machinery * Compare benchmark data relating machinery costs to workplace productivity and data |
| Navigate the world of work | * Identify and describe own workplace requirements, including safety requirements, associated with own role and area of responsibility |

| Range Of Conditions  This section specifies different work environments and conditions that may affect performance. Essential operating conditions that may be present (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) are included. | |
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| Alternatives to ownership must include at least one of the following: | * contracting * share agreements/syndication * machinery rings. |

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| Unit Mapping Information | | | |
| Code and title current version | Code and title previous version | Comments | Equivalence status |
| AHCMOM601 Analyse machinery options | AHCMOM601A Analyse machinery options | This unit is equivalent to AHCMOM601A Analyse machinery options. Minor changes to performance criteria and foundation skills. | Equivalent |

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| Links | Companion Volumes, including Implementation Guides are available at VETNet https://vetnet.education.gov.au/Pages/TrainingDocs.aspx?q=c6399549-9c62-4a5e-bf1a-524b2322cf72 |

| TITLE | Assessment requirements for AHCMOM601 Analyse machinery options |
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| Performance Evidence | |
| An individual demonstrating competency must satisfy all of the elements and performance criteria in this unit.  There must be evidence that, on at least one occasion, the individual has:   * calculated costs associated with machinery * reviewed machinery inventory and requirement * evaluated and costed options * assessed investment risk * budgeted and incorporated benchmarks * calculated returns from major capital investments in machinery * compared the productivity and suitability of different types and brands of machinery * analysed the financial costs, tax impacts and investment risks for different types of machinery * documented the analysis and defined the preferred option * reviewed the investment plan and analysis of options. | |

| Knowledge Evidence |
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| An individual must be able to demonstrate the knowledge required to perform the tasks outlined in the elements and performance criteria of this unit. This includes knowledge of:   * benchmarking practices and procedures, including energy efficiency, carbon footprint and water use efficiency * capital budgeting techniques * relevant taxation provisions relating to investment * risks associated with investments * analysis and planning processes. |

| Assessment Conditions |
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| Assessment of skills must take place under the following conditions:   * physical conditions: * a workplace setting or an environment that accurately represents workplace conditions * resources, equipment and materials: * machinery requirements and machinery options plan * machinery costs benchmark data * timeframes: * according to the job requirements.   Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards. |

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