

# Unit 20: Managing Physical Resources in a Business Environment

<b>Unit code:</b>	<b>A/502/5451</b>
<b>QCF Level 3:</b>	<b>BTEC National</b>
<b>Credit value:</b>	<b>10</b>
<b>Guided learning hours:</b>	<b>60</b>

## ● Aim and purpose

The aim of this unit is to introduce learners to the importance of physical resources to an organisation. They will develop their understanding of the role and remit of the resources manager and apply their knowledge of physical resource management. They will carry this out by conducting a risk assessment of physical resources in an organisation and by designing systems for monitoring the quality and effective use of these resources.

## ● Unit introduction

This unit introduces learners to the importance that organisations place on the use and management of their physical resources. Today there is greater awareness of the impact on the environment by the inefficient use of physical resources such as water, gas, oil and paper, and the high costs involved in producing energy to support an organisation's needs. This has resulted in organisations having to monitor usage of energy closely to support business operations in order to meet regulatory requirements, such as emissions of toxic substances, as well as seeking to reduce physical resource costs.

Learners will develop their understanding of the broad responsibilities and duties involved in the management of physical resources. The resource management function involves developing excellent negotiation skills in order to negotiate partnerships with suppliers, and knowledge of relevant legal obligations that fall within the remit of resource management, including health, safety, security and consumer legislation. The key activities of planning, procurement and monitoring the effectiveness of the use of resources are essential components of the operational function.

Organisations need to ensure that best use, efficiency, quality and waste management issues are addressed to improve performance and reduce costs. The unit will show learners that managing physical resources is a key function in organisations and that it involves obtaining and using materials, equipment, supplies, premises and energy in the most efficient way to achieve the organisation's operational objectives. Organisations must also ensure that their physical resources are a safe and secure working environment for employees and meet all legal requirements.

The unit shows learners why it is essential for organisations to carry out regular audits and reviews of the efficiency and value for money of their physical resources, such as procurement of consumables or energy usage. As part of this process, learners will carry out a risk assessment of resources in an organisation. Learners will need to appreciate that the maintenance and refurbishment of facilities are activities which require careful planning, ensuring compliance with organisational procedures and staying within budget.

## ● Learning outcomes

**On completion of this unit a learner should:**

- 1 Understand the key features of physical resources
- 2 Understand the role of the resources manager
- 3 Understand the legal requirements for managing physical resources
- 4 Be able to monitor the quality and effectiveness of physical resources.

# Unit content

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## 1 Understand key features of physical resources

*Physical resources:* equipment including ICT; materials; buildings and facilities; plant and machinery; supplies; services; energy

*Key features:* suitability for purpose; efficiency; security; accessibility; ergonomics; planned maintenance and refurbishment; environmental factors eg waste; emergency provision; insurance

## 2 Understand the role of the resources manager

*Planning usage:* requirements and suitability; previous trends and developments; meeting organisational objectives, policies and procedures; level of authority; contingency planning

*Obtaining resources:* eg cost/benefit analysis, sufficiency, amending plans, value for money, legal requirements (consumer legislation, contract management), purchasing procedures, single/multi sourcing, supplier evaluation

*Ensuring availability:* eg meeting standards, quality, delivery, corrective actions

*Monitoring systems:* eg impact on environment, benefits and methods of waste reduction, remedial action, accurate records, service level agreements

## 3 Understand the legal requirements for managing physical resources

*Statutory regulations:* employment and insurance law, building and accessibility regulations, pest control, hygiene, pollution, compliance, licences, recording documentation

*Legal requirements:* health and safety measures eg risk assessment procedures, preventative measures; environmental management; regulations for storage of supplies eg Control of Substances Hazardous to Health (COSHH); local and regulatory authorities eg Health and Safety Executive Inspectorate, environmental health officer, fire officer; compliance, recording documentation; good housekeeping

## 4 Be able to monitor the quality and effectiveness of physical resources

*Criteria:* performance measures to analyse efficiency and effectiveness, qualitative, quantitative, objectives, targets

*Evaluation:* purpose, sources of information eg customers, colleagues, staff, suppliers, management; methods of data collection, feedback, accuracy, relevance, reliability, validity; deviations and corrective action, stock control, value for money, improvements and recommendations