

**Specification of Competency Standards**  
**for the Automotive Industry**  
**Unit of Competency**

Functional Area - Corporate Management

Title	Formulate risk management plans
Code	108565L6
Range	This unit of competency is applicable to the senior managerial staff of the automotive industry. Practitioners should be able to obtain a wide scope of information to formulate risk management plans for the enterprise in an ever-changing business environment.
Level	6
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge (The scope and sources of risks)</p> <ul style="list-style-type: none"> <li>• Good understanding of the sources of risks such as natural disasters, fire, accidents, thefts, the quality of internal management.</li> <li>• Master the operating details and daily operation of the enterprise</li> <li>• Good understanding of the scope of risks faced by the enterprise, such as: <ul style="list-style-type: none"> <li>○ Injury and death</li> <li>○ Direct property loss</li> <li>○ Inventory loss e.g. vehicles, spare parts</li> <li>○ Damages on equipment e.g. testing equipment</li> <li>○ Loss of talents e.g. experienced technical staff and managerial staff</li> <li>○ Business computer operation system failure</li> <li>○ Loss of important record and information</li> <li>○ Damage on the reputation of the enterprise</li> </ul> </li> </ul> <p>2. Performance (Formulate risk management plans)</p> <ul style="list-style-type: none"> <li>• Be familiar with risk assessment reports to formulate risk management plans for the enterprise and make the most suitable preparation, such as: <ul style="list-style-type: none"> <li>○ Being capable of selecting the most appropriate insurance plans for losses due to unpredictable tangible risks, e.g. property loss, inventory loss, damages on equipment</li> <li>○ Monitor and review organisational human resources policy for the risk of loss of talents e.g. training policy, promotion, remuneration conditions, etc.</li> <li>○ Monitor and review the daily operation and equipment management policy for the risk of operating equipment failure, e.g. unstable performance of computer operation systems or equipment</li> <li>○ Monitor and review the daily operation and monitoring systems for the risk of theft of inventory goods e.g. security systems, the reception and dispatch of inventory and relevant records</li> <li>○ Consider the public relation strategy and quality management systems for the risk of corporate reputation</li> </ul> </li> <li>• Establish structural management systems and relevant indicators, collect data, conduct analysis, make improvement, monitor and prepare suitable resources for implementing the risk management plans and emergency and contingency measures.</li> </ul>
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are that the practitioner being assessed shall prove that he/she is:</p> <ul style="list-style-type: none"> <li>• Capable of integrating various sorts of information to formulate different risk management plans or strategies for the enterprise to minimize or transfer possible risks; and</li> </ul>

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	<ul style="list-style-type: none"><li>• Capable of estimating and utilizing resources appropriately to implement the emergency and contingency measures as and when necessary.</li></ul>
Remark	