

Specification of Competency Standards for the Retail Banking

**Unit of Competency**

**Credit Management > 3.4 Debt Collections**

Title	Negotiate with debtors about overdue debts
Code	107376L4
Range	Negotiate with debtors about the payment arrangement of overdue accounts
Level	4
Credit	3
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Understand handling procedures in overdue accounts           <ul style="list-style-type: none"> <li>Be able to:               <ul style="list-style-type: none"> <li>• Understand the bank's procedures and policies on overdue accounts in order to select a suitable approach</li> <li>• Review reported problem loans in order to decide action steps to be taken</li> </ul> </li> </ul> </li> <li>2. Communicate with debtors to minimize possibility of bad debts           <ul style="list-style-type: none"> <li>Be able to:               <ul style="list-style-type: none"> <li>• Negotiate with customers for coming up a mutually agreed way of settling overdue accounts</li> <li>• Select an appropriate payment arrangement to recover overdue loans</li> <li>• Propose remedial actions and recovery plans for unpaid debts</li> </ul> </li> </ul> </li> <li>3. Exhibit professionalism in handling overdue accounts           <ul style="list-style-type: none"> <li>Be able to:               <ul style="list-style-type: none"> <li>• Negotiate with overdue accounts' customers openly and provide all necessary information about the alternative actions that the bank will take; take steps to ensure all actions are professionally conducted and both internal guidelines, rules, policies and external regulations are met</li> <li>• Strike a proper balance of the interests between customers and the bank when carrying out overdue accounts handling procedures</li> </ul> </li> </ul> </li> </ol>
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> <li>• Negotiation with debtors about the provision of remedial actions and recovery plans to unpaid debt</li> </ul>
Remark	