

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 3. General Enterprise Banking Credit Management
(Key Function – 3.4 Monitoring Non-Performing Loan Performance)

Title	Develop procedures and guidelines for the recovery of problem loans
Code	109275L5
Range	Formulating policies and designing guidelines and procedures for the recovery of problem loans. This applies to problem loans incurred in different types of enterprise banking accounts.
Level	5
Credit	4 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the Subject Area</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Have an in-depth understanding of debt collection procedures and apply the knowledge to analyse collection reports and delinquent accounts to identify common causes for problem loans; • Understand and re-evaluate common practices in dealing with problem loans in order to design suitable approach which is in alignment with the strategies of the bank. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Develop guidelines on recovery of problem loans based on analysis of the causes and characteristics of delinquent accounts; • Design remedial actions and procedures to ensure effective collection of doubtful debt. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Establish rules and guidelines to ensure actions taken by the bank do not hurt the dignity and respect of bank clients; • Formulate standard workflows and procedures in collecting over dues or repossession of the security in order to protect the interest of the bank.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Developing guidelines and procedures on managing problem loans based on the analysis of the bank's strategies and characteristics of delinquent accounts; • Developing guidelines to ensure debtors are equitably treated.
Remark	