

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	Monitor progress of debt collections
Code	109277L4
Range	Monitoring the debt repayment. This applies to different types of borrowers.
Level	4
Credit	3 (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"> • Understand debt collection procedures and apply the knowledge to monitor timeliness of repayments to identify any possible risks and prevent loss due to bad debts; • Understand collection process in order to monitor the progress of repayment of loans. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Identify early warning signals of increasing credit risks or adverse credit trends in order to find out problem loans in a timely manner; • Develop measures to strengthen the oversight and monitoring of loans with high chance of delinquency; • Make decision on lowering risk rating of particular loan based on analysis of different factors; • Select and implement appropriate collection measures according to the situations of delinquent accounts. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Supervise debt collections of accounts receivable that follow credit policies and procedures of the bank; • Monitor daily business activities to ensure credit policies and procedures are being followed; • Review status of debt collections, remedial actions and recovery plans for unpaid debts; • Monitor daily activities related to debt collections to ensure they are in compliance to different rules and regulations; • Take necessary steps to ensure procedures of loan repayment are adhered to the bank's internal standards and external regulations.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Identification of delinquent accounts and selection of appropriate actions based on the different conditions for the purpose of loan collection; • Monitoring of the entire debt collection process to ensure that the actions are in compliance to regulations and the repayments are in accordance with collection schedules.
Remark	