

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	Collect bad and doubtful debts
Code	109278L4
Range	Collect payment from delinquent accounts of different kinds.
Level	4
Credit	3 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the Subject Area</p> <p style="padding-left: 40px;">Be able to:</p> <ul style="list-style-type: none"> • Understand the bank's policies and procedures in collecting bad and doubtful debts in order to select an appropriate action according to different situations. <p>2. Applications</p> <p style="padding-left: 40px;">Be able to:</p> <ul style="list-style-type: none"> • Review records of the delinquent account and decide on appropriate actions to minimize potential loss to the bank; • Manage resources effectively and ensure expenses incurred by the collection methods can be recovered from borrower; • Source, select and recruit suitable agencies or solicitors to collect bad and doubtful debts; • Monitor the services of the collection agencies or solicitors to ensure the fulfilment of the bank's requirement. <p>3. Professional Behaviour and Attitude</p> <p style="padding-left: 40px;">Be able to:</p> <ul style="list-style-type: none"> • Ensure the actions taken by internal collectors or bad debt collection agencies or solicitors that are in accordance with the bank's policies and external regulations; • Conduct service audits on appointed bad debt collection agencies or solicitors and guide them to follow the bank's collection policies and standards as well as the external regulations when necessary.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Arrangement of collection of bad debts to keep credit losses and collection expenses within budget of the bank and actions executed are in accordance with the bank's collection policies / standards or other external service providers / counterparts; • Monitoring of services of internal and external collection agencies or solicitors in order to ensure compliance with the bank's standards as well as external regulations.
Remark	