

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 4. Risk Management
(Key Function – 4.3 Risk Control and Mitigation)

Title	Develop risk control measures
Code	109307L5
Range	Development of different control measures and associated changes (e.g. new policies, standards, systems, procedural changes) to reduce or eliminate potential threats faced by the bank. This applies to different types of risks and business processes of the bank.
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"> • Demonstrate professional knowledge in risk management in order to design suitable control measures for the bank; • Understand the features of different risk control measures and apply the knowledge to evaluate the pros and cons of each against the unique situation of the bank. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Evaluate different business and operations processes and their corresponding risk levels in order to define the scope of risk control; • Analyse different business / operations processes in order to identify needs and gaps in risk control measures; • Develop appropriate risk control measures in different business / operational processes according to the objectives of risk control; • Provide written policies and procedures regarding risk controls (e.g. authorization, limit monitoring, access controls) on different business / operation areas; • Monitor the changes in risk level, identify new risks or risks that no longer exist in order to update the risk control plan. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Promote a strong control environment (e.g. awareness, attitude, behaviours) regarding the internal control system among different levels of staff; • Provide advice for the performance measurement system which can have a fair measurement of risks associated with different business activities and provide incentives for controlling risks; • Conduct regular review on the internal control system to ensure risk controls are appropriate and aligned with the nature, scale and complexity of the bank's activities.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Development of risk control measures to reduce / eliminate threats in different business / operation areas; • Establishment of risk control measures based on an analysis of the bank's situation, nature of the risks and effectiveness of different risk control measures.
Remark	