

**Functional Area: Customer Relationship Management
(CRM Philosophy & Strategic Formulation)**

1. Title	Formulate risk management plans	
2. Code	ITCSCR507A	
3. Range	This UoC applies to all considerations and actions associated with the formulation of the CRM risk management plan for the company. An important issue is that the formulation of such plan involves not only staff member of own company, but also outsourcing parties.	
4. Level	5	
5. Credit	3	
6. Competency	<p style="text-align: center;"><u>Performance Requirement</u></p> <p>6.1 Possess the knowledge in the subject area</p> <ul style="list-style-type: none"> ● Fully understand the importance in formulating and setting up a CRM risk management plan and include it as a concrete part of the overall company CRM strategy ● Clear grasp that the risk management plan is to monitor risk levels for CRM and should cover measurement on different kinds of risk ● Clear identify that the formulation and implementation of a proper CRM risk management plan is vital in the retention of existing and exploration of new customers ● Fully aware of the necessity of consolidating the ideas of management and all levels of staff members in the process of establishing / formulating the risk management plan ● Master the situation that a lot of ICT products / services related activities and even customer management tasks are outsourced, thus the input from outsourcing parties are also vital in the process of risk management plan formulation ● Be aware of the wide choices of risk assessment tools and measurement methods while formulating the company's risk management plan, each with its relative strength and shortcomings <p>6.2 Formulate risk management plans</p> <p>Be able to:</p> <ul style="list-style-type: none"> ● Identify key risk management areas including outsourcing parties (risk of not delivery), service recovery (usually built into CRM sub-strategies), etc ● Carefully analyse different operations of the company (as an ICT products / services provider) which warrant risk management and controls ● Create an appropriate CRM risk management plan for the company based on the risk of the above risk analysis ● Develop specific risk management tactics according to the types of products, customer segments or even geographical locations ● Always take full effort to ensure that the risk management plan developed is consistent with the company's CRM strategies and risk appetites ● Set up risk limits in key CRM activities of the company after identifying and categorising possible risks ● Develop relevant infrastructure to support the CRM risk management plan ● Design and apply monitoring measures to ensure smooth implementation of the CRM risk management plan 	

	<ul style="list-style-type: none"> ● Develop or acquire different assessment tools or measurement methods after considering particular needs of the plan such as nature, business need, staff expertise, etc ● Design measures to ensure limit utilisation and that risk levels are within preset criteria ● In terms of implementation, always ensure the existence of a concrete mechanism for staff members / outsourcers to follow, for example employees can compensate the customers up to a certain level <p>6.3 Exhibit professionalism</p> <ul style="list-style-type: none"> ● Always ensure all related staff members / outsourcers contribute their greatest effort honestly in the formulation and implementation of the company's CRM risk management plan ● While devoting all preferences to customer, try hard to strike a proper balance of interests between different parties including employees, outsourcers and the company as a whole ● Always maintain an optimal balance between all related technological, political, social and legal issues
7. Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ol style="list-style-type: none"> i. successfully formulate / create an optimal CRM risk management plan for the company ii. ensure the risk management plan will be understood and complied by all involved parties including own employees and outsourcers iii. ensure customer relationship will be enhanced and customer retention can be achieved after implementation of the established risk management plan
Remark	