Specification of Competency Standards for the Import and Export Industry

Unit of Competency

Functional Area: Operations Management

Title	Measure loss exposures in conducting import and export activities
Code	105327L5
Range	This unit of competency is applicable to practitioners in the import and export industry. It involves the collection of information to estimate and analyse loss exposures.
Level	5
Credit	7 (for reference only)

Competency	Performance Requirement
	1. Possess knowledge of risk assessment
	• Use a range to techniques to identify loss exposures including
	  • property loss exposures, e.g., plants, equipment, inventory, and suppliers
	  • liability loss exposures, e.g., defective products, environmental pollution, premises and general liability, discrimination against employees, liability arising from company vehicles
	  • business income loss exposures, e.g., contingent business income loss, loss of income from a covered loss
	  • human resources loss exposures, e.g. death or disability of key employees, and job-related injuries
	  • crime exposures, e.g., robberies, employee theft and dishonesty, fraud, internet and computer crime, theft of intellectual property
	  • employee benefit loss exposures, e.g., failure to comply with government regulations, group life, and retirement plan exposures
	  • foreign loss exposures, e.g., acts of terrorism, foreign currency risks, political risks
	  • intangible property loss exposures, e.g., loss of goodwill and market reputation, loss or damage to intellectual property
	• Use a range of skills to identify sources and collect information to measure and analyse loss exposures
	2.1. Gather relevant sources of information
	• Develop different assessment tools to identify loss exposures (e.g., risk analysis questionnaires and checklists, flowcharts, financial statements, and historical loss data)
	• Acquire updated information of industry trends, market change, political and economic situations that may create loss exposures
	2.2. Measure and analyse loss exposures
	• Estimate the loss frequency for each type of loss exposure
	• Estimate the loss severity for each type of loss exposure
	• Rank the various loss exposures according to their relative importance
	• Estimate the maximum possible loss (i.e., the worst loss that could happen)
	• Estimate the probable maximum loss (i.e., the worst that is likely to happen)

Assessment Criteria	The integrated outcome requirements of this unit of competency are: • Capable of collecting relevant information • Capable of measuring and analysing loss exposures
Remark	