

**Specification of Competency Standards**  
**for the Logistics Industry**  
**Unit of Competency**

Functional Area - Sales, Marketing and Customer Services

Title	Formulate and implement project risk management
Code	LOSASM604B
Range	This unit of competency is applicable to logistics service providers. Practitioners should be able to apply risk management knowledge, techniques and methods to identify, analyse, formulate and implement the risks management of a project.
Level	6
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Know about project management and risk management <ul style="list-style-type: none"> <li>• Know about the principles of project management</li> <li>• Know about the principles of risk management</li> <li>• Understand business operations in logistics related industries</li> <li>• Understand the external and internal factors that potentially affect the project progress and output</li> <li>• Understand company policy and procedures</li> </ul> </li> <li>2. Establish risk context <ul style="list-style-type: none"> <li>• Evaluate organisational processes and procedures for risk management</li> <li>• Identify scope for the risk management process</li> <li>• Establish potential risk assessment and contingency management</li> <li>• Identify stakeholders and their potential damages and impact</li> <li>• Negotiation plan exist and ready to use</li> <li>• Review risk context from political, economical, financial, and social perspectives</li> <li>• Evaluate strengths and weaknesses of present arrangements</li> <li>• Record critical success factors, goals, or objectives</li> <li>• Attain support for risk management activities</li> <li>• Communicate with relevant personnel about the risk management process</li> <li>• Report the actual progress</li> </ul> </li> <li>3. Identify risks <ul style="list-style-type: none"> <li>• Identify risks with stakeholders</li> <li>• Examine risks</li> <li>• Risk mitigation plan and contingency</li> </ul> </li> <li>4. Analyse risks <ul style="list-style-type: none"> <li>• Assess occurrence of risks</li> <li>• Analyse impact of risks</li> <li>• Evaluate and prioritise risks for treatment</li> <li>• Apply appropriate risk control techniques (e.g., risk avoidance, loss prevention, and loss reduction) to develop risk mitigation plans</li> <li>• Risk mitigation plan and contingency</li> </ul> </li> <li>5. Select and implement risk mitigations <ul style="list-style-type: none"> <li>• Identify and select measures for risk management</li> <li>• Develop action plan to implement risk mitigation plan</li> <li>• Communicate risk management processes to stakeholders</li> </ul> </li> </ol>

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	<ul style="list-style-type: none"> <li>• Ensure documents are in order and stored appropriately</li> <li>• Implement and monitor action plan</li> </ul> <p>6. Evaluate risk measures</p> <ul style="list-style-type: none"> <li>• Collect data and information to evaluate the effectiveness of risk measures</li> <li>• Provide effective recommendations for further improvements</li> <li>• Assess the impact and negotiate</li> </ul>
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Capable of carrying out risk management plan;</li> <li>• Capable of analysing details of monitoring arrangements for risk management plan and evaluating risk management plan's efficacy in treating risks;</li> <li>• Capable of selecting and implementing risk mitigation plans; and</li> <li>• Capable of evaluating the effectiveness of risk measures</li> </ul>
Remark	