

Unit of Competency**Functional Area: Operational Management**

Title	Formulate Risk Management Strategies
Code	104898L5
Range	This unit of competency (UoC) is applicable in timepiece companies. It covers the abilities to master extensive information under a business environment with possibility of changes to formulate risk management plans for the organization.
Level	5
Credit	9 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Understand the scope and source of risks <ul style="list-style-type: none"> • Understand the source of risks, e.g.: natural disaster, fire accident, burglary and the quality of internal management, etc. • Understand the scope of operations and daily operation of the organization • Understand the organization's scope of risks, e.g.: <ul style="list-style-type: none"> • Direct property loss • Inventory loss • Facility damages • Loss of special talents • Computer operational system failure • Loss of important record and information • Corporate reputation damaged 2. Formulate risk management strategies <ul style="list-style-type: none"> • Master various kinds of risk assessments to formulate risk management strategies for the organization and make the most suitable decision under a business environment with possibility of changes <ul style="list-style-type: none"> • Choose the most desirable assets assurance plan for the enterprise in face of unpredictable and tangible risk and loss, such as: property loss, inventory loss and facility loss, etc. • Should monitor and review the organization's human resources policy, such as training policy, promotion and employment conditions, etc. in face of the risk of loss talents • Should monitor and review the policy of daily operational management and equipment in face of operational facility risk, such as unstable operation of computer systems or equipment • Should monitor and review daily operations and monitoring systems, such as security system, receipt and delivery of inventory and records, etc. in face of inventory loss risk due to burglary • Should take into consideration the corporate public relations strategy in face of the risk of corporate reputation • Formulate organizational management system and relevant indicators as well as allocate suitable resources to implement risk management plans • Formulate customer credit risk management strategies 3. Exhibit professionalism <ul style="list-style-type: none"> • Formulate protective measures (e.g. insurance policy) to minimize the interruption to corporate business and operation caused by disasters, so as to reduce risks • Protect the overall benefit of the organization, customers and business partners when implementing risk management
Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ul style="list-style-type: none"> • Integrate various kinds of information in a business environment with possibility of changes to formulate different risk management strategies for the organization, so as to reduce risks; and • Estimate and utilize resources appropriately, so that the contingency measures can be implemented if the situation deems necessary.
Remark	