



**Australian Government**

# **FNSFMK517 Analyse risk mitigation in the operations process**

**Release: 1**

## FNSFMK517 Analyse risk mitigation in the operations process

### Modification History

| Release   | Comments                                                                              |
|-----------|---------------------------------------------------------------------------------------|
| Release 1 | This version first released with FNS Financial Services Training Package Version 4.0. |

### Application

This unit describes the skills and knowledge required to analyse risks in the financial market operations process and determine appropriate mitigation and treatment methods.

It applies to individuals with highly specialised knowledge who use analytical skills and systematic approaches to make judgements and provide organisational advice relating to risk.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the relevant regulator for specific guidance on requirements.

### Unit Sector

Financial markets

### Elements and Performance Criteria

| ELEMENT                                               | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Elements describe the essential outcomes.</i>      | <i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>                                                                                                                                                                                                                                                                                                                                   |
| 1. Determine financial market operation risk profiles | 1.1 Identify types and characteristics of financial market risks relevant to the operations process of the organisation<br>1.2 Analyse operations processes to detect risk<br>1.3 Assess operations processes of the organisation for exposure to identified financial market risks using existing measures and relevant risk measurement techniques and tools<br>1.4 Rank identified risks against likelihood and organisational impact |
| 2. Develop risk mitigation strategy                   | 2.1 Consider risk mitigation options and treatments for each risk identified in operations process<br>2.2 Select appropriate treatment options<br>2.3 Determine financial and non-financial costs and benefits arising from treatment options<br>2.4 Review adequacy of existing controls, and establish need for                                                                                                                        |

| ELEMENT                                    | PERFORMANCE CRITERIA                                                                                                                                                                                                                                               |
|--------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                            | additional or alternative controls                                                                                                                                                                                                                                 |
| 3. Develop risk mitigation recommendations | 3.1 Identify and establish personnel and resources necessary to carry out actions<br>3.2 Develop viable recommendations to management to mitigate organisational risks<br>3.3 Establish key indicators to monitor the effectiveness of the risk mitigation process |

## Foundation Skills

*This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.*

| Skill              | Description                                                                                                                                                                                                                                                                                                                                                                                                     |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reading            | <ul style="list-style-type: none"> <li>Analyses complex information from a range of sources to determine requirements and complete necessary actions</li> </ul>                                                                                                                                                                                                                                                 |
| Writing            | <ul style="list-style-type: none"> <li>Prepares formal and informal documents using appropriate terminology and clear language and concepts appropriate for the audience and purpose</li> </ul>                                                                                                                                                                                                                 |
| Oral communication | <ul style="list-style-type: none"> <li>Participates in verbal exchanges using active listening and questioning skills to disseminate, present and clarify information</li> </ul>                                                                                                                                                                                                                                |
| Numeracy           | <ul style="list-style-type: none"> <li>Uses mathematical equations to perform calculations relating to financial data</li> </ul>                                                                                                                                                                                                                                                                                |
| Teamwork           | <ul style="list-style-type: none"> <li>Selects and uses appropriate conventions and protocols when communicating with personnel</li> </ul>                                                                                                                                                                                                                                                                      |
| Self-management    | <ul style="list-style-type: none"> <li>Accepts responsibility for planning and sequencing complex tasks and workload</li> <li>Uses formal analytical processes to identify potential problems and lateral thinking processes to generate possible solutions</li> <li>Applies systematic and analytical decision-making processes to select appropriate options in complex and non-routine situations</li> </ul> |

## Unit Mapping Information

Supersedes and is equivalent to FNSFMK507 Analyse risk mitigation in the operations process.

## Links

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>