



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **FNSILA504A Negotiate and effect settlement**

**Revision Number: 1**

## FNSILA504A Negotiate and effect settlement

### Modification History

Not applicable.

### Unit Descriptor

<b>Unit descriptor</b>	<p>This unit describes the performance outcomes, skills and knowledge required to identify all available options for settlement and to assist in the settlement process relating to loss situations, damage or injury including dispute resolution in the case of contention within the settlement process.</p> <p>This unit is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements including legislation administered by the Australian Securities and Investments Commission (ASIC).</p>
------------------------	---

### Application of the Unit

<b>Application of the unit</b>	<p>This unit applies to job roles in the loss adjusting sector and may be applied within organisations of various sizes and across a range of customer bases.</p>
--------------------------------	---

### Licensing/Regulatory Information

Not applicable.

### Pre-Requisites

<b>Prerequisite units</b>	

<b>Prerequisite units</b>		

## Employability Skills Information

<b>Employability skills</b>	This unit contains employability skills.
-----------------------------	--

## Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
---	--

## Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Prepare for negotiation	<p>1.1. All relevant issues and options for <i>settlement</i> are accurately identified in advance</p> <p>1.2. Additional information to support identified options is obtained from relevant sources and parties</p> <p>1.3. Cost-benefit analysis is carried out on the various options identified</p> <p>1.4. Settlement options are documented and prepared accurately and in a professional format prior to negotiations, and are in accordance with <i>client or organisation policy and guidelines</i> and with <i>relevant legislation</i> or codes of practice</p>
2. Attend meetings with involved parties	<p>2.1. All information and data needed for settlement meetings are documented and prepared accurately and in a professional format prior to meetings</p> <p>2.2. Meetings of involved parties are arranged and conducted in an orderly, courteous, and professional manner to ensure resolution of issues and settlement</p> <p>2.3. Outcomes of meetings between involved parties are documented accurately and promptly and are conveyed to clients and all other parties</p> <p>2.4. Wherever appropriate, all <i>documents</i> and information processed as part of the loss adjustment activities are made available to other involved parties promptly</p>
3. Represent clients in cases where disputation arises	<p>3.1. Clients or organisational interests are satisfactorily represented and all relevant documents and information are provided to other involved parties</p> <p>3.2. <i>Disputations</i> are managed courteously and professionally to ensure the best and most expeditious outcome for clients or organisations at minimum monetary and other <i>costs</i></p>

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

#### Required skills

- well-developed communication skills to:
  - interview, consult and negotiate with clients and others
  - determine and confirm information, using questioning and active listening as required
  - make effective presentations
  - liaise with others, share information, listen and understand
  - use language and concepts appropriate to cultural differences
- numeracy and IT skills to:
  - perform calculations related to achieving required outcomes
  - use computer applications (word processing, spreadsheet, database, specific purpose computer systems) to assist in achieving required outcomes
  - access and update records electronically
  - access web-based information services
- well-developed literacy skills to read and interpret documentation from a variety of sources and record and consolidate relevant related information
- research and analysis skills for accessing and interpreting relevant information
- organisational skills, including the ability to plan and sequence work
- analytical, evaluative and deductive reasoning skills

#### Required knowledge

- claims management processes and procedures
- insurance and contract law principles
- loss adjusting principles and practice
- recovery
- relevant legislation and industry codes of practice
- relevant policy coverage and requirements
- risk management and minimisation principles and techniques
- salvage and disposal methods
- subrogation
- types and categories of insurance policies

## Evidence Guide

<b>EVIDENCE GUIDE</b>	
<p>The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
<b>Overview of assessment</b>	
<b>Critical aspects for assessment and evidence required to demonstrate competency in this unit</b>	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> <li>• maintain and apply thorough knowledge of types and categories of insurance policies, industry codes of practice and relevant legislation</li> <li>• follow loss adjusting practices and principles</li> <li>• apply security practices and principles</li> <li>• use risk management/minimisation practices.</li> </ul>
<b>Context of and specific resources for assessment</b>	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> <li>• competency is demonstrated in the context of the work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment</li> <li>• access to and the use of a range of common office equipment, technology, software and consumables</li> <li>• access to organisation records</li> <li>• access to organisational policies and procedures.</li> </ul>
<b>Method of assessment</b>	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> <li>• evaluating an integrated activity, which combines the elements of competency for the unit, or a cluster of related units of competency</li> <li>• observing processes and procedures in workplaces</li> <li>• verbal or written questioning on underpinning knowledge and skills</li> <li>• evaluating samples of work</li> <li>• accessing and validating third party reports</li> <li>• setting and reviewing workplace projects and business simulations or scenarios.</li> </ul>
<b>Guidance information for assessment</b>	

## Range Statement

<b>RANGE STATEMENT</b>	
<p>The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.</p>	
<p><b><i>Settlement</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• acceptance or denial of claim</li> <li>• monetary pay out</li> <li>• reinstatement or replacement</li> <li>• repair</li> <li>• withdrawal of claim.</li> </ul>
<p><b><i>Client or organisation policy and guidelines</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• Australasian Institute of Chartered Loss Adjusters (AICLA) Charter of Objects and Professional Conduct</li> <li>• claims</li> <li>• clerical</li> <li>• codes of practice</li> <li>• complaints and dispute resolution procedures</li> <li>• information technology and administrative systems</li> <li>• loss</li> <li>• loss recovery</li> <li>• policies and procedures in relation to risks.</li> </ul>
<p><b><i>Relevant legislation</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• building or construction</li> <li>• Consumer Credit Codes</li> <li>• contracts law</li> <li>• environmental</li> <li>• hazardous materials</li> <li>• Insurance Agents and Brokers Act</li> <li>• Insurance Contracts Act</li> <li>• motor vehicle</li> <li>• occupational health and safety (OHS)</li> <li>• Privacy Act</li> <li>• Trade Practices Act.</li> </ul>
<p><b><i>Documents</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• interview records</li> <li>• legal, government, professional and other documents</li> <li>• meeting notes</li> <li>• minutes</li> <li>• official, general and other correspondence</li> <li>• reasons for adopting/incorporating certain evidence/information preferred over other evidence and</li> </ul>

<b>RANGE STATEMENT</b>	
	information <ul style="list-style-type: none"> <li>• records of telephone conversations</li> <li>• reference to all evidence and information considered</li> <li>• reports from others such as loss adjusters, assessors, insurers, medical providers and others</li> <li>• the basis on which the decision was determined</li> <li>• time sheets.</li> </ul>
Representing clients in <i>disputations</i> may involve:	<ul style="list-style-type: none"> <li>• formal legal proceedings</li> <li>• informal meetings between involved parties</li> <li>• more formal conciliation.</li> </ul>
<i>Costs</i> may include:	<ul style="list-style-type: none"> <li>• administrative</li> <li>• legal</li> <li>• money</li> <li>• professional</li> <li>• reputation</li> <li>• time.</li> </ul>

### Unit Sector(s)

<b>Unit sector</b>	Insurance loss adjusting
--------------------	--------------------------

<b>ELEMENT</b>	<b>PERFORMANCE CRITERIA</b>

### Competency field

<b>Competency field</b>	
-------------------------	--

### Co-requisite units

<b>Co-requisite units</b>		



