



Australian Government

Department of Education, Employment and Workplace Relations

FNSISV403A Survey potential risk exposure

Revision Number: 1

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Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to survey risk exposure including examination of risk, analysis of data, reporting and making recommendations specifying loss control measures.</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>
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Application of the Unit

Application of the unit	<p>This unit applies to underwriting job roles in a range of insurance sectors and may be applied within organisations of various sizes and across a range of customer bases.</p>
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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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.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Determine hazards and exposures	1.1. <i>Comprehensive physical examination</i> of risk is undertaken including <i>hazard indicators</i> 1.2. Client and relevant third parties are interviewed to identify potential <i>risk</i> components
2. Analyse level of hazards and exposures	2.1. Risk type is assessed against known exposure factors 2.2. Risk type is assessed for compliance with <i>relevant legislation</i> and <i>organisation policy</i> 2.3. Acceptability of risk is determined within organisation underwriting requirements 2.4. Maximum probable loss is estimated, where applicable
3. Report and recommend on condition of risk exposure	3.1. Condition and improvements to risk are fully documented according to organisation policy and procedures 3.2. Loss control measures as applicable are specified as a condition of risk acceptance and renewal
4. Monitor and review loss control measures	4.1. Loss control measures are followed up and recorded according to organisation policy and procedures 4.2. Risk improvement is monitored against loss control measures 4.3. Follow-up risk surveys are conducted as required

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:
 - determine and confirm information, using questioning and active listening as required
 - relate effectively to customers
 - 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
- self-management skills for complying with ethical, legal and procedural requirements research and analysis skills for accessing and interpreting relevant information
- organisational skills, including the ability to plan and sequence work

Required knowledge

- Australia/NZ Standard AS/NZS 4360: 2004 Risk Management
- how to calculate Maximum Probable Loss (MPL)
- industry market position relative to product/line of business
- organisation policy, procedures, underwriting guidelines and authorities
- organisation products
- reinsurance
- relative industry hazards
- relevant legislative and compliance requirements, especially Financial Services Reform Act (FSRA) and Corporations Act
- risk prevention methods and application
- statutory hazard, health and safety legislation

Evidence Guide

EVIDENCE GUIDE	
<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>	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> • interpret and comply with all legal obligations and organisation procedures in order to identify and thoroughly assess risks, and develop a suitable policy • apply all relevant legal obligations and organisation procedures in order to identify and thoroughly assess risks • maintain a sound understanding of relevant organisation products and services and relevant underwriting guidelines and procedures • conduct comprehensive surveys of potential risk exposure and develop recommendations to control or minimise risk of loss • monitor loss control measures in accordance with underwriter's guidelines and organisation procedures.
Context of and specific resources for assessment	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> • 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 • access to and the use of a range of common office equipment, technology, software and consumables • access to organisation records • access to organisation policies and procedures.
Method of assessment	<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"> • evaluating an integrated activity, which combines the elements of competency for the unit, or a cluster of related units of competency • observing processes and procedures in workplaces • verbal or written questioning on underpinning knowledge and skills • evaluating samples of work • accessing and validating third party reports.

EVIDENCE GUIDE	
Guidance information for assessment	

Range Statement

RANGE STATEMENT	
<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><i>Comprehensive physical examination</i> may include reference to:</p>	<ul style="list-style-type: none"> • organisation standard risk procedures, as defined by individual insurers.
<p><i>Hazard indicators</i> may include:</p>	<ul style="list-style-type: none"> • adjoining occupations • compliance with statutory requirements (storage and licensing) • construction standard of premises • degree of quality control • incident reporting systems • level of maintenance/housekeeping • management and staff attitude and commitment to safety and security of property and persons • protection levels for fire and burglary • proximity to other business premises/remote locations • response times to services, such as fire/security/police • risk management programs • security program.
<p><i>Relevant legislation</i> may include:</p>	<ul style="list-style-type: none"> • building codes • FSRA • safety and hazardous goods • workers compensation and other industrial legislation.
<p><i>Organisation policy</i> may include:</p>	<ul style="list-style-type: none"> • diary keeping procedures.

Unit Sector(s)

Unit sector	Insurance services
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		