



Australian Government

Department of Education, Employment and Workplace Relations

FNSLOSS504B Negotiate/effect settlement

Release: 1

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Modification History

Not applicable.

Unit Descriptor

This unit describes the functions involved in identifying and negotiating with relevant parties, appropriate settlements relating to loss situations, damage or injury.

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Application of the Unit

This unit requires the application of research, planning and negotiation skills in order to identify all available options for settlement and to assist in the settlement process. It includes application of dispute resolution skills in the case of contention within the settlement process. This unit requires the application of research, planning and negotiation skills in order to identify all available options for settlement and to assist in the settlement process. It includes application of dispute resolution skills in the case of contention within the settlement process.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

The required outcomes described in this unit of competency contain applicable facets of employability skills. The Employability Skills Summary for the qualification in which this unit of competency is packaged, will assist in identifying employability skills requirements. The required outcomes described in this unit of competency contain applicable facets of employability skills. The Employability Skills Summary for the qualification in which this unit of competency is packaged, will assist in identifying employability skills requirements.

Elements and Performance Criteria Pre-Content

Elements define the essential outcomes of a unit of competency.

Performance Criteria describe the required performance needed to demonstrate achievement of the Element. **Bold, italicised** terms are elaborated in the Range Statement. Assessment of performance is to be consistent with the Evidence Guide.

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Elements and Performance Criteria

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Element	Performance Criteria
1 Prepare for negotiation	1.1 All relevant issues and options for settlement are accurately identified in advance 1.2 Additional information to support identified options is obtained from relevant sources and parties 1.3 Cost-benefit analysis is carried out on the various options identified 1.4 Settlement options are documented and prepared accurately and in a professional format prior to negotiations, and are in accordance with client or company policy and guidelines and with relevant legislation or codes of practice
2 Attend meetings with involved parties	2.1 All information and data needed for settlement meetings are documented and prepared accurately and in a professional format prior to meetings 2.2 Meetings of involved parties are arranged and conducted in an orderly, courteous, and professional manner to ensure resolution of issues and settlement 2.3 Outcomes of meetings between involved parties are documented accurately and promptly and are conveyed to clients and all other parties 2.4 Wherever appropriate, all documents and information processed as part of the loss adjustment activities are made available to other

- involved parties promptly
- 3 Represent clients in cases where disputation arises
 - 3.1 Clients or organisational interests are satisfactorily represented and all relevant documents and information are provided to other involved parties
 - 3.2 Disputations are managed courteously and professionally to ensure the best and most expeditious outcome for clients or organisations at minimum monetary and other **costs**

Required Skills and Knowledge

REQUIRED KNOWLEDGE&SKILLS

Knowledge requirements include:

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

Skills requirements include:

analytical, evaluative and deductive reasoning
problem solving
presentation skills
planning and organising
record keeping
interview, consultation and negotiation
communication and listening skills
time management
using computer databases, member/client databases and telecommunication devices

Evidence Guide

EVIDENCE GUIDE

Assessment of performance requirements in the unit should be undertaken in an industry context. The Evidence Guide identifies the critical aspects, knowledge and skills to be demonstrated to confirm competency for the unit. Competency is demonstrated by performance of all stated criteria including the Range Statement applicable to the workplace.

Overview of assessment requirements

To achieve competency in this unit, a person must be able to demonstrate:

thorough knowledge of types and categories of insurance policies, industry codes of practice and relevant legislation

loss adjusting principles and practice

security practices and principles

risk management/minimisation practices

Critical aspects of evidence

Evidence required for demonstration of consistent performance:

Competency is demonstrated by performance of all stated criteria including the Range Statement applicable to the particular workplace environment and should cover all necessary knowledge and skills requirements.

Delivery/assessment relationship to other units:

This unit may be assessed independently, however demonstration of competency the following unit is a prerequisite:

FNSLOSS502B Evaluate collected information.

Assessment requirements

Method of assessment:

For valid and reliable assessment of this unit, evidence should be gathered through a range of methods to indicate consistent performance.

Assessment of this unit of competence will usually include observation of processes and procedures, oral and/or written questioning on required knowledge and skills and other methods as required.

Context of assessment:

Assessment of performance requirements in this unit should be undertaken within the financial services industry context and should cover aspects of personal/financial responsibility and accountability.

Aspects of competency, including the attainment of relevant knowledge and skills, may be assessed in a relevant workplace, a closely simulated work environment, or other appropriate means that clearly meet industry competency requirements.

Resources required for assessment:

This unit may involve simulation equipment, facilities for workplace or simulated environment assessment, availability of qualified assessors.

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that will affect performance.

The following variables 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. If **bold italicised** text is shown in Performance Criteria, details of the text are provided in the Range Statement.

Settlement may include:

- reinstatement or replacement
- repair
- monetary pay out
- acceptance or denial of claim
- withdrawal of claim

Client or company policy and guidelines may include:

- policies and procedures in relation to risks
- claims
- loss
- loss recovery
- codes of practice
- clerical
- information technology and administrative systems
- complaints and dispute resolution procedures
- Australian Institute of Chartered Loss Adjusters (AICLA) Charter of Objects and Professional Conduct

Relevant legislation may include:

- Insurance Contracts Act
- Insurance Agents and Brokers Act
- Consumer Credit Code
- Privacy Act
- Contracts Law
- Trade Practices Act
- industry codes of practice
- environmental
- building or construction
- hazardous materials
- occupational health and safety (OH&S)

Documentation may include:

motor vehicle

reference to all evidence/information considered

reasons for adopting/incorporating certain evidence/information preferred over other evidence/information

the basis on which the decision was determined

legal/government/professional/other documents

reports from others such as loss adjusters/assessors/ insurers, medical providers and others

minutes

meeting notes

records of telephone conversations

time sheets

interview records

official/general/other correspondence

Representing clients in disputations may involve:

informal meetings between involved parties

more formal conciliation

formal legal proceedings

Costs may include:

money

time

legal

administrative

professional

reputation

Unit Sector(s)

Not applicable.

Relationship to other units

This unit replaces FNSLOSS504A.

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