

DEMONSTRATE RISK MANAGEMENT SKILLS

UNIT CODE: TO/CU/TGCC/04/05/A

UNIT DESCRIPTION

This unit describes the competencies required to demonstrate risk management skills in hospitality and tourism industry. It involves identifying and categorizing risks, developing analysis of risks and risk control methods, implementing a risk management system, monitoring and evaluating the implementation of a risk management system and preparing reports on risk management.

ELEMENTS AND PERFORMANCE CRITERIA

ELEMENT These describe the key outcomes which make up workplace function.	PERFORMANCE CRITERIA These are assessable statements which specify the required level of performance for each of the elements. <i>Bold and italicized terms are elaborated in the Range</i>
1. Identify and classify risks	1.1 Sources of risks in hospitality and tourism industry are identified 1.2 Risks in hospitality and tourism industry are categorized as per the type of the risk 1.3 Risk management is described in context of hospitality and tourism
2. Develop analysis of risks and risk control methods	2.1 Risk management criteria is analyzed and determined 2.2 Risk management process is determined 2.3 Risk management procedures are determined 2.4 Risk control techniques in the hospitality and tourism industry are determined. 2.5 Risk management criteria, process, procedures and risk control techniques in the hospitality and tourism industry are evaluated and selected according to the analysis performed.

<p>3. Develop analysis resources use</p>	<p>3.1 All resources required for the risk control are identified 3.2 Quantity and nature of resources is determined 3.3 Resource flow is analyzed through different parts of the risk control methods</p>
<p>4. Implement risk management system</p>	<p>4.1 Risk management implementation plan is developed 4.2 The social-economic scope of the risk management implementation plan is determined 4.3 Objectives of stakeholders are identified 4.4 Activities of stakeholders are identified based on objectives of stakeholders 4.5 Individual roles/responsibilities are determined and performed based on the activities identified 4.6 The risk management implementation plan is communicated to stakeholders.</p>
<p>5. Monitor and evaluate implementation of risk management system</p>	<p>5.1 Risk management monitoring and evaluation tools are developed 5.2 Implementation plans are reviewed 5.3 Risk management implementation plan, procedures and risk control techniques are monitored and evaluated 5.4 Activities are periodically monitored and evaluated according to the objectives of the stakeholders. 5.5 Feedback from stakeholders are gathered and considered for improvement of the risk management system based on consultations. 5.6 Data gathered is analyzed based on evaluation requirements 5.7 Recommendations are submitted based on the findings 5.8 Management support systems are set/ established to sustain and enhance the risk management system. 5.9 Risk management responses are monitored, evaluated and reported to concerned/ proper authorities.</p>

RANGE

This section provides work environments and conditions to which the performance criteria apply. It allows for different work environments and situations that will affect performance.

VARIABLE	RANGE
<p>1. Sources of risks in hospitality and tourism industry may include but not limited to:</p>	<p>1.1 Physical environment- natural advertise such as floods, earthquakes, hurricanes, landslides etc. leading to loss of life and property</p> <p>1.2 Social environment: human behaviour, values, norms, standards, culture and state of social behaviour involve crimes, improper conduct, civil unrest, strikes, riots</p> <p>1.3 Political environment: Acts of war, global trade, sudden changes in policies can be a source of risks</p> <p>1.4 Operational environment: unfavourable working conditions, inadequate skills and knowledge, failures of installation and production processes, inadequate resources and facilities</p> <p>1.5 Economic environment: economic recession or currency rates, credit rates or credit policies, improper management of liquidity/cash flow, inadequate knowledge on resource utilization</p> <p>1.6 Legal environment: civil legislation, fines</p> <p>1.7 Cognitive environment: - perception and conceptualization of risks, inability to identify, classify and manage risks.</p>
<p>2. Categories of risks may include but not limited to:</p>	<p>2.1 Physical risks</p> <p>2.2 Human risks</p> <p>2.3 Financial resource exposure</p>
<p>3. Risk management criteria/considerations may include but limited to:</p>	<p>3.1 How organizational resources are threatened</p> <p>3.2 Adverse effects that can prevent an organization from achieving its goals</p> <p>3.3 Favorable possibilities</p>

<p>4. Risk management process may include but not limited to:</p>	<p>4.1 Identification of risks in a selected domain of interest</p> <p>4.2 Planning – develop a risk management plan</p> <p>4.3 Mapping out:</p> <ul style="list-style-type: none"> ✓ The social scope of the risk management ✓ Identity objectives of stakeholders ✓ Basis upon which the risks will be evaluated (indicators) <p>4.4 Defining a framework for activity and an agenda for identification</p> <p>4.5 Developing analysis of risks involved in the process: quantitative and qualitative risk analysis</p> <p>4.6 Mitigation or solution of risks using available technological, human and organizational resources</p> <p>4.7 Monitoring and controlling risk management system</p> <p>4.8 Preparation of reports and records</p> <p>4.9 Maintaining records</p>
<p>5. Risk management procedures may include but limited to:</p>	<p>5.1 Identifying possible sources of risks together with the circumstances needed to activate these risk factors</p> <p>5.2 Determining the direct and indirect consequences of risk assumption</p> <p>5.3 Measuring specific risk factors</p> <p>5.4 Determining the critical limits and deciding on mitigation actions</p> <p>5.5 Classification of risk factors into:</p> <ul style="list-style-type: none"> ✓ Insignificant risks that can be overlooked ✓ Substantial risks that can be put into consideration in applying risk control methods ✓ Risks under observation for future consideration

<p>6. Techniques of risk control may include but not limited to:</p>	<p>6.1 Risk avoidance and isolation 6.2 Risk reduction including preventive and repressive techniques; and categories of risk reduction; ✓ Physical safety precautions (security guards, CCTV, security and fire alarms, ✓ Staff training (such as safety and security training, customer care training) ✓ Security and indemnity procedures (contingency planning, quality control, guarantees of payment,) 6.3 Transfer of operations/re-location of risks 6.4 Risk retention- passive and active, intentional and unintentional 6.5 Transferring financial liability/insurance transfer 6.6 Repartition/atomisation/ risk distribution/spreading the risk</p>
<p>7. Analysis of resources required in risk control may include but not limited to:</p>	<p>7.1 Quantity and nature of the physical resources 7.2 Quantity and nature of human resources 7.3 Quantity and nature of financial resources</p>
<p>2. Implementation of sustainable risk management system may include but not limited to:</p>	<p>8.1 Objectives of stakeholders 8.2 Execution of activities of stakeholders 8.3 Individual roles/responsibilities based on activities of stakeholders 8.4 Organizational policies and procedures related to risk management 8.5 Communication of implementation plan to stakeholders</p>
<p>3. Monitoring and evaluation of risk management system may include but not limited to:</p>	<p>Monitoring and evaluating the risk management controls in the following areas: 9.1 Heating ventilation and air conditioning – systems and procedures 9.2 Boiler plant and water - systems and procedures 9.3 Engineering services- systems and procedures</p>

	<p>9.4 Chillers and refrigeration - Systems and procedures</p> <p>9.5 Power and distribution and energy management- systems and procedures</p> <p>9.6 Electrical safety-extension cords and fittings, fittings and outlets, powered machines and portable tools, residue current devices, switchboards, inspection and testing, work practices (systems and procedures)</p> <p>9.7 Waste and environmental management- systems and facilities</p> <p>9.8 Incident response, management, recording and investigations</p> <p>9.9 Security operations and systems</p> <p>9.10 Insurances</p> <p>9.11 Risk management in purchasing and receiving</p> <p>9.12 Closed circuits TV and alarm systems</p> <p>9.13 Food and beverage services and kitchen operations</p> <p>9.14 Fire safety systems, procedures and equipment</p> <p>9.15 Housekeeping and cleaning operations</p> <p>9.16 Laundry operations and facilities</p> <p>9.17 Loading dock/receiving operations</p> <p>9.18 Lifts, escalators, walkways</p> <p>9.19 Valet and other parking spaces</p> <p>9.20 Children's facilities and child minding</p> <p>9.21 Luggage handling and storage facilities</p> <p>9.22 Fitness and health facilities</p> <p>9.23 Swimming pools, beachfronts and spas</p> <p>9.24 Documented safety procedures and protocols</p> <p>9.25 Sporting facilities and services</p> <p>9.26 Gardens, terraces and grounds</p> <p>9.27 Guests rooms and floor safety</p> <p>9.28 Emergency planning and preparedness</p> <p>9.29 Guest and occupational safety committee</p>
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	9.30 Training- life and general safety 9.31 Quality management system and management commitment
4. Risk management reports and records may include and not limited to:	10.1 Risks analysis reports and records 10.2 Risk control reports and records 10.3 Impact assessment reports and records 10.4 Monitoring and evaluation reports and records

REQUIRED SKILLS AND KNOWLEDGE

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

Required Skills

The individual needs to demonstrate the following skills:

- Skills on preliminary identification of workplace risks
- Knowledge management.
- Critical thinking skills.
- Observation skills.
- Coordinating skills.
- Communication skills.
- Interpersonal skills.
- Troubleshooting skills.
- Presentation skills.
- Training skills.

Required Knowledge

The individual needs to demonstrate knowledge of:

- General Risk Management Principles.
- Risks recognition.
- Risks management organizations providing services on risk control and evaluation.
- National risk management regulations;
- Organizational/company/establishment/property policies and protocols.
- Systematic gathering of risk management issues and concerns.
- Company/organizational/establishment/property and recording protocols, procedures and policies/guidelines.
- Training and/or counselling methodologies and strategies.

EVIDENCE GUIDE

This provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge and range.

1. Critical Aspects of Competency	Assessment requires evidence that the candidate: 1.1 Identifies risks in the workplace and/or its indicators. 1.2 Requests for analysis and evaluation of risks in the workplace. 1.3 Gathers risk management issues and/or concerns raised by workers. 1.4 Identifies and implements prevention and control measures for specific risks. 1.5 Recommends appropriate risk controls based on result of risk control evaluation and risk control issues gathered. 1.6 Establish contingency measures, including emergency procedures in accordance with organization procedures. 1.7 Provides information to work team about company risk management program, procedures and policies/guidelines. 1.8 Participates in the implementation of risk management procedures and policies/guidelines. 1.9 Trains and advises team members on risk management standards and procedures. 1.10 Implements procedures for maintaining risk management -related records.
2. Resource Implications.	The following resources should be provided: 2.1 Workplace or assessment location. 2.2 Risk management personal records. 2.3 Risk impact assessment records
3. Methods of Assessment.	Competency may be assessed through: 3.1 Portfolio assessment. 3.2 Interview. 3.3 Case Study/Situation. 3.3 Observation/demonstration and oral questioning.
4. Context of Assessment.	Competency may be assessed on the job, off the job or a combination of these. Off the job assessment must be undertaken in a closely simulated workplace environment.

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