

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 5. Internal Control and Compliance
(Key Function – 5.2 Internal Control)

Title	Manage and monitor the internal control procedures to identify incidents of non-compliance
Code	109333L5
Range	Managing the movements in compliance risks indicators by monitoring the internal control systems and identifying non-compliance incidents. This applies to tracking different kinds of compliance risks indicators and internal control activities conducted in different areas of the bank.
Level	5
Credit	4 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the Subject Area</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Understand the external and internal rules and regulations and apply the knowledge to interpret relevant laws, regulations, guidelines and codes of conduct in order to identify the requirements on the banking operations; • Understand the internal control systems on businesses / operations of the bank in order to identify high risk areas and the indicators for monitoring. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Implement compliance monitoring plan (e.g. pre-transaction review and approval, on-going review of business processes, participation in corporate governance structure committees, etc.) to review compliance fulfilment of different activities; • Conduct regular checking on high risk areas and ascertain the extent of compliance with established standards, laws and regulation etc.; • Monitor outsourced activities on an on-going basis to ensure its compliance with statutory, regulatory and internal operational requirements; • Review new product or new business approval process to analyse compliance and operations risks involved. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Oversee and analyse data and information collected to spot any irregularities or non-compliance issues; • Identify the causes of deviations from normal level and carry out suitable remedial measures; • Report and escalate to relevant parties according to the judgment on severity of the incidents.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Monitoring level of compliance and operational risks in order to identify warning signal at an early stage accurately; • Reporting non-compliance and violation of internal procedural cases to different parties by extracting and presenting relevant data to facilitate understanding.
Remark	