

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 6. Technology Management
(Key Function – 6.3 Applications Design, Development and Maintenance)

Title	Employ technological tools and solutions from technology service providers for system and financial technology development
Code	109379L5
Range	Procurement of technological tools, both software and hardware, from outside vendors. This applies to procurement of different kinds of tools for system and financial technology development.
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 technological environment of the financial services industry and apply the knowledge to analyse benefits of acquiring external service providers and the corresponding risks; • Demonstrate knowledge in internal rules and regulations by applying it to establish policies and guidelines on acquisition of technological tools and solutions from technology service providers; • Understand existing and potential stance on use of cloud, outsourcing, partnerships and application to bank use of these external services. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Decide acquisition of technology and financial technology infrastructure and solutions including open source software from technology service providers after analysing needs of the bank, services of different vendors and cost effectiveness of different alternatives; • Evaluate the cost effectiveness of purchasing solutions from external vendors after comparing the pros and cons of different alternatives including in-house development; • Establish security standards to be exercised over bank's data entrusted to other organization based on analysis on potential security threats; • Formulate the business terms on which data will be dispatched and accepted, including responsibilities for loss, delay or error; • Establish service level agreement to ensure timely service of technology service providers through sourcing, communicating and negotiating with service providers. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Negotiate with technology service providers in formulating the best solutions for the bank's users; • Monitor due diligence and performance of technology service providers to ensure that standards and service level specified in the service agreement are being met; • Monitor cooperative relationship with technology service providers (e.g. handling and reviewing contracts of the technological facilities, etc.); • Decide the rights for bank's IT security or authorized independent third parties to undertake IT security reviews of supplier systems and facilities.

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Assessment Criteria	The integral outcome requirements of this UoC are: <ul style="list-style-type: none">• Provision of guidelines on acquiring services from external vendors based on the analysis on the benefits and risks;• Decision on acquisition of services from technology service providers. The decision should contain comparison of the pros and cons of in-house development and acquisition from the market;• Fulfilment of user requirements based on the monitoring of performance of the service providers.
Remark	