

Specification of Competency Standards of the Insurance Industry

**Unit of Competency**

**Functional Area: Underwriting**

Title	Manage underwriting operations
Code	105557L5
Range	This unit of competency is applicable to those who are responsible for monitoring company's underwriting operations. It involves establishing underwriting procedures, training relevant staff on the procedures, monitoring operations to prevent violations and solving day-to-day operational issues.
Level	5
Credit	5 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Possess knowledge in company's underwriting operations <ul style="list-style-type: none"> <li>• Comprehend the flow of underwriting operations</li> <li>• Comprehend features of company's products and target segments</li> <li>• Comprehend relevant laws and regulations</li> <li>• Be alert to potential correlations amongst different types of risks</li> <li>• Understand financial management of an insurance business</li> <li>• Understand all aspects of regulatory requirements</li> </ul> </li> <li>2(a). Establish governing mechanisms to guide company's underwriting operations <ul style="list-style-type: none"> <li>• Provide training and guidance to relevant staff on company's underwriting philosophy and procedures</li> <li>• Set up mechanism to prevent breaching of authority limits</li> <li>• Set up mechanism to prevent breaching of underwriting procedures, laws and regulations</li> </ul> </li> <li>2(b). Oversee underwriting operations <ul style="list-style-type: none"> <li>• Monitor execution of underwriting procedures</li> <li>• Resolve problems that arise in the day-to-day operation</li> <li>• Arrange data collection on underwriting operations</li> <li>• Communicate regularly with relevant units to review underwriting operations</li> <li>• Assess effectiveness and efficiencies of existing underwriting operations</li> <li>• Evaluate effectiveness of existing reporting lines</li> <li>• Analyze underwriting operations and identify areas to be improved</li> <li>• Improve underwriting procedures based on analysis results</li> </ul> </li> <li>3. Manage underwriting operations <ul style="list-style-type: none"> <li>• Master the flow and requirements of underwriting operations</li> <li>• Manage underwriting operations to achieve company's underwriting objectives</li> <li>• Ensure underwriting operations comply with company's underwriting manuals</li> <li>• Ensure underwriting operations comply with relevant laws and regulations.</li> </ul> </li> </ol>
Assessment Criteria	<p>The integral outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Able to identify areas of underwriting operations that require governing mechanisms</li> <li>• Able to set up effective governing mechanisms</li> <li>• Able to evaluate effectiveness of underwriting operations and improve accordingly</li> <li>• Able to manage underwriting operations to comply with company's underwriting procedures, relevant laws and regulations.</li> </ul>
Remark	This unit of competency is also applicable to general insurers and life insurers.