

Specification of Competency Standards of the Insurance Industry

Unit of Competency

Functional Area: Legal & Compliance

Title	Develop and maintain audit manuals
Code	105586L5
Range	This unit of competency is applicable to those who are responsible for developing and maintaining audit manuals. It involves working with different business units to identify areas of operations to be audited, designing step-by-step audit procedures, establishing guidelines to identify and report suspected operations, and improving audit manuals from time to time to enhance its practicality.
Level	5
Credit	6 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Possess knowledge in audit procedures <ul style="list-style-type: none"> • Fully aware of regulatory requirements in respect of the insurance industry, including all of the relevant ordinances and statutory regulations; guidance notes and circulars issued by the regulators; industry standards, guidelines and codes of practice issued by industry bodies • Comprehend audit system • Comprehend corporate development and risk management strategies • Familiar with operations of different business units 2. Develop and maintain effective audit manual <ul style="list-style-type: none"> • Work with different business units to identify areas of operations to be audited • Describe step-by-step audit procedures • Establish guidelines to identify and track suspected operations • Establish guidelines for reporting of suspected operations • Provide guidance to relevant staff on using audit manual • Analyze audit reports of different company units • Compare audit findings against actual operational performance, e.g. compliance conformance • Evaluate practicality of audit manual • Improve audit manual based on findings 3. Ensure audit manual supports corporate audit system <ul style="list-style-type: none"> • Design step-by-step audit manual with relevant guidelines to identify and report suspicious operations • Guide relevant staff on application of audit procedures • Evaluate and adjust manual contents based analysis of expected and actual operational performance.
Assessment Criteria	<p>The integral outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Able to collaborate with different units to identify areas of operations to be audited • Able to develop audit manual the establish instructions to determine and track suspicious operations • Able to review and improve the practicality of audit manual based on evaluation of operational performance.
Remark	This unit of competency is also applicable to general insurers, life insurers and broker.