

Specification of Competency Standards of the Insurance Industry

Unit of Competency

Functional Area: Sales & Distribution Management

Title	Develop channel recruitment strategies
Code	105605L6
Range	This unit of competency is applicable to those who are responsible for the recruitment of distribution channels. It involves formulating compensation policies, co-operation frameworks, and internal channel handling procedures to support the recruitment of channel partners, such as brokers, banks and institutions.
Level	6
Credit	4 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Possess knowledge in different distribution channels <ul style="list-style-type: none"> • Comprehend corporate channel distribution strategy • Comprehend characteristics, features, strengths and weaknesses of various types of distribution channels • Familiar with existing distribution channels for industry players • Familiar with partnership arrangements of different distribution channels • Familiar with legal or regulatory requirements on distribution channels • Comprehend support requirements of different distribution channels • Know about compensation policy and practices in the industry • Know about market practices in channel recruitment and establishment • Know about latest technological, social, economic, political, environmental changes that impact various distribution channels 2(a). Develop channel recruitment strategy <ul style="list-style-type: none"> • Formulate compensation policy, including range of commission, and incentives for different distribution channels • Establish co-operation framework, including scope of support, flexibility of pricing and ownership of customers, for different types of distribution channels • Establish internal services and channel handling processes to support different types of distribution channels • Formulate overall channel recruitment strategy 2(b). Introduce channel recruitment strategy <ul style="list-style-type: none"> • Develop tool kit for channel recruitment activities • Introduce channel recruitment strategy to relevant units • Set up channels to collect feedback from units on recruitment strategy 2(c). Review and adjust strategy continuously <ul style="list-style-type: none"> • Review strategy in light of internal feedback and changing market environment • Adjust strategy based on review findings. 3. Ensure channel recruitment strategy are well supported <ul style="list-style-type: none"> • Formulate overall channel recruitment strategy, including specifics on compensation policy, co-operation framework and channel handling processes • Introduce channel recruitment strategy to relevant units • Evaluate channel recruitment strategy based on internal feedback and changing market environment.
Assessment Criteria	<p>The integral outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Able to establish channel recruitment strategy with policy, co-operation and processing procedures • Able to communicate with relevant units to introduce strategy • Able to review and adjust channel recruitment strategy based on internal feedback and changing market environment • Able to develop recruitment strategy in accordance with corporate development and marketing strategies.
Remark	This unit of competency is also applicable to general insurers and life insurers.