

Specification of Competency Standards of the Insurance Industry

Unit of Competency

Functional Area: Operational Support & Services

Title	Support long-term profitability with actuarial expertise
Code	105696L7
Range	This unit of competency is applicable to those who are responsible for devising strategic tactics to support corporate development. It involves researching new methods for pricing, developing projections and forecasts, planning for new business lines, analyzing loss experience and evaluating pricing levels for individual businesses.
Level	7
Credit	6 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Possess knowledge in economics, statistics, and financial theory <ul style="list-style-type: none"> • Familiar with insurance market • Comprehend company's product terms and features • Comprehend corporate profitability strategy • Fully aware of relevant regulatory requirements on risk exposure, reserve and liquidity • Able to use statistical software applications • Possess relevant qualifications and credentials 2. Utilize actuarial expertise to support long-term profitability <ul style="list-style-type: none"> • Research new statistical or mathematical methodologies to improve efficiencies • Design and develop alternative and/or additional methods for pricing • Improve rates, rating plans and reserving systems • Develop projections and forecasts for developmental planning • Work with relevant units, eg. underwriters, claims personnel, to plan for new lines of business or improve existing business • Analyze loss experience, loss trends and expenses • Develop proper rate indications • Evaluate and recommend pricing levels for individual businesses 3. Provide professional advice to support corporate development <ul style="list-style-type: none"> • Analyze actuarial performances to effectively determine corporate developmental directions • Ensure recommendations contribute to company's long-term profitability.
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Able to research or design alternative methods for pricing • Able to improve rates, rating plans and reserving systems • Able to work with relevant business units to plan for new lines of business • Able to recommend pricing levels for individual businesses.
Remark	This unit of competency is also applicable to general insurers and life insurers.