

Specification of Competency Standards of the Insurance Industry

**Unit of Competency**

**Functional Area: Sales & Distribution Management**

Title	Evaluate channel performance
Code	105532L5
Range	This unit of competency is applicable to those who are responsible for channel management. It involves establishing performance benchmarks, collecting data to analyze channel performance, and carrying out necessary actions to drive for better channel performance.
Level	5
Credit	3 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Possess knowledge of company's distribution channels <ul style="list-style-type: none"> <li>• Comprehend company's current distribution strategy</li> <li>• Comprehend company's current distribution channels</li> <li>• Know about historic sales performance of each distribution channel</li> <li>• Familiar with evaluation criteria of sales performance of current distribution channels</li> <li>• Able to use insurance distribution management or predictive sales analytics software</li> <li>• Know about latest technological, social, economic, political, environmental changes that impact various distribution channels</li> </ul> </li> <li>2(a). Establish performance benchmarks for each distribution channel <ul style="list-style-type: none"> <li>• Set up performance benchmark for each distribution channel</li> <li>• Arrange data collection of sales data of each distribution channel</li> </ul> </li> <li>2(b). Analyze channel sales performance <ul style="list-style-type: none"> <li>• Generate periodic reports of each distribution channel via insurance distribution management or predictive sales analytics software</li> <li>• Analyze individual channel performance</li> <li>• Produce ranked lists of individual agents, brokers or salespersons for further analysis</li> <li>• Assess reasons for channel success or failure</li> </ul> </li> <li>2(c). Follow up with channels <ul style="list-style-type: none"> <li>• Recommend corrective actions to boost sales performance of under-performed channels</li> <li>• Provide rewards for over-performed distribution channels</li> </ul> </li> <li>2. (d) Review and adjust performance benchmarks <ul style="list-style-type: none"> <li>• Review performance benchmarks for distribution channels in light of changing market environment</li> <li>• Adjust benchmarks based on review findings.</li> </ul> </li> <li>3. Evaluate channel performance in achieving established benchmarks <ul style="list-style-type: none"> <li>• Assess channel sales performance based on analysis of established performance benchmarks and periodic sales reports</li> <li>• Respond to respective sales performance through corrective recommendations or rewards</li> <li>• Evaluate and adjust performance benchmarks based on changing market environment.</li> </ul> </li> </ol>
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Able to develop performance benchmarks for each distribution channel</li> <li>• Able to acquire performance data to evaluate channel performance</li> <li>• Able to provide subsequent services, including recommendations for underperformance or reward for over-performance</li> <li>• Able to review and adjust performance benchmarks based on changing market environment.</li> </ul>
Remark	This unit of competency is also applicable to general insurers and life insurers.