

Specification of Competency Standards of the Insurance Industry

Unit of Competency

Functional Area: Sales & Distribution Management

Title	Conduct financial planning assessment for customers
Code	105667L4
Range	This unit of competency is applicable to those who are responsible for conducting financial planning assessment for customers. It involves evaluating customers' current financial arrangement and future needs, gather customers' investment expectations, evaluating potential gaps between current and expected financial statuses, and providing recommendations for customers to meet future needs.
Level	4
Credit	3 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Possess knowledge of insurance and investment products <ul style="list-style-type: none"> • Familiarize with insurance and investment market • Comprehend company's insurance products and target segments • Comprehend features and limitations of individual insurance and investment products 2(a). Determine customers' current financial statuses and investment needs <ul style="list-style-type: none"> • Conduct fact-finding process on customers with fact-finding tools and materials • Gather basic facts and requirements from customers, including: <ul style="list-style-type: none"> • Age • Gender • Occupation • Health conditions • Habits • Regular activities • Dependents • Gather customers' current financial statuses and investment expectations, including: <ul style="list-style-type: none"> • Current and expected income • Current and expected expenses • Current and expected assets • Current and expected liabilities • Expected year of retirement • Expected lifestyle • Investment experience • Investment market knowledge • Return expectations • Risk tolerance 2(b). Assess customers' financial arrangement against future needs <ul style="list-style-type: none"> • Estimate future financial needs for customers • Determine gaps between the financial needs and the current financial arrangement • Explain identified discrepancies to customers • Provide product recommendations to assist customers in achieving financial needs 3. Commit to financial planning assessment for customers professionally <ul style="list-style-type: none"> • Collect relevant information to analyze customers' financial positions and investment needs • Identify and explain gaps between current financial statuses and future needs • Recommend appropriate products to achievement financial expectations.
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Able to identify customers' financial statuses and investment needs based on background information and specific requirements • Able to acquire accurate information on identified financial position and investment expectation • Able to determine and explain discrepancies between actual and expected financial positions • Able to recommend appropriate products to realize financial expectations.
Remark	