

Specification of Competency Standards of the Insurance Industry

Unit of Competency

Functional Area: Operational Support & Services

Title	Support initial actuarial analysis
Code	105521L4
Range	This unit of competency is applicable to those who are responsible for supporting initial actuarial analysis. It involves gathering requirements for analysis, extracting data from multiple databases, applying statistical modeling techniques to produce initial analysis, and providing results to superior for further analysis.
Level	4
Credit	4 (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 • Understand company's product terms and features • Understand corporate profitability strategy • Understand relevant regulatory requirements on risk exposure, reserve and liquidity • Able to use statistical software applications 2. Support initial actuarial analysis <ul style="list-style-type: none"> • Gather requirements and objectives for analysis from relevant parties • Identify the objectives of modeling • Extract relevant data from multiple databases • Apply relevant statistical modeling techniques to produce preliminary analysis • Verify validity of analysis, e.g. comparison against historical data of similar events • Fine-tune analysis design as appropriate • Provide initial results to superior for further analysis, elaborate with rationale, assumptions, and statistical models adopted as necessary 3. Provide valid initial actuarial analysis with appropriate assumptions and rationale <ul style="list-style-type: none"> • Apply appropriate statistical modeling techniques to produce valid initial analysis to achieve the intended objectives • Explain analysis with reasonable assumptions and rationale.
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Able to extract relevant data and apply appropriate statistical modeling techniques to produce preliminary analysis • Able to explain analysis results with reasonable assumptions and rationale.
Remark	This unit of competency is also applicable to general insurers and life insurers.