

Specification of Competency Standards of the Insurance Industry

**Unit of Competency**

**Functional Area: Operational Support & Services**

Title	Develop budgets for proposals and projects
Code	105595L5
Range	This unit of competency is applicable to those who are responsible for preparing the budget for proposals and projects. It involves understanding proposal/project objectives, gathering resources requirements, as well as estimating income, expenditures and profits.
Level	5
Credit	3 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Possess knowledge in economics, statistics, and financial theory <ul style="list-style-type: none"> <li>• Familiar with insurance market</li> <li>• Comprehend corporate development strategy</li> <li>• Comprehend corporate profitability strategy</li> <li>• Fully aware of relevant regulatory requirements, e.g. anti-money laundering, liquidity</li> <li>• Able to financial management concepts to support day-to-day operations</li> </ul> </li> <li>2. Develop budget for proposals and projects <ul style="list-style-type: none"> <li>• Work with relevant units to understand proposal/project objectives</li> <li>• Gather the resources requirements for proposal/project</li> <li>• Consolidate and prioritize income and expenditure items</li> <li>• Reference data of previous/similar projects to facilitate income and cost estimation</li> <li>• Assess risk level of items and incorporate contingency expenditures as appropriate</li> <li>• Develop budget with indication of expected income, expenditure and surplus</li> <li>• Set up channels to obtain feedback from staff who are responsible for project implementation to improve future income and cost estimates</li> </ul> </li> <li>3. Develop feasible budget that best leverages resources to achieve the intended proposal/project objectives <ul style="list-style-type: none"> <li>• Develop budget that effectively leverages existing resources to achieve the intended proposal/project objectives</li> <li>• Ensure income and expenditure items are reasonably estimated with justifications.</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 consolidate and estimate income and expenditure items of a proposal/project</li> <li>• Able to assess risk level of various items and incorporate contingency expenditures as appropriate</li> <li>• Able to develop budget that effectively leverages existing resources to achieve the intended proposal/project objectives.</li> </ul>
Remark	This unit of competency is also applicable to general insurers, life insurers and broker.