

Specification of Competency Standards of the Insurance Industry

Unit of Competency

Functional Area: Operational Support & Services

Title	Monitor cash flows
Code	105594L5
Range	This unit of competency is applicable to those who are responsible for monitoring cash flows. It involves working with relevant units to understand financial transactions involved in their day-to-day operations, monitoring cash position of company, monitoring cash movements and ensuring cash on hand is sufficient to pay for expenditures.
Level	5
Credit	5 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Possess knowledge in in financial management <ul style="list-style-type: none"> • Familiar with insurance market • Comprehend corporate development strategy • Comprehend corporate profitability strategy • Fully aware of relevant regulatory requirements on anti-money laundering and liquidity • Able to financial management concepts to support day-to-day operations 2(a). Monitor cash flows <ul style="list-style-type: none"> • Work with relevant business units to master the nature and volume of financial transactions involved on day-to-day basis • Monitor cash position of the company in day-to-day operations • Monitor cash movements • Observe credit periods of suppliers and external vendors • Ascertain cash on hand is sufficient to pay for the expenditures • Liaise with suppliers and external vendors to set up more favourable credit period as necessary 2(b). Spot irregularities in cash flows <ul style="list-style-type: none"> • Conduct checks to reveal irregularities in operations • Report to relevant parties as necessary • Follow-up with further necessary actions. 3. Monitor cash flow effectively to support company's day-to-day operations <ul style="list-style-type: none"> • Minimize volume of idle cash • Ensure cash on hand is sufficient to pay for expenditures • Effectively spot irregularities in cash flows and carry out necessary follow-up actions.
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Able to master the nature and volume of financial transactions involved in an insurance business • Able to monitor cash movements and position of the company • Able to reveal irregularities in cash flows.
Remark	This unit of competency is also applicable to general insurers, life insurers and broker.