



Technical Competencies

- *It is expected that all applicants of SD (Insolvency) should be able to demonstrate their attainment of all the core technical competencies at the required level (mastery, advanced or basic) as listed below.*
- *Unless otherwise stated, the rules, regulations or requirements mentioned in the competencies refer to the Hong Kong rules, regulations or requirements.*

Core Technical Competencies	Basic	Advanced	Mastery
1 Knowledge of the ethical considerations and procedures in accepting, continuing or rejecting an assignment.			
2 Ability to evaluate the independence issue and accept, continue or reject assignments with appropriate risk assessment and mitigation.			
3 Knowledge of various types of insolvency and restructuring processes: liquidation, receivership, bankruptcy, restructuring and rescue, etc.			
4 Knowledge of and ability to carry out the Insolvency processes, procedures and fulfil the legal requirements for personal insolvency work.			For these 3 competencies, applicants need to achieve Mastery level in one of the 3 competencies, then Advanced level in the 2nd one and Basic level for the last one.
5 Knowledge of and ability to carry out the Insolvency processes, procedures and fulfil the legal requirements for corporate insolvency work.			
6 Knowledge of and ability to carry out the processes, procedures and fulfil the legal requirements for Restructuring and Recovery work under formal (e.g. scheme of arrangement) and informal processes: e.g. viable business plan, maintain the operation and look for potential investors ,etc.			
7 Knowledge of the appointment process, duties, power and roles of Office Holder under different forms of insolvency (e.g. liquidation, receivership, corporate restructuring and rescue and personal bankruptcy) and ability to fulfil the required responsibilities.			
8 Knowledge of and ability to carry out the procedures, apply the techniques and fulfil the legal requirements in: <ol style="list-style-type: none"> investigation claims adjudication assets protection, recovery and realization distribution 			



Core Technical Competencies (continued)		Basic	Advanced	Mastery
9	Knowledge of and ability to apply relevant policies, procedures and systems in assignments to ensure effective quality assurance, compliance and risk management and complaints management.			
10	Ability to determine and justify a reasonable and fair remuneration and disbursement claims for the assignment			
11	Ability to assess commercial viability of proposals and actions			
12	Knowledge of and ability to perform investigative accounting.			
13	Knowledge of the principles of common and statutory law applicable to business and professional relationships. Including contracts, employment law, dispute resolution and remedies, negotiable instruments, sales of goods, agency and business operations, etc.			
14	Knowledge of the recognition, measurement and recording principles in relation to financial statements, including liability, asset, and financial instrument measurement.			
15	Knowledge of financial and non-financial performance evaluation methods.			
16	Ability to analyze financial statements and assess financial performance and operational issues based on the analysis.			
17	Knowledge of the principles, processes, methods and practice of financial and business valuation.			
18	Knowledge of cash flow analysis techniques and financial planning models.			
19	Ability to use budgetary control skills including forecasting, making projections, planning, budgeting, and control.			
20	Knowledge of various sources of financing, both short and long term; and various restructuring financial models such as debt swap, convertible bond, etc.			
21	Knowledge of the major financial risks on the organization, e.g. risks in relation to the firm's capital structure, financial leverage, financial instruments, currency and interest exposure.			



Core Technical Competencies (continued)		Basic	Advanced	Mastery
22	Knowledge of and ability to recognize, measure, assess, analyze and manage business risks.			
23	Knowledge of general organizational structures and the related dynamics.			
24	Knowledge of corporate governance requirements and internal control mechanisms.			
25	Knowledge of insolvency law, procedures and practices in the Mainland.			
26	Knowledge of insolvency law and procedures of countries where Hong Kong companies are commonly used as the domicile of holding company, e.g., Cayman Island, BVI, Samoa, etc.			
27	Knowledge of approaches, practices and issues in relation to cross-border insolvency work.			

The following supporting technical competencies are relevant to SD (Insolvency), however, only basic awareness level is required and it is expected and assumed that being a HKICPA member, they should already have the following supporting technical competencies. We include the list here for completeness of the required competencies.

Supporting Technical Competencies		Basic	Advanced	Mastery
1	Knowledge of and ability to perform forensic accounting.			
2	Ability to conduct effective cross-border insolvency work.			
3	Knowledge of principles and methods of costing, performance management and working capital management for organizations.			
4	Knowledge of the financial reporting requirements in the reporting country.			
5	Knowledge of the accounting principles and practices necessary to prepare a full set of financial accounts.			
6	Knowledge of using financial modeling skills including spread-sheeting.			



Supporting Technical Competencies (continued)		Basic	Advanced	Mastery
7	Knowledge of the tax implications arising from transactions, e.g. assets disposal and transfer, etc.			
8	Knowledge of the broad business environment including the world economy, financial markets and government economic policies.			
9	Knowledge of business management including key functions like marketing, human resource, production and operations.			
10	Knowledge of organizational change management principles and techniques.			
11	Knowledge of and ability to use strategic planning methods such as SWOT analysis, PESTE analysis, Porters' five forces and the BCG matrix.			
12	Ability to apply legal and regulatory requirements which relate to the management or general operation of organizations.			
13	Knowledge of China business law, businesses and professional environments such as forms of business, capital markets, government policies and regulations.			



Generic Competencies

There are 5 key areas in generic competencies. It is expected that the applicant should demonstrate a reasonable level in all 5 competency areas especially the competencies in bold.

Attitudes, Ethics and Values

- 1 Be independent in mind and in appearance.**
- 2 Ability to identify and mitigate any threats to independence.**
- 3 Understand the basic ethical and legal principles which underlie the obligations and duties of insolvency practitioners.**
- 4 Have professional values including integrity, impartiality, honesty, objectivity, and respect confidentiality.**

Communication and Interpersonal Skills

- 1 Ability to interact with others, build trust and show empathy where appropriate.**
- 2 Ability to communicate with affected parties in a manner that is honest, open, clear, succinct and timely to ensure effective understanding of the processes, rights and obligations of the parties.**
- 3 Ability to mediate between parties having conflicting needs and demands.**
- 4 Ability to negotiate effectively on behalf of creditors and yet be able to maintain professionalism throughout the process.**
- 5 Ability to exercise effective interviewing skills to obtain relevant information and understanding of issues and situations.**
- 6 Ability to communicate effectively with others and be aware of others' needs; make clear and convincing oral and written presentations.
- 7 Ability to handle difficult situations or emotional behaviours of those who are affected in the Insolvency process.
- 8 Ability to persuade others to accept recommendations, co-operate, or change their behaviour; to work with others towards an agreement; to negotiate to find mutually acceptable solutions.
- 9 Ability to work as part of a team, promoting cooperation and trust.
- 10 Ability to understand organizational politics and manage relationships in organizations.
- 11 Ability to develop professional networks and to manage professional relationships.



- 12 Knowledge of the local culture (including business culture and practices) and ability to appreciate how the local context affects people's behaviours and decision-making.



Innovative Thinking, Reasoning and Analysis

- 1 Ability to exercise professional judgement when balancing conflicting demands and to evaluate the costs and benefits of decisions and actions.**
- 2 Have an inquiring mind, professional skepticism, and ready to challenge the status quo.
- 3 Ability to judge in a logical way, think critically, identify the strengths and weaknesses of options and solutions; draw conclusions or approaches to problems.
- 4 Ability to see patterns among data and observation, or from diverse information; using concepts to analyze situations, identify causes, develop solutions, and explain complexity.
- 5 Ability to use lateral and innovative thinking to develop new insights and solutions; willing to try different ways when established methods and procedures are inapplicable or unavailable.

Leadership and Project Management

- 1 Ability to lead a multi-disciplinary team with professionals of different fields and co-ordinate respective professional work effectively.**
- 2 Ability to supervise professional advisers engaged and ensure they are competent in executing their duties.**
- 3 Ability to manage projects and to bring them to a successful conclusion in a timely manner through proper planning, scheduling, coordinating; and monitoring costs, contractor and team performance.**
- 4 Ability to manage conflicting demands on time, balancing the achievement of short and long term outcomes.
- 5 Have a future orientation, focus on outcomes, and have tenacity.

Personal and Behavioural

- 1 Ability to work independently and be self-reliant.**
- 2 Have commitment to be accountable for decisions/actions made.**
- 3 Have a commitment to quality, excellence and continual improvement.**
- 4 Ability to operate in difficult circumstances, often involving distressed parties, competing demands, strict deadlines, and complex legal, financial and factual issues.**
- 5 Ability to control own emotions in stressed situations or position and respond with professionalism.
- 6 Have initiative, ability to identify and act on opportunities without being asked.
- 7 Ability to adapt behaviour or approach in response to new information, changing conditions, or unexpected obstacles; deal with ambiguity.

