

IRAQI INSURANCE DIWAN



GENERIC PROCEDURES MANUAL

Version 1.0

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Introduction

The procedures noted below are to be used as guidelines. They complement procedures set out in Job Descriptions and other manuals, such as the Market Conduct Manual.

The procedures will need to be amended to reflect the legislation governing Iraq and the existing procedures of the Ministry of Finance that affect the Diwan.

The procedures will need to be developed as legislation and Diwan functions evolve.

An owner of the Diwan Procedures Manual needs to be appointed. This person is responsible for maintenance, version control and distribution of the manual.

Personnel

Basic Workplace Policies

1. Provide every employee with an employment contract within the legal timeframe
2. Have an induction procedure for all employees and record when they have been through the procedure
3. Produce a Performance Appraisal system
4. Produce Performance Appraisal system documentation and guidance notes
5. Assist Divisional Directors in operating the Appraisal system
6. Issue every employee with an organisation handbook setting out policies, rights and obligations of the employee and the organisation
7. Include information on
 - No smoking policy
 - Sick leave
 - Data protection
 - Working hours
 - Health and safety
 - Holidays
 - Benefit entitlements
8. Ensure a policy exists for staff who leave the organisation, and that a checklist exists to record documents to be completed and equipment to be returned

Filing and Records Management

1. Decide the main categories of records
2. Divide each category into sub categories
3. Store all files logically e.g. date order, alphabetical order
4. Make one person responsible for the filing system and its maintenance
5. Ensure the filing system is properly indexed and labelled
6. Use a tracking system to ensure that the location of files is known
7. Make sure all files are clearly marked
8. Where documents are created electronically, store them electronically
9. Have a general filing system for items that do not fall into existing files
10. Ensure confidential documents are kept in locked cabinets
11. Ensure confidential electronically held files are password protected
12. Ensure that back up files are made and stored in compliance with the organisations back up procedures
13. Install virus protection software
14. Dispose of old files in a secure way
15. Ensure information is collected, processed, stored and destroyed in accordance with data protection laws
16. Have a policy on how long files need to be kept before they are destroyed
17. Have a policy on how long files need to be kept before they are archived
18. Comply with laws stating how long certain types of information must be kept

Recruitment

1. Establish the organisational need for the member of staff
2. A Director is to discuss with the Personnel Department and submit a request
3. Write out a job description including role, responsibilities and the position within the Diwan
4. Assess the job and position it on the pay scale
5. Write a job advertisement
6. Advertise the job inside the organisation
7. Advertise the job outside of the organisation in targeted publications and locations if appropriate
8. Use a recruitment agency if direct recruitment methods are not successful or if it is the organisations policy to use agencies
9. Create a checklist for evaluation of applicants
10. Assess applications against evaluation criteria
11. Prepare a shortlist of applicants
12. Carryout interviews
13. Carry out tests and profiling
14. Select an applicant
15. Send an offer letter, subject to references and a medical examination
16. Send rejection letters to non-successful applicants
17. Agree a start date with the successful applicant
18. Take up references
19. Obtain a medical report
20. Set up an employee record
21. Enter the applicant into the organisations induction programme

Training

1. Carry out an annual training needs assessment within the Diwan
2. Produce an annual training plan, to include training areas, course list and budget
3. Produce training objectives for each course, linked to the Diwans objectives
4. For each training course record aims, content, numbers of staff to be trained, training provider, training method, costs and locations
5. Ensure training courses are focused on improving knowledge, skills or attitudes of Diwan staff
6. Decide the training techniques to be used
7. Appoint external trainers if required
8. Design the training courses or advise the external trainer
9. Organise and deliver the training or advise the external trainer
10. Assess each training course using a standard form, completed by all delegates attending the training
11. Take necessary action to resolve any issues or build upon the training
12. Update the training record of each employee
13. Update the training budget

LEGAL

Employment Law

1. Have a standard employment contract, confirmed by the organisations' Legal Department
2. Ensure that all the terms and conditions relating to the job are included in the contract
3. Ensure that the contract complies with employment law regarding;
 - Working hours
 - Leave entitlement
 - Minimum wage
 - Benefits
 - Discrimination
 - Health and Safety
 - Deduction of social security contributions
 - Deduction of income tax and other tax
 - Sickness pay
 - Notice period
4. Ensure each employee gets a pay statement showing all deductions
5. Store the signed employment contract and keep personnel details confidential
6. Produce disciplinary and grievance procedures

Annual Accounts

1. Understand and comply with legal requirements for submitting annual accounts and financial statements
2. A suggested format for the accounts and financial statements is:
 - Report of the President of the Diwan
 - Balance sheet
 - Income and Expenditure Statement
 - Notes to the accounts and accounting policies
3. Ensure that the Accounts comply with International Accounting Standards
4. Ensure that procedures exist and are monitored. Procedures to include
 - Purchases
 - Payroll
 - Fees processing
 - Services income processing
 - Banking
 - Credit control
 - Reporting
5. Ensure that accounting records are properly kept. These include:
 - Banking statements
 - Invoices
 - Salary / benefits payment records
 - Asset register
 - Cash account records
6. Ensure backup procedures exist for accounting records
7. Appoint an independent auditor to verify the accounts and produce an auditors report

Budgeting

1. Appoint an owner of the budgeting process within the Diwan
2. Form a budgeting team with representatives from each Division within the Diwan
3. Prepare draft Divisional budgets
4. Prepare a draft consolidated budget for the Diwan
5. Create scenarios of levels of activity, including the number and timing of license applications and license renewals
6. Forecast income from all sources, including;
 - License applications
 - License renewals
 - Licenses amendments
 - Ministry of Finance Grant
 - Additional Diwan services
 - Industry Training courses
 - Conferences and seminarsForecast expenses of all types, including:
 - Rent (allocated cost)
 - General Overhead allocated cost
 - Financing costs
 - Maintenance and repairs
 - Utility costs
 - Salaries and other staff costs
 - Marketing
 - Training
 - Transport
 - Energy
 - Professional fees e.g. auditors
 - Depreciation of assets
7. Prepare forecasts of Divisional budgets and a consolidated budget for the Diwan, including all income and expenditure items
8. Prepare a cash budget
9. Perform sensitivity analysis on the budget, by varying key variables
10. Recast the budget and agree the final budget with the Diwan President
11. Submit the budget to the Ministry of Finance using Ministry procedures
12. Establish a budget monitoring system
13. Appoint a person in the Diwan to monitor the budget and report on a monthly basis and an exception basis when major budget variances occur
14. Establish procedures for investigating, reporting and acting upon budget variances

Planning

Business Plan

1. Appoint an owner of the planning process within the Diwan
2. Form a planning team with representatives from each Division within the Diwan
3. Prepare Divisional plans
4. Prepare a consolidated plan for the Diwan
5. The content of the plan includes the following sections:
 - Summary
 - Background to the establishment of the Diwan
 - Diwan responsibilities
 - Planned objectives and activities for the forthcoming year
 - Insurance industry overview, size, structure, drivers, issues
 - A Positioning Statement for the Diwan within the industry
 - Marketing objectives and activities
 - Industry Training objectives and activities
 - Diwan Personnel overview, objectives and planned development activities
 - Premises and facilities
 - Management Information Systems and reporting
 - Financial performance, including actual figures, key financial ratios, historical data and forecast financial data
 - Environmental analysis showing Diwan strengths, weaknesses, opportunities and threats
6. Review the plan at Divisional Director level and adjust as needed
7. Review and agree the plan with the Diwan President
8. Monitor the plan and report on a monthly basis

Marketing

Marketing Plan

1. Appoint an owner of the marketing process within the Diwan
2. Form a marketing team with representatives from each Division within the Diwan
3. Research the industry to understand
 - Structure
 - Size
 - Financial performance – historic data on policies sold, volumes and values, by line of business and profitability
 - Products and services
 - Distribution channels
 - Ownership structures – state, private or joint ownership
 - Key trends - changes in end users characteristics and needs, new forces affecting the industry
4. Prepare Divisional marketing plans
5. The content of the plans should contain:
 - Summary of the plan
 - Marketing objectives - Statement of marketing objectives e.g., positioning of the Diwan within the domestic insurance industry, creation of networks and contacts within the international insurance regulatory community, expansion of fee income from services provided to insurance companies etc
 - Market characteristics, including size, structure, performance
 - Audiences, listing the categories of users of Diwan services
 - Position of the Commission
 - Services that the Commission supplies or plans to supply or amend, and pricing
 - Distribution of the services that the Commission supplies
 - Communications plan, including promotional activity and communications techniques, considering direct mail, advertising, seminars, training and
 - A detailed budget showing income and expenditure by month
 - Details of activity by month showing the person responsible
6. Prepare Divisional marketing plans
7. Prepare a consolidated marketing plan for the Diwan
8. Obtain agreement from the President of the Diwan to the final plan
9. Monitor the marketing plan and report monthly

Information Technology

IT Disaster Prevention

1. Carry out risk assessment to assess the risks that are faced by the Diwan, including risks to pc equipment, databases, communications networks and software applications.
2. Consider the legal and commercial requirements for storing, processing and providing information and how risks affect these requirements
3. Analyse the potential impact of a system, network, application or data not being available to the Diwan
4. Identify the specific risks and assess how they are likely to occur, and how probable it is that they will occur
5. Ensure that key information is backed up. The backed up data should comply with the organisations back up procedures. Off site storage should be considered
6. Ensure that IT hardware and software applications are regularly maintained and performance is monitored
7. Ensure a proper training plan is created and carried out for all users of the IT hardware, systems, networks and applications
8. Ensure that a business recovery procedure is documented and known. This should include contact details of suppliers, retrieval of stored data, alternative supply of hardware and software applications, administration procedures, staffing plans and communications procedures
9. Create a Risk Management plan and put in place procedures to minimise risk, transfer risk, avoid risk, or manage risk should it occur
10. Put in place plans and resources to carry out the risk management plan