

Internal control of insurance company fund management

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Abstract—With the continuous development of the global economy, China's market economy continues to improve, and China's financial market has also improved. The insurance industry, which is an important part of the financial market, has also developed rapidly in recent years. In order to continue to develop, the insurance industry must pay attention to the improvement of the internal control system of the enterprise. The insurance industry receives the premiums, payment of indemnities and expenses every day, which are closely related to the funds. Therefore, the fund management of insurance companies is the focus of the internal control system. The weight of the middle. This paper mainly studies the problems existing in the internal control of fund management by insurance companies and the corresponding improvement measures.

Keywords: insurance company; fund management; internal control

Relationships and differences between internal control and fund management in the operation of insurance companies

The ultimate goal of internal control and fund management of enterprises is to comprehensively control the operation and management activities of enterprises through a series of means and strategies, and reduce the probability of various risks occurring in the operation of enterprises. In general, internal control is an important means of strengthening fund management, and fund management is embedded in the elements of internal control, pointing out clear objectives for internal control work. But there are certain differences between the two, such as

Action time, constraints and control specific content. The management of funds is cyclical, and its efficiency is related to the overall quality of the staff, including the analysis and processing of relevant data or the inclusion of fund management teams; internal control runs through the development of insurance companies, and there are many limiting factors. Every aspect of the company's work.

Second, the internal control problems of insurance company fund management

(1) There is no perfect performance appraisal system

The operation of insurance companies is driven by "two-wheel drive", that is, the main business + investment, the main profit of insurance comes from investment, so the assessment of insurance funds is particularly important. In the operation of many insurance companies, the indicators of the assessment are mainly based on sales performance, that is, based on the income of premiums, and the contribution of funds is not considered. Although this method has stimulated the enthusiasm of employees, to a certain extent, But neglected the management of funds in the company's internal control, resulting in a series of problems

For example, although some insurance companies have developed relevant performance appraisal systems, the content of

the appraisal is relatively simple, and employees should not be fully aware of the importance of the internal control of funds to the profit contribution of the company, resulting in the final financial results and assessment system of the enterprise. Matching, and risk prevention is not timely.

Fund management monitoring in insurance operations insufficient

Taking Yongan Property Insurance Co., Ltd. as an example, the head office generally has standardization of fund management for each branch, and branches must complete specific work in accordance with strict indicators. However, in the actual work, the internal control work is not perfect, the system monitoring provisions for funds are not in place, and there will be differences and loopholes in the details of the process, resulting in insufficient funds data. Sometimes even the relevant personnel in the management of funds in the hands and feet, reporting data is not true, thus affecting the quality of the company's fund management, but also promote violations. For example, a financial officer of a branch of Yongan Insurance is using the company's payment system and core business system loopholes. If the customer's cheque is not received, the company will deliberately select the "check review confirmation" method to issue the bill for the customer, and then pay the customer. In order to make up for the hole in premium funds, it began to invade and misappropriate the company's paper bank acceptance bills. By the time of the incident, the loss of premium funds and acceptance bills was 9.43 million yuan, which was a system loophole in fund management. There is a direct relationship between internal control defects such as poor supervision.

There are potential risks in fund management

In the management of funds, there are always risks in the collection and payment management. For example, the insurance company manages the funds as two lines of income and expenditure. The premium funds of each branch automatically plan the financial account of the head office every day, and the specific responsibility of the head office is

responsible for the funds. The personnel will count the funds and reserve funds according to the daily needs of all agencies and the indemnity. The remaining funds will be transferred to the investment center. If there is negative flow of funds, they will apply for funds from the investment center. In the management of the entire fund, the centralized payment of fees and indemnities by the head office is due to the huge workload and the high rate of transfer errors, which causes the funds to be drawn out but returned. Because of the differences in the work literacy of each person, the premium funds are greatly affected. Use efficiency.

Risk assessment capability needs to be strengthened

Many insurance companies do not have an internal control system for risk identification and assessment. They only rely on human risk identification. They cannot find their own problems earlier, and the loopholes in the fund management work cannot be discovered in time. Moreover, with the development of science and technology, insurance companies apply modern computer technology to their daily work. The use of this advanced management technology also affects the development of capital management technology. The company's risk prediction and evaluation must also keep up with the trend of the times.

Third, optimize the internal control strategy of insurance company fund management

(1) Improving the performance appraisal system

When an insurance company formulates a relevant appraisal system, it should increase the content of the appraisal. The performance should not be regarded as the sole criterion for appraisal. At the same time, the level of performance of the premiums of each institution should be taken as one of the appraisal indicators, and strictly followed. The assessment method is carried out. At the same time, it is necessary to achieve humanized management. For employees with excellent performance, the company should make reasonable rewards for them, enhance their self-confidence, and motivate employees' work enthusiasm, thereby improving their work efficiency and driving the whole team's work momentum.

(2) Optimizing the internal environment of the company

The internal environment also has a certain impact on the internal control of insurance company fund management, but China's insurance industry has not carried out perfect construction work in this respect [1]. The company can effectively integrate the education and training department and the relevant departments of internal control. The internal staff needs to go to the training department to conduct all aspects of study, and complete the assessment tasks. The quality of the company's staff will be improved. The company also needs to establish an excellent corporate culture, promote solidarity and cooperation within the company, and have a favorable impact on the company's development.

(3) Strengthening the management and monitoring of funds

The fund management of an insurance company involves all aspects of related work. If it cannot be effectively supervised and controlled, funds are easily affected by objective or human factors, resulting in inefficient fund management and use. The insurance company should improve the monitoring system according to its own specific conditions, so that the staff of each department can clarify their own rights and responsibilities and obligations, and effectively realize the responsibility system. Avoid the phenomenon of flow in the form of supervision work

As long as employees have violated the regulations, they should take corresponding punishment measures, and reward those employees who perform well at work in a timely manner, so that the monitoring system can play an incentive and restraint role. At the same time, we must pay attention to strengthening the management of relevant supervisors when carrying out supervision work, so that they fully recognize the importance of their own supervision work, so as to effectively carry out supervision work.

Optimization of business operations processes

The operation process of some insurance companies' business is too complicated, which has a certain degree of adverse effect on the internal control of the company's fund management, so some business processes should be improved. First of all, insurance companies must specialize and intensively manage funds in accordance with the requirements of "centralized management, unified configuration, and professional operation", which should be managed by the group company or the head office. Second, a viable cash flow plan should be developed based on the company's past cash flow and annual development plans. It should be simple and convenient in operation and convenient for the use of funds.

(V) Establish an information fund management system and an innovative fund management model

If an insurance company wants to continue to develop, it cannot ignore the importance of information management. The information management system of the fund can not only conform to the development of the times, but also effectively improve work efficiency. Insurance companies should increase informationization

The capital investment of equipment will strengthen the training of staff informationization knowledge and improve the quality of fund management informationization.

Insurance companies have a variety of fund management models, each of which plays a different role, and the environment in which it can be applied varies. Insurers should pay attention to innovation in this aspect when conducting fund management, and create more room for development for the company's development. At the same time, it is necessary to give full play to the advantages of modern science and technology, especially Internet technology. Insurance companies can also use third-party payment methods in the innovation of fund management mode, which makes fund

management more convenient.

(6) Real-time supervision of the execution of the internal control of the company's funds

In the implementation process of internal control of funds, financial management and financial accounting occupy an important position, and the control of financial management affects the implementation effect of internal control of funds [2]. Insurance companies should increase their evaluation and inspection of their branches and strengthen their control to reduce financial risks. At the same time, it is necessary to strengthen the control function of the fund management position, strengthen the evaluation of the internal control implementation of the insurance company's fund management, and conduct regular on-site inspections and publish the evaluation results. Reasonable penalties are imposed on institutions that fail to meet the assessment results, and they are urged to formulate improvement strategies based on actual conditions.

(7) Strengthening the construction of the talent team

The company's internal control and fund management require the corresponding talents to carry out the work. The working ability of the insurance industry in China is generally strong, and the overall work quality is not good. Therefore, insurance companies must do a good job in training talents. At the same time, effective control over talent recruitment, to prevent people who do not meet the standards from entering the company, the company's existing high-end talents should be appropriately upgraded to avoid the loss of talent.

Conclusion

In short, the research on the internal control of insurance company's fund management is related to the progress of the entire insurance industry, and is also closely linked to social and economic development. Insurers want to do a good job in the internal control of fund management. We need to continuously improve the performance appraisal system, optimize the internal environment of the company, create favorable conditions for the internal control of fund management, and strengthen the management and monitoring of funds.

Reference:

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