

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 1a. Other Services on Enterprise Banking Service Delivery (for Large Corporations)
(Key Function – 1a.2 Delivery of Corporate Loan Products and Credit Related Services)

Title	Provide strategic financial advice on capital structure and financial solutions
Code	109194L6
Range	Formulation of financing recommendations to enterprise clients. This applies to loan products and credit related services generally required by large corporation such as syndicated loan.
Level	6
Credit	4 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the Subject Area</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Demonstrate comprehensive and specialized knowledge in corporate finance by providing suitable recommendations on optimize capital structure; • Possess specialized knowledge in accounting and statistics in order to evaluate the different means of financing; <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Evaluate the financial statements and other relevant information of the business in order to assess its capital structure and provide recommendation on the financing solutions; • Estimate the value of the business by employing different valuation techniques (e.g. NPV) and evaluating factors that may affect the current and future performance of the business; • Evaluate the amount required and costs to be incurred regarding different sources of funding, e.g. trade, debt, capital market, structured finance, equity, etc. by employing different concepts and techniques related to capital budgeting; • Estimate the net working capital required by the business and provide recommendation on working capital management; • Cooperate with product specialists to provide recommendation on financing by assessing the risk appetite and liquidity position of the business as well as the current market conditions; • Analyse the solvency and financial risks of the business by considering both on-and-off balance sheet obligations and future cash available for debt servicing. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Conduct analysis on the future earning abilities and liquidity of the business in order to assess the risks and readiness in repayment as a risk management initiative of the bank; • Evaluate the viability of various financing options (e.g. bond, syndicated loan) under the prevailing market condition and recommend the most suitable and cost effective solutions to clients.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Formulation of recommendation on financing solutions to cater to the needs of enterprise clients;

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	<ul style="list-style-type: none">• Development of financing recommendations based on sophisticated calculation of the financial needs of the clients, projection of future earning abilities and estimation of degree of risks involved, etc.
Remark	