

**Specification of Competency Standards**  
**for the Banking Industry**  
**Unit of Competency**

Functional Area - 9. Sales and Relationship Management  
(Key Function – 9.3 Business Pitching)

Title	Conduct company financial analysis to identify clients' needs
Code	109502L5
Range	Conducting different kinds of analyses to evaluate the company performance of banking facilities applicants as part of the account planning process. This involves reviewing of different financial reports of the clients and applies to different kinds of lending to small and medium sized enterprises.
Level	5
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"> <li>• Demonstrate in-depth knowledge on company financial analysis by applying it to evaluate different common methodologies within the bank's framework in analysing company performance and to develop a suitable approach for assessing the current banking facility application;</li> <li>• Demonstrate professional knowledge in the clients' industry, e.g. key terms and terminology, performance indicators for analysis, business cycle, competitive landscape, latest development, etc. in order to identify focus and scope of company analysis.</li> </ul> <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> <li>• Identify information useful for understanding the businesses and employ different approaches to obtain the relevant information for account planning purpose (e.g. send request to clients, industry practitioners, etc.);</li> <li>• Consolidate relevant financial data and evaluate financial position of client by analysing financial statements, business contracts, ageing reports and, etc.;</li> <li>• Analyse the strategic direction and major business initiatives to identify the future potential, challenges and opportunities of the company;</li> <li>• Evaluate the business models and identify factors that may impose significant effects on their earnings and cost structures hence to predict the prospect of the business;</li> <li>• Assess the risk of potential financial loss that doing business with the client, ultimately determining whether to offer the credit facilities.</li> </ul> <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> <li>• Identify key forces shaping the industry of the clients' businesses and learn from the accuracy of historical forecasts to make adjustments to the assessment methods;</li> <li>• Analyse the value chain of the business and adopt a holistic consideration to assess opportunities and risks associated with the client's operations;</li> <li>• Compare the performance, business model and operations of the clients with companies of similar size in the same industry hence to produce a fair judgement.</li> </ul>
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> <li>• Comprehensive evaluation on the enterprise banking facility applicants to provide analyses on the current and future business performance. These should be based on</li> </ul>

**Specification of Competency Standards**  
**for the Banking Industry**  
**Unit of Competency**

Functional Area - 9. Sales and Relationship Management  
(Key Function – 9.3 Business Pitching)

	analyses covering different areas of the business such as evaluation of industry outlook, competitors' information and the business models of the loan applicants, etc.
Remark	