

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

Functional Area - 10. General Management  
(Key Function – 10.3 Financial Management and Control)

Title	Prepare budget to support business development strategies
Code	109556L5
Range	Preparing budget for particular business initiatives. This applies to budget for major business development activities in addition to individual product development, sales and marketing campaigns.
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>• Have a thorough understanding of the process of financial budgeting and apply the knowledge to evaluate the business initiative in order to identify and estimate the value of all expenditure items;</li> <li>• Possess expertise knowledge in financial risk management hence to protect the bank from unnecessary risks by evaluating the expected return and the optimal amount of capital investment required.</li> </ul> <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> <li>• Collaborate with different business and operations units in preparing proper financial forecast timely and accurately so as to master the overall financial status of the bank;</li> <li>• Identify the time the bank will be strapped for cash according to compiled cash flow forecast and provide solutions to minimize the stress;</li> <li>• Identify possible areas of saving in the budget and work out action plans to specify how to conform with and achieve the revised budget;</li> <li>• Prioritize expense items and resources in accordance with their importance and risk levels to help business units to execute their business initiatives;</li> <li>• Prepare budget which can make the best use of cash or liquid resources and generating optimal profit for the bank.</li> </ul> <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> <li>• Develop an “alert” mechanism on the actual expenditure vs. forecasts hence to improve the forecasting models;</li> <li>• Prepare budget in accordance with international standards and global regulatory requirements.</li> </ul>
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> <li>• Preparing business development budget based on a thorough analysis of the business initiatives, return on investment and bank’s financial forecast etc.</li> </ul>
Remark	