

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	Manage cash flow of the bank
Code	109559L5
Range	Management of the cash movement of the bank and its individual business / operations units to ensure a smooth cash flow. This applies to all cash movement transactions of the bank.
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"> • Comprehend the cash management principles and financial management mechanisms of the bank hence to evaluate overall financial situation or risks of the bank to identify the needs in cash flow; • Demonstrate supervisory skills by applying it to monitor daily financial activities of business and operations units to ensure the bank has sufficient cash flow to pay for the expenditure. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Monitor depository services and the cash position of the bank and keep track of cash movements by chasing daily cash receipts and payments; • Implement necessary actions in order to control expenditures within the set budget; • Liaise with external product / service suppliers for favoured credit period to keep a smooth cash flow. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Minimize idle cash balances by obtaining accurate and timely information about expected transactions and disbursements to manage cash flow effectively; • Eliminate idle cash balances by finding investment opportunities for interest payments or investing to generate a flow of funds into the bank for the purpose of striving for maximum returns.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Management of cash flow to strike a proper balance between cash flow management and effective use of bank's capital in investments to maximize returns. The design of cash flow management should be based on evaluation on bank's financial situations and daily expenditure.
Remark	