

**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	Execute budget monitoring and financial control
Code	109561L5
Range	Monitoring budget spending and income. This applies to budget on different kinds of projects / initiatives and in different amounts.
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>• Possess the knowledge in financial control and apply the knowledge to develop specific framework to track and monitor spending of different units (e.g. capital adequacy, liquidity, asset quality, etc.) and recommend solutions to restore fulfilment when figures are deviated from ordinary level;</li> <li>• Demonstrate comprehensive knowledge in financial management and research methodologies by conducting research on the macro-economic environment and development of banking industry in order to formulate high level budgeting plan;</li> <li>• Demonstrate capability in SWOT analysis and problem solving by developing action plans to tackle weakness in financial condition spotted and implementing counter activities in a timely and efficient manner.</li> </ul> <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> <li>• Coordinate planning on expenditure and income; and forecast amount for necessary cash flow to safeguard the bank's financial position;</li> <li>• Review budget programmes, cost accounting procedures and other financial reports in order to ensure financial soundness of the unit;</li> <li>• Monitor operating budget by checking appropriation of funds against approved budgets and enact accounting control to ensure that expenditure is within authorized amount;</li> <li>• Analyse discrepancies spotted on actual expenditures against budget; interpret the data and prepare corresponding reports for management review;</li> <li>• Provide advice on special projects (e.g. investment and acquisition, etc.) and recommend alternatives to improve the bank's financial standings.</li> </ul> <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> <li>• Identify and assess financial risks (e.g. cash flow problems, etc.) through conducting relevant analysis (e.g. ratio analysis, etc.);</li> <li>• Review income and expenditure proposal to ensure compliance with the bank's policies and evaluate its economic efficiency;</li> <li>• Review and analyse operating results (e.g. income and expenditure analysis, etc.) and discern their financial impact on the bank for purpose of making recommendations in enhancing operational efficiency and profitability.</li> </ul>
Assessment Criteria	The integral outcome requirements of this UoC are:

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	<ul style="list-style-type: none"><li>• Execution of budget monitoring and financial control to ensure the financial health of the bank. The execution is carried out in a timely manner in accord to the plans stated by the bank;</li><li>• Evaluation on expenditure and recommendation on improving budget monitoring based on analysis of different financial data.</li></ul>
Remark	