

Specification of Competency Standards for Human Resource Management

Unit of Competency

Title	Conduct cost analysis and set up budget of human resource (HR) operations
Code	107020L5
Range	Applying economic evaluation and providing necessary resources to HR operations based on a wide range of cost and budget factors. This applies to the development of HR budgets, in collaboration with senior management and department heads, that provide the best cost-effective solution for achieving the expected objectives of the organisation's HR operations.
Level	5
Credit	5
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Knowledge in the Subject Area <ul style="list-style-type: none"> • Understand HR operations, and the related products and services available in the market • Understand financial management and analytical skills (e.g. different types of costs, guidelines for conducting cost-benefit analysis) in order to conduct cost analysis and establish budget of HR operations effectively 2. Applications and Processes <ul style="list-style-type: none"> • Define activity plans and required resources to meet HR operation needs, in collaboration with senior management and department heads • Set up HR budgets and regular forecasts • Review HR budgets and forecasts in collaboration with department heads, and submit commentaries and recommendations for senior management's review • Review actual spending on HR operations against approved budget, and submit commentaries and corrective action plans of significant variances for senior management review • Implement all cost accounting activities if applicable, for standard cost development 3. Professional Behaviour and Attitude <ul style="list-style-type: none"> • Achieve cost-effectiveness for purchases of HR products and services to contain cost and maintain optimal service • Explore better approaches in conducting cost analysis and establishing budget of HR operations
Assessment Criteria	<p>The integrated outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Execution of cost analysis on HR operations in a systematic approach. • Establishment of HR budgets and regular forecasts based on the defined HR operation plans and required resources in addition to a thorough cost analysis on HR operations. • Execution of regular tracking and necessary adjustments on HR budgets and forecasts in collaboration with department heads (e.g. reviewing performance and cost-effectiveness of existing service providers, comparing budget with original forecast).
Remark	