

Specification of Competency Standards
for the Jewellery Industry
Unit of Competency

Functional Area - Sales

Title	Execute inventory control in retailing business
Code	108834L4
Range	This unit of competency is applicable to practitioners responsible for goods management in jewellery outlets. Practitioners should be capable of planning, analyzing and judging, and employing the knowledge of inventory control in retailing business to submit and assess inventory information in accordance with the established policy regarding inventory control in retailing business of the organization, so as to effectively execute inventory control in retailing business for meeting customers' needs and reducing waste.
Level	4
Credit	9
Competency	<p>Performance Requirements</p> <p>1. Understand the theory of inventory control in retailing business</p> <ul style="list-style-type: none"> • Master the inventory control of the organization, including: <ul style="list-style-type: none"> ○ Inventory control policy ○ Inventory quantity control policy ○ Inventory control system ○ Processing guidelines/procedures for insufficient and excess inventory ○ Guidelines/procedures for safe inventory ○ Stock-taking methods and procedures ○ Processing guidelines/procedures for outdated inventory • Know about the cost of inventory, such as: <ul style="list-style-type: none"> ○ Material cost ○ Ordering cost ○ Storage cost ○ Capital cost ○ Out-of-stock cost • Know about the analysis of inventory and sales, such as: <ul style="list-style-type: none"> ○ Best selling goods ○ Goods with high profit margins ○ Seasonal goods ○ Popular goods ○ Goods with a low turnover rate • Know about the factors that affect the inventory of each store, including: <ul style="list-style-type: none"> ○ Purchase model of the target customer group and its demand ○ Ordering strategies and accuracy ○ Seasonal cycle ○ Environmental factors ○ Sales strategies ○ Stock supply arrangement <p>2. Execute inventory control in retailing business</p> <ul style="list-style-type: none"> • Execute goods yard control, such as: <ul style="list-style-type: none"> ○ Design a layout map showing the inventory racks in the warehouse, indicate the classification of goods in each area and post the layout map on the door of the warehouse ○ Put the goods by areas and by classification in a neat and tidy order ○ Manage the inventory racks in the warehouse according to serial number/QR code

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	<ul style="list-style-type: none"> ○ Set a safe inventory level for the stored goods ○ Apply the first-come-first-out principle to govern the in and out of goods ● Perform stock-taking duty according to the established procedures, including: <ul style="list-style-type: none"> ○ Count the quantity and value of the inventory on a regular basis ○ Record the real balance of inventory ○ Know about the quantity of inventory loss ● Implement inventory policy, including: <ul style="list-style-type: none"> ○ Assess customers' needs and customer flow ○ Make forecast on sales volume ○ Co-ordinate with the sales promotion plans of all relevant departments ○ Monitor the receipt and delivery procedures of inventory of the store ○ Make timely follow-up and report to the superior according to the company's guidelines (if the inventory of goods exceeds the inventory level) ○ Determine the proportion of inventory to sales ○ Arrange replenishment of goods ○ Estimate ordering cost and inventory cost ○ Ordering stock level, such as: maximum value/minimum value <p>3. Professionalism</p> <ul style="list-style-type: none"> ● Ensure that the inventory of the store can meet the needs of customers and prevent unnecessary loss ● Ensure that the inventory information/data provided is accurate ● Prevent any abuse or corrupt practices such as abusing or misappropriating the assets of the organization and theft
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> ● Able to employ the knowledge of inventory control in retailing business to submit and assess inventory information, so as to effectively perform the duty of inventory control in retailing business, including: goods yard management, stock-taking, etc.; and ● Regularly review the inventory level of the jewellery outlet and make adjustments as needed to ensure that the inventory level of the outlet is appropriate and complies with the inventory control policy of the organization.
Remark	