

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

Functional Area - Operational Management

Title	Apply inventory management on jewellery products/parts
Code	108846L2
Range	This unit of competency is applicable to practitioners responsible for operational management in the jewellery industry. Practitioners should be capable of applying the knowledge of inventory management on jewellery products/parts to assist the supervisor in performing the duty of inventory management on jewellery products/parts. They should also be able to fulfil the logistics and procurement duties to achieve the objectives of inventory management of the organization.
Level	2
Credit	6
Competency	<p>Performance Requirements</p> <p>1. Understand the basic principles of inventory management on jewellery products/parts</p> <ul style="list-style-type: none"> <li>• Know about the basic principles of inventory management on jewellery products/parts, including: <ul style="list-style-type: none"> <li>○ The role of inventory management</li> <li>○ The objectives of inventory management</li> <li>○ The purpose of inventory management</li> </ul> </li> <li>• Know about the just-in-time management of jewellery products/parts <ul style="list-style-type: none"> <li>○ The philosophy of zero inventory</li> <li>○ The circumstances of just-in-time inventory management</li> <li>○ The advantages of just-in-time inventory management</li> <li>○ Master inventory control with just-in-time management <ul style="list-style-type: none"> <li>▪ Inventory management and new knowledge</li> <li>▪ Manual or electronic inventory tracking system</li> <li>▪ Cloud inventory technology and system</li> </ul> </li> </ul> </li> <li>• Know about the inventory management policies of the organization, such as: <ul style="list-style-type: none"> <li>○ Stock-taking system</li> <li>○ Policy on inventory control <ul style="list-style-type: none"> <li>▪ Maximum and minimum inventory requirements for different categories of products</li> <li>▪ Processing guidelines/procedures for insufficient and excess inventory</li> <li>▪ Target inventory of the store</li> </ul> </li> </ul> </li> <li>• Know about the relation between organizational structure and inventory management <ul style="list-style-type: none"> <li>○ Different inventory control structures</li> <li>○ Duties and objectives</li> <li>○ Inventory valuation</li> </ul> </li> </ul> <p>2. Implement inventory management on jewellery products/parts</p> <ul style="list-style-type: none"> <li>• Assist the supervisor in performing the duty of inventory management on jewellery products/parts <ul style="list-style-type: none"> <li>○ Understand inventory holding period by week</li> <li>○ Successfully reduce the inventory ratio by applying inventory management skills</li> <li>○ Understand the practical measures for reducing inventory holding</li> </ul> </li> <li>• Regularly review the effectiveness and timeliness of the current inventory control procedures and make improvements as needed to ensure adequate inventory supply</li> <li>• When the inventory of products/parts exceeds the target index of inventory, follow up and report to the supervisor in a timely manner according to the guidelines of the organization</li> </ul>

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	<p>3. Professionalism</p> <ul style="list-style-type: none"><li>• Prevent any practices involving misappropriating assets of the organization and theft with a professional attitude</li><li>• Ensure that the inventory information/data provided is accurate</li></ul>
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"><li>• Able to master the knowledge of inventory management on jewellery products/parts; and</li><li>• Assist the supervisor in performing the duty of inventory management on jewellery products/parts, and tie in with the logistics and procurement duties to achieve the objectives of inventory management of the organization.</li></ul>
Remark	