

Specification of Competency Standards of the Retail Industry

**Unit of Competency**

**Functional Area: Merchandising and Supply Chain Management**

Title	Manage inventory
Code	104977L4
Range	This unit of competency (UoC) is applicable to inventory management staff in the retail industry. It covers the abilities to manage inventory properly in familiar working environment, so as to facilitate the overall supply chain operation of the organization.
Level	4
Credit	6 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Knowledge of inventory management <ul style="list-style-type: none"> <li>• Understand the importance of proper inventory management to retail and trading businesses</li> <li>• Understand the relationship between optimal inventory level and retail operation</li> <li>• Understand the effect of inventory discrepancy on the organization, including the impact / damage on its competitiveness / financial situation</li> </ul> </li> <li>2. Manage inventory <ul style="list-style-type: none"> <li>• Apply inventory management techniques to determine the appropriate inventory level</li> <li>• Provide customers with uninterrupted supply of goods and reduce overall inventory storage costs</li> <li>• Coordinate and communicate properly with other departments on the production, delivery and sales of goods to ensure effective inventory management</li> <li>• Introduce automation equipment for inventory management</li> <li>• Liaise closely with the marketing and sales departments and the suppliers in order to assess the effect of promotions and market situation on inventory demand</li> <li>• Assess organization's inventory level and forecast the inventory demand in order to perform inventory management</li> <li>• Review the inventory management measures effectively, and take timely action to remedy unexpected happenings</li> <li>• Optimize inventory management method to improve operation</li> </ul> </li> <li>3. Exhibit professionalism <ul style="list-style-type: none"> <li>• Strictly follow the inventory management policies and procedures of the organization</li> <li>• Prevent any abuse of power or malpractice, such as abuse / misappropriation of the organizational assets and theft, in a professional manner</li> <li>• Ensure that all inventory management activities are legal</li> </ul> </li> </ol>
Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ul style="list-style-type: none"> <li>• Manage inventory properly to facilitate a smooth operation of the organization's supply chain; and</li> <li>• Monitor the inventory level and estimate market demand in order to make the inventory management more cost-effective.</li> </ul>
Remark	