

Specification of Competency Standards of the Retail Industry

Unit of Competency

Functional Area: Strategic Management

Title	Manage budget and financial plan
Code	105023L4
Range	This unit of competency (UoC) is applicable to budget and financial plan management staff in the retail industry. It requires meticulous thinking and judgement. It covers the abilities to effectively manage the financial plan, compile the budget and control the expenditure, so as to make the organization's financial management more effective.
Level	4
Credit	6 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Knowledge of financial budget and management <ul style="list-style-type: none"> • Understand the accounting principles for limited company • Understand the organization's internal audit theory and procedures • Understand the concept of financial plan management, including the knowledge of foreign exchange • Master the concept of crisis management • Understand the government policy on retail tax • Master the application of information technology in budget and financial management 2. Manage budget and financial plan <ul style="list-style-type: none"> • Prepare a budget plan according to the organization's indicators, e.g.: <ul style="list-style-type: none"> • Expenditure budget • Income budget • Manpower budget • Prepare a comprehensive financial plan according to organization's indicators, e.g.: <ul style="list-style-type: none"> • Comprehensive balance sheets • Comprehensive profit and loss statements • Comprehensive cash flow statements • Manage and control expenditure, e.g.: <ul style="list-style-type: none"> • Salary expense • Wear and tear • Daily expenses of the retail stores / sales locations • Expected risk and return, e.g. foreign exchange risk • Analyze financial data and prepare budget, such as: <ul style="list-style-type: none"> • Budget of retail stores / sales locations <ul style="list-style-type: none"> • With reference to previous business turnover and expenditure • Set annual business turnover and estimate expenditure • Compile business turnover reports, including: <ul style="list-style-type: none"> • Current business turnover • Estimates on business turnover • Comparison with previous business turnover • Comparison between the estimated and actual business turnover • Review regularly according to actual situation, update business goals and expenditure budget • Apply information technology in budget and financial management 3. Exhibit professionalism <ul style="list-style-type: none"> • Manage the budget and financial plan according to organizational instructions • Understand the market development and external economic conditions • Prevent any abuse of power or malpractice by making use of the budget and financial plan
Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ul style="list-style-type: none"> • Manage the budget and control the expenditure, evaluate factors related to costs, profits, etc. and manage the organization's financial management plan according to its policy, so as to make the management of its retail stores / sales locations more cost-effective.
Remark	