

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

Functional Area - Financial Management

Title	Master the relevant tasks and functions of financial management
Code	107261L5
Description	Master the content, responsibilities and functions of corporate financial management and to manage resource allocation with other departments.
Level	5
Credit	6 ( For Reference Only )
Competency	<p>Performance Requirements</p> <p>1. Understand financial management responsibilities</p> <ul style="list-style-type: none"> <li>• Master the concept of financial management. <ul style="list-style-type: none"> <li>○ Arrange financial revenue and expenditure so that corporate to maintain payment and solvency.</li> <li>○ Raise the required funds for corporate development with lower capital costs and smaller financing risks.</li> <li>○ Properly use funds and choose the best capital investment. Speed up cash flow and continuously improve the use of funds to achieve the greatest possible operating results.</li> <li>○ Review the functions of financial management, including: decision-making functions, planning functions and control functions.</li> </ul> </li> </ul> <p>2. Master the content of financial management</p> <ul style="list-style-type: none"> <li>• Understand the definition of investment</li> <li>• According to different standards, choose the appropriate investment strategy for corporate: <ul style="list-style-type: none"> <li>○ Direct investment and indirect investment</li> <li>○ Long-term investment and short-term investment</li> </ul> </li> <li>• According to different sources of funding for corporate to choose the appropriate financing strategy: <ul style="list-style-type: none"> <li>○ Equity funds and borrowed funds</li> <li>○ Long-term funds and short-term funds</li> </ul> </li> <li>• Dividend Decision - determine how much of the net profit of the corporate is distributed to shareholders as dividends; how much remains in the corporate as a reinvestment</li> </ul> <p>3. Analyze the problems of financial management</p> <ul style="list-style-type: none"> <li>• Lack of budget and analysis</li> <li>• Lack of information</li> <li>• Lack of risk management awareness</li> <li>• Inadequate cost management or asset management</li> </ul> <p>4. Exhibit professionalism</p> <ul style="list-style-type: none"> <li>• Ensure that corporate financial management strategies to meet the interests of corporate.</li> </ul>
Assessment Criteria	<p>The integrated outcome requirement of this UoC is the ability to:</p> <ul style="list-style-type: none"> <li>• Master the specific responsibilities, functions and content of financial management.</li> <li>• Analyze the existing problems of corporate financial management.</li> </ul>
Remark	