

**SKILLS FRAMEWORK FOR HUMAN RESOURCE
TECHNICAL SKILLS & COMPETENCIES (TSC) REFERENCE DOCUMENT**

TSC Category	Human Resource Planning					
TSC	Financial Acumen					
TSC Description	Exercise financial insight to establish budgets for human resource (HR) activities and monitor HR operations and outcomes against financial plans					
TSC Proficiency Description	Level 1	Level 2	Level 3	Level 4	Level 5	Level 6
			HRS-BIN-3089-1.1	HRS-BIN-4089-1.1	HRS-BIN-5089-1.1	
			Prepare human resource's (HR) operational and control budgets based on financial principles	Manage budgeting and forecasting for financial planning for workforce	Develop long-term financial plans and budget requirements for workforce	
Knowledge			<ul style="list-style-type: none"> Legal, ethical and privacy considerations related to budget development Objectives, parameters and types of budgets Key principles of accounting and financial systems Types of data sources and data required to prepare a budget Accounting principles and practices related to budget preparation Costing techniques Requirements of Singapore's taxation policies Functional objectives and key requirements of plans Organisational financial data Financial analytical techniques and methodologies Financial audit processes 	<ul style="list-style-type: none"> Organisational policies and procedures related to budget development Assumptions and parameters of budgets Factors in internal and external environments that impact budget Models and methods of developing budgets Methods of analysing budget history and trends for workforce Methods to forecast revenue, expenses and balance sheet for workforce Considerations of conducting scenario analysis Types of budget controls and their purposes Means to monitor financial operation of workforce against budget outcomes Processes in communicating budget plans and performance to relevant stakeholders for endorsement 	<ul style="list-style-type: none"> Relation between human resource (HR) strategies, business plans and financial budgets Types of financial milestones and performance indicators Methods of identifying factors that may impact financial plans or budgets Assumptions and parameters of financial forecasts Means of communication of budget plans Methods and tools to conduct stakeholder analysis Types of budget issues 	
Abilities			<ul style="list-style-type: none"> Analyse HR strategies, functional objectives and operational plans Carry out forecasting and budgeting for 	<ul style="list-style-type: none"> Recommend parameters and assumptions for budget forecasting in accordance with organisational needs 	<ul style="list-style-type: none"> Determine short- and long-term financial needs to assess HR's current financial situations 	

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			<p>workforce for the financial year</p> <ul style="list-style-type: none"> • Calculate workforce's cash flow requirements • Determine workforce's financing needs for the financial year • Compare budget data with estimations to highlight discrepancies • Report budget calculations and discrepancies to higher level to facilitate decisions on budget allocation • Ensure adherence to financial controls in accordance with relevant organisational corporate governance and financial policies, legislation and regulations • Gather information on effectiveness of implementation of HR budgets 	<p>and market conditions</p> <ul style="list-style-type: none"> • Prepare financial forecasts for the human resource (HR) function to facilitate financial planning • Implement budget plans to manage resource allocation to HR activities • Manage actual budget to enable financial operations to be measured against forecasted plans • Monitor budget outcomes to ensure proper utilisation and accounting of resources against their intended purposes • Take remedial action against any variances to minimise impact • Present financial forecasts, budgets and budget outcomes to immediate supervisors for review and approval • Evaluate effectiveness of implementation of HR budgets • Revise future financial plans to optimise workforce's performance 	<ul style="list-style-type: none"> • Formulate financial plans to align to HR and overall organisational strategies • Allocate budget resources in accordance with organisational financial plans • Review financial forecasts to anticipate changes in business and operational circumstances • Review draft budgets in accordance with organisational guidelines • Monitor actual expense figures against budget to identify and address variances • Report findings, recommendations and options to organisation management for review in accordance with organisational policies 	
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