### 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

<table>
<thead>
<tr>
<th>TSC Proficiency Description</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Level 4</th>
<th>Level 5</th>
<th>Level 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepare human resource's (HR) operational and control budgets based on financial principles</td>
<td>HRS-BIN-3089-1.1</td>
<td>HRS-BIN-4089-1.1</td>
<td>HRS-BIN-5089-1.1</td>
<td>Develop long-term financial plans and budget requirements for workforce</td>
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### Knowledge
- 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
- 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
- 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
- Analyse HR strategies, functional objectives and operational plans
- Carry out forecasting and budgeting for
- Recommend parameters and assumptions for budget forecasting in accordance with organisational needs
- Determine short- and long-term financial needs to assess HR’s current financial situations

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<table>
<thead>
<tr>
<th>Workforce for the financial year</th>
<th>and market conditions</th>
<th>Financial plans to align to HR and overall organisational strategies</th>
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</thead>
<tbody>
<tr>
<td>• Calculate workforce’s cash flow requirements</td>
<td>• Prepare financial forecasts for the human resource (HR) function to facilitate financial planning</td>
<td>• Allocate budget resources in accordance with organisational financial plans</td>
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<tr>
<td>• Determine workforce’s financing needs for the financial year</td>
<td>• Implement budget plans to manage resource allocation to HR activities</td>
<td>• Review financial forecasts to anticipate changes in business and operational circumstances</td>
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<td>• Compare budget data with estimations to highlight discrepancies</td>
<td>• Manage actual budget to enable financial operations to be measured against forecasted plans</td>
<td>• Review draft budgets in accordance with organisational guidelines</td>
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<tr>
<td>• Report budget calculations and discrepancies to higher level to facilitate decisions on budget allocation</td>
<td>• Monitor budget outcomes to ensure proper utilisation and accounting of resources against their intended purposes</td>
<td>• Monitor actual expense figures against budget to identify and address variances</td>
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<tr>
<td>• Ensure adherence to financial controls in accordance with relevant organisational corporate governance and financial policies, legislation and regulations</td>
<td>• Take remedial action against any variances to minimise impact</td>
<td>• Report findings, recommendations and options to organisation management for review in accordance with organisational policies</td>
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<tr>
<td>• Gather information on effectiveness of implementation of HR budgets</td>
<td>• Present financial forecasts, budgets and budget outcomes to immediate supervisors for review and approval</td>
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