

## PREPARE HUMAN RESOURCE BUDGETS

**UNIT CODE: BUS/OS/HRM/CR/04/5**

### Unit Description

This unit specifies the competencies required to undertake financial management. It includes budgeting for the HR activities, managing payroll, administering statutory deductions, implementing third party transactions in the payroll and processing insurance claims.

### ELEMENTS AND PERFORMANCE CRITERIA

<b>ELEMENT</b>	<b>PERFORMANCE CRITERIA</b>
These describe the key outcomes which make up workplace function.	These are assessable statements that specify the required level of performance for each of the elements. <i><b>Bold and italicized terms are elaborated in the Range</b></i>
1. Budget for the human resource activities	1.1 Budgeting is defined as per the SOPs 1.2 Budgeting cycle is discussed 1.3 Human resource functions and activities to be funded are identified
2. Manage payroll	2.1 Organization payroll needs and requirements are identified in line with SOPs 2.2 Primary data is collected. 2.3 Data is keyed in the payroll application

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	2.4 Discrepancies identified and amended. 2.5 The payroll is run
3. Administer statutory and deductions	3.1 <i><b>Statutory deductions</b></i> are defined as per the SOPs 3.2 Calculations of statutory deduction are done as per the SOPs 3.3 The product is effected in the payroll 3.4 Statutory deductions are remitted to relevant bodies
4. Implement third party transactions in the payroll	4.1 <i><b>Third party deductions</b></i> are defined as per the SOPs 4.2 Deductions to third parties are calculated as per the SOPs 4.3 The product is effected in the payroll 4.4 Deductions to third parties are remitted to relevant bodies

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5. Process insurance claims	5.1 Introduction of insurance 5.2 Process of insurance claims identified as per the SOPs

## **RANGE**

This section provides work environments and conditions to which the performance criteria apply. It allows for different work environments and situations that will affect performance.

<b>Variable</b>	<b>Range</b>
Statutory deductions May include but not limited to:	1.1 NHIF 1.2 HELB 1.3 NSSF 1.4 WCPS 1.5 PAYE
Third party deductions May include but not limited to:	1.1 Insurance 1.2 Bank Loans 1.3 SACCO

## **REQUIRED SKILLS AND KNOWLEDGE**

This section describes the skills and knowledge required for this unit of competency.

## Required Skills

The individual needs to demonstrate the following skills:

- Communication and negotiations
- Computer application
- Budgeting skill
- Numeracy
- Data collection
- Data entry

## Required Knowledge

The individual needs to demonstrate knowledge of:

- Legislation governing payroll management
- Human resource regulations, policies and guidelines
- Organization goals, objectives and strategies
- Processing of insurance claims

## EVIDENCE GUIDE

1. Critical aspects of competency	Assessment requires evidence that the individual demonstrated: 1.1 Ability to identify HR functions to be funded. 1.2 Ability to manage payroll 1.3 Ability to calculate and effect statutory deductions 1.4 Ability to calculate and effect deductions to third parties 1.5 Ability to process insurance claims
2. Resource implications	The following resources MUST be provided:

	<p>2.1 Human resource polices, guidelines and regulations</p> <p>2.2 Organization policies and procedures</p> <p>2.3 Payroll primary data</p> <p>2.4 Payroll system</p> <p>2.5 Relevant legislations</p> <p>2.6 Deduction calculators</p>
3. Method of assessment	<p>Competency may be assessed through:</p> <p>2.10 Written or oral questions</p> <p>2.11 Review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate</p>
4. Context for assessment	<p>Assessment may be done in the workplace or in a simulated workplace setting (assessment centers)</p>
5. Guiding information for assessment	<p>Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended</p>