

Specification of Competency Standards for the Retail Banking

Unit of Competency

Product Development and Brand Marketing > 6.3 Product Development

Title	Conduct profitability forecast and cost analysis
Code	107471L5
Range	Conduct profitability forecast and cost analysis for a specific product. This applies to analysis of products of any kind
Level	5
Credit	4
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> Analyse cost in product development to ensure a sound investment decision Be able to: <ul style="list-style-type: none"> Collect and synthesize different information to estimate the expenditure incurred in developing a specific product Review each cost item and ensure they are in line with product development requirement and business needs Review the estimated expenditure in each cost item to check whether appropriate costs is negotiated Estimate profit margin based on different analyses Be able to: <ul style="list-style-type: none"> Perform profit and loss analysis for the product by sales forecast analysis and estimating cost incurred during the selling process Perform appropriate return on investment calculations as part of product evaluation Suggest measures to improve cost-effectiveness of product development Be able to: <ul style="list-style-type: none"> Identify alternatives in development process, if any, for profitability maximization Assist individual teams to improve costs and profitability of their responsible products by applying the results on profitability forecast and cost analysis
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> A report on profitability forecast and cost analysis. The report should demonstrate and explain clearly the assumptions and formula / model used in calculating the figures. Moreover, the report should demonstrate that all key factors have been put into consideration
Remark	