

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 7. Product Development and Brand Marketing
(Key Function – 7.3 Product Development)

Title	Establish policies and procedures for product development
Code	109416L6
Range	Formulation of bank-wide policies and standard procedures on product development. This applies to the development of different kinds of products and for different segments of customers.
Level	6
Credit	4 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the Subject Area</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Demonstrate comprehensive and specialized knowledge in product development; • Comprehend the concepts and skills of establishing product development policies and procedures and apply it to establish the end to end product development roadmap with key milestones and checkpoints. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Review the product proposal and evaluate the features / functions of the proposed products against customers' needs; • Conduct market research to identify unmet needs in the market to ensure there is adequate demand for the proposed products; • Review the cost and benefits analysis and financial projections of the product in order to determine the "go or no go" decision; • Identify the critical key issue to support / decline product development (e.g. market demand, budget); • Align product development procedures with the operational procedures of the bank to ensure they are feasible and complying to internal and external regulatory requirements. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Conduct detailed risk assessment according to the guidelines provided by the risk management unit of the bank to identify potential risk exposure and impacts if assumptions of business models fail; • Design effective controls and remediation for identified risks; • Develop policies and criteria in prioritizing different product development projects with respect to customer needs, costs of development and product profitability; • Conduct regular review on product development policies and procedures; keep updated with relevant regulatory requirements on bank's products and implement changes according to internal and external policies.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Formulation of product development policies and procedures to ensure the quality of the products developed. These should be based on critical evaluation of customers' needs, business and operational requirements of the bank and market potential of the new products, etc.

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