

**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	Source and manage products and services provided by external vendors
Code	109424L5
Range	Identifying external vendors for the manufacturing of the bank's products. This applies to products of different kinds and for different segments of customers.
Level	5
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"> <li>• Possess knowledge in the bank's business strategies and apply the knowledge to analyse the product development plans of the bank to validate the genuine needs in introducing new products;</li> <li>• Understand the resource and technical requirements in product development and based on that to evaluate the bank's capabilities in developing the targeted products and determine whether sourcing from external vendors is required.</li> </ul> <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> <li>• Establish vendor selection criteria and vendor management policies for external products;</li> <li>• Conduct research on products and services offered by different vendors to source appropriate ones which best satisfy the needs of different targeted customer segments of the bank;</li> <li>• Conduct profitability forecast, cost analysis and risk analysis of the products and services offered by different vendors in order to justify the choice;</li> <li>• Conduct due diligence review on the product supplying vendors according to the bank's internal standards;</li> <li>• Coordinate the communication and negotiation process with vendors to reach agreement on terms and conditions for the contracts;</li> <li>• Liaise with different parties in coordinating the marketing, promotional and sales activities of the products and services, e.g. target segments, pricing, packaging etc.</li> </ul> <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> <li>• Show sensitivity towards the implications of joint business venture activities on the bank's image (e.g. social responsibility);</li> <li>• Provide unbiased advice on vendors / product development approaches selection based on an objective evaluation.</li> </ul>
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> <li>• Identification of suitable vendors for banking products. These should be based on analyses on the product strategies of the bank and the offerings of different vendors;</li> <li>• Binding contracts with vendors specifying the terms and conditions to protect the bank's interests (e.g. pricing, marketing, service delivery).</li> </ul>
Remark	