Specification of Competency Standards
for the Fashion Industry
Unit of Competency

Functional Area - Product Development

Title	Estimate cost for materials
Code	108112L4
Description	Estimate cost for materials of fashion products. This applies to individuals who are required to make estimates of material cost based on limited information at or before the product development stage.
Level	4
Credit	3

Competency	Performance Requirements
	1. Knowledge in the subject area
	
	    Be able to
	• explain how the materials are used to make a fashion product (e.g. knitting for sweaters, cut-and-sew for woven shirts)
	• understand material cost structure (cost components)
	• state the methods for determining material consumption
	• state the factors affecting the price of materials (e.g. market demand, weather, supply situation)
	• understand current material supply market situation
	
	2. Application and process
	
	    Be able to
	• collect information related to material requirements and specifications
	• determine the material supply routine (e.g. unit of measurement, minimums)
	• identify components of material cost (e.g. unit material consumption, unit material cost, quantity)
	• estimate unit material consumption with reference to past records of similar material and product type or based on specific investigative methods
	• collect information related to unit material cost from suppliers
	• collect information related to other cost components (e.g. surcharge, testing, transport)
	• estimate material cost by collating all cost components with adjustments that would offset risk in estimation.
	• document all details based on which the material cost is calculated for future reference
	
	3. Exhibit professionalism
	
	    Be able to
	• have insight into latest material supply market situation
	• make estimations based on the best available evidence or data

Assessment Criteria	The integrated outcome requirements of this UoC are the abilities to accomplish: • Development of a cost structure in determining the material cost for fashion products as well as cost estimation of materials based on specifications and available data.
Remark	