

**Specification of Competency Standards**  
**for the Fashion Industry**  
**Unit of Competency**

Functional Area - Product Development

Title	Plan product development budgeting
Code	110212L5
Range	Develop a budget for product development. This applies to individuals who are required to prepare a budget for product development in the fashion industry.
Level	5
Credit	4
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the subject area</p> <p style="padding-left: 40px;">Be able to</p> <ul style="list-style-type: none"> <li>• review the principles and methods of budget planning</li> <li>• state the key components of a budget plan</li> <li>• describe the data and information used for planning a budget for product development</li> <li>• specify factors that would affect the costs and benefits for product development activities in the planned period</li> <li>• examine the financial and accounting standards of the budget plan</li> <li>• apply the methods of financial analysis</li> </ul> <p>2. Application and process</p> <p style="padding-left: 40px;">Be able to</p> <ul style="list-style-type: none"> <li>• identify and access information required for preparing budgets</li> <li>• review previous budgets and evaluate financial implications of planned activities in relation to product development</li> <li>• make estimates of costs (expenditures) and benefits (incomes) based on the relevant information</li> <li>• consult related parties in budget planning</li> <li>• plan budget to accurately reflect the financial requirements of product development activities</li> </ul> <p>3. Exhibit professionalism</p> <p style="padding-left: 40px;">Be able to</p> <ul style="list-style-type: none"> <li>• ensure projections and estimates made in the budget are based on reliable, valid and relevant data</li> <li>• develop a realistic plan that can address future plan and changes</li> </ul>
Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to accomplish:</p> <ul style="list-style-type: none"> <li>• Plan of annual budget for product development department based on previous budget plans and future plan of activities.</li> </ul>
Remark	Associated with 110213L5 Plan product development process