



Australian Government

MSFFDM4007 Identify and calculate production costs

Release: 1

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Modification History

Release 1. Unit code and Application changed. Elements and Performance Criteria changed. Range of Conditions removed and relevant content moved to Assessment Requirements. Assessment Requirements changed to remove duplication with Performance Criteria and clarify requirements. Supersedes and is not equivalent to MSFFT4010 Identify and calculate production costs.

Application

This unit describes the skills and knowledge required to gather and analyse information needed for the costing process and then estimate, calculate and document production costs in a commercial production environment.

This unit applies to individuals working in a role requiring estimation of end-to-end production costs, either alone or as part of an internal or external team.

No licensing or certification requirements exist at the time of publication. Relevant legislation, industry standards and codes of practice within Australia must be applied.

Competency Field

Project management and professional development

Elements and Performance Criteria

Elements	Performance Criteria
Elements describe the essential outcomes.	Performance criteria describe the performance needed to demonstrate achievement of the element.
1. Gather and analyse information	1.1 Identify and collect information required to calculate production costs 1.2 Analyse information and extract relevant details 1.3 Convert required information to an appropriate format or software and store ready for retrieval and application
2. Estimate production costs	2.1 Estimate and accurately record types and quantities of materials required for production based on specifications 2.2 Estimate time requirements for production activities and other lead times based on specifications 2.3 Estimate and record labour requirements for direct production and handling operations based on specifications 2.4 Estimate and record costs associated with wastage (labour, materials,

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Elements describe the essential outcomes.	Performance criteria describe the performance needed to demonstrate achievement of the element.
	consumables) based on specifications and previous project outcomes
3. Determine production costs	<p>3.1 Calculate and document total production costs using required software in accordance with workplace procedures</p> <p>3.2 Determine and document allowance for overheads and mark-up percentages in accordance with workplace procedures</p> <p>3.3 Determine costs associated with transportation and packaging of product</p> <p>3.4 Calculate and communicate final cost to customer through liaison with marketing/sales personnel and other personnel involved in financial decision-making</p>
4. Document costing	<p>4.1 Document details of costs in accordance with workplace procedures and formats</p> <p>4.2 Check and verify costing details in accordance with workplace procedures</p> <p>4.3 File and store costing information for future reference in accordance with workplace procedures</p> <p>4.4 Respond appropriately and in accordance with workplace procedures to changes in scope and other requirements</p>

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

- Numeracy skills to identify and interpret different data types, perform calculations including measurements and provide product and production estimates.
- Reading skills to interpret product and production costing information.
- Writing and oral communication skills to record and report on production costing processes and information accurately.

Other foundation skills essential to performance are explicit in the performance criteria of this unit of competency.

Unit Mapping Information

Release 1. Supersedes and not equivalent to MSFFT4010 Identify and calculate production costs.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=0601ab95-583a-4e93-b2d4-cfb27b03ed73>