



Australian Government

Department of Education, Employment and Workplace Relations

SFIPROC601C Establish costs and/or conditions for sale of seafood product

Release: 1

SFIPROC601C Establish costs and/or conditions for sale of seafood product

Modification History

Not Applicable

Unit Descriptor

Unit descriptor	This unit of competency involves identifying and interpreting cost factors, and reviewing and determining costing methods. It also involves identifying the assessment of internal and external factors that might impact on supply decisions. No licensing, legislative, regulatory or certification requirements apply to this unit at the time of publication.
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Application of the Unit

Application of the unit	All enterprise or workplace procedures and activities are carried out according to <i>relevant government regulations, licensing and other compliance requirements</i> , including <i>food safety and hygiene regulations and procedures</i> .
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Licensing/Regulatory Information

Refer to Unit Descriptor

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Identify <i>cost factors</i> impacting on supply of seafood product	1.1. Cost factors related to the enterprise are determined. 1.2. An historical perspective is applied to ensure accuracy and reliability of the information generated.
2. Review enterprise <i>costing methods</i>	2.1. <i>Costing options</i> for raw materials are reviewed. 2.2. Costing options for direct and indirect labour are reviewed. 2.3. Costing options for overheads are reviewed. 2.4. Processing cost options developed are relevant to the nature and extent of operations. 2.5. Options for controlling cost elements are reviewed. 2.6. Volume, price, profit and projections are assessed against costing options. 2.7. Quality assurance factors are reviewed in terms of impact on costing decisions.
3. Identify and assess internal and external factors impacting on pricing decisions	3.1. Profit goals and return on investment objectives established in overall business plans are assessed. 3.2. Cost, volume, price, profit relationships and projections are assessed in relation to pricing decisions. 3.3. Competitors' prices are assessed in terms of the implications for pricing decisions. 3.4. Pricing strategy options are assessed in relation to competition for similar products and/or services, market penetration and comparable product pricing. 3.5. Customer demand is analysed in relation to pricing decisions, and quality and value expectations. 3.6. Quality assurance factors are reviewed 3.7. Product and/or service design, distribution and promotion factors are examined and assessed. 3.8. Regulatory and compliance factors are assessed.
4. Determine conditions for the provision of the product and/or service	4.1. <i>Terms of sale and payment conditions</i> that may impact upon the price of products and/or services are determined within relevant consumer legislation. 4.2. Conditions relating to provision of the whole or part of the products and/or services are developed and clearly identify the nature and extent of products and/or services provided. 4.3. Agreed variation to the terms of product and/or service provision are determined and formally communicated in a form and manner that ensures that there is no misunderstanding of the nature, extent and price of the products and/or services provided.

ELEMENT	PERFORMANCE CRITERIA
5. Formulate prices for the provision of product and/or service	5.1. Options developed for communicating retail product and/or service price are relevant for the product and/or service. 5.2. Options developed for communication of business to business product and/or service price information are relevant. 5.3. The form for communicating estimates for product and/or service pricing information to customers or clients are consistent with the formality and legal nature of the business transaction. 5.4. Estimates clearly communicate the conditions and prices for the provision of products and/or services. 5.5. Methods are developed and implemented to record pricing information, estimates and quotations communicated to clients, and client acceptances of pricing, estimate, and quotation terms.

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- assessing seafood quality against customer specifications
- applying product knowledge
- calculating product costings
- communicating procedures, standards and regulations in the workplace
- communicating with stakeholders, including customers, colleagues and/or regulators
- gathering market intelligence
- giving attention to detail
- identifying and describing seafood species by quality characteristics, yield and food safety parameters
- maintaining business relationships
- planning work to meet objectives
- solving problems
- undertaking business and strategic planning
- using technology.

REQUIRED SKILLS AND KNOWLEDGE**Literacy skills used for:**

- completing complex forms
- identifying and tracing product
- reading and interpreting enterprise procedures
- reading and interpreting technical standards and regulations
- reading and writing complex correspondence.

Numeracy skills used for:

- calculating cost structures
- calculating extensions of weight and price, including totals
- converting between currency using foreign exchange rates
- estimating costs, margins, percentages.

Required knowledge

- commercial terms and conditions operating within the seafood industry, including those relevant to import and export of seafood product
- enterprise procedures for the establishment of new clients and the maintenance of an existing client base
- food safety standards, in particular, the requirements of storage, transport and distribution
- procedures and processes for defining product quality and developing product specifications
- regulations affecting the purchase and supply of seafood product
- the cost structures operating within the enterprise in particular, and the industry generally.

Evidence Guide

EVIDENCE GUIDE	
<p>The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
Overview of assessment	
Critical aspects for assessment evidence required to demonstrate competence in this unit	<p>Assessment must confirm ability to:</p> <ul style="list-style-type: none"> perform tasks necessary to determine the cost factors impacting on the enterprise, develop commercial conditions which will enhance the enterprise and confirm those conditions with clients. <p>Assessment must confirm knowledge of:</p> <ul style="list-style-type: none"> demand curves for the species or season developing projections for cost, volume and profit food safety and other relevant requirements industry and/or competitor pricing strategies market expectations options for reducing input costs processing options product specifications quality assurance factors which impact on costs standard terms and conditions accepted for the industry or sector the range of historical data relevant to the enterprise costing structure.
Context of and specific resources for assessment	<p>Assessment is to be conducted in the workplace or in a simulated work environment.</p> <p>Resources may include:</p> <ul style="list-style-type: none"> access to enterprise personnel for confirmation of costing data details of (seafood) resource availability examples of customer specifications samples of contracts for supply.
Method of assessment	<p>The following assessment methods are suggested:</p> <ul style="list-style-type: none"> project (work or scenario based) workplace documents, such as data, calculations and reports

EVIDENCE GUIDE

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| <ul style="list-style-type: none">• written or oral questions. |
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EVIDENCE GUIDE	
Guidance information for assessment	This unit may be assessed holistically with other units within a qualification.

Range Statement

RANGE STATEMENT	
<p>The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.</p>	
<p><i>Relevant government regulations, licensing and other compliance requirements</i> may include:</p>	<ul style="list-style-type: none"> • ecologically sustainable development (ESD) principles, environmental hazard identification, risk assessment and control • fisheries or aquaculture regulations, permits, licences, quotas, catch restrictions and other compliance requirements, including: <ul style="list-style-type: none"> • Australian Exclusive Economic Zone • international treaties and agreements • food safety, Hazard Analysis Critical Control Point (HACCP), hygiene and temperature control along chain of custody • imports quarantine and inspection, and importing approved arrangements for Australian Quarantine Inspection Service (AQIS), Australian Customs Service (ACS) and Biosecurity Australia (BA) • business or workplace operations, policies and practices: <ul style="list-style-type: none"> • commercial law, including fair trading and trade practices • consumer law • corporate law, including registration, licensing and financial reporting • disability policies and practices • equal opportunity, anti-discrimination and sexual harassment • industrial relations and awards, individual

RANGE STATEMENT

	<p>employment contracts and share of catch agreements</p> <ul style="list-style-type: none">• jurisdictional variations• superannuation• taxation• trade practices• warnings and dismissals• worker's compensation• occupational health and safety (OHS) hazard identification, risk assessment and control• product quality assurance:<ul style="list-style-type: none">• correct naming and labelling (e.g. country of origin, Australian Fish Names Standard and eco-labelling)• correct quantities, sizes and other customer requirements• third-party certification (e.g. Australian Grown and ISO 14001:2004 Environmental management systems).
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RANGE STATEMENT	
<p><i>Food safety and hygiene regulations and procedures</i> may include:</p>	<ul style="list-style-type: none"> • Australian Shellfish Sanitation program • display, packaging and sale of food, including seafood and aquatic products • equipment design, use, cleaning and maintenance • exporting requirements, including AQIS Export Control (Fish) orders • handling and disposal of condemned or recalled seafood products • HACCP, food safety program, and other risk minimisation and quality assurance systems • location, construction and servicing of seafood premises • people, product and place hygiene and sanitation requirements • Primary Products Standard and the Australian Seafood Standard (voluntary) • processing, further processing and preparation of food, including seafood and aquatic products • product labelling, tracing and re-call • receipt, storage and transportation of food, including seafood and aquatic products • requirements set out in Australian and New Zealand Food Authority (ANZFA) Food Standards Code and state and territory food regulations • temperature and contamination control along chain of custody.
<p><i>Costs factors</i> may include:</p>	<ul style="list-style-type: none"> • direct • fixed • indirect • overhead • period • product • variable.
<p><i>Costing methods</i> may include:</p>	<ul style="list-style-type: none"> • direct labour costs • direct labour hours • machine hours • materials • overheads • work in progress.

RANGE STATEMENT	
<i>Costing options</i> may include:	<ul style="list-style-type: none"> • external suppliers • inventory • labour • machine hours • materials • overheads • process costing • service costing • specialised requirements.
<i>Terms of sale and payment conditions</i> may include:	<ul style="list-style-type: none"> • bank draft • cash • credit • credit cards • discounts (e.g. prompt payment, volume discount and trade discount) • EFTPOS • letter of credit.

Unit Sector(s)

Unit sector	Seafood processing
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Co-requisite units

Co-requisite units	

Competency field

Competency field	
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