



Australian Government

MSFFDT5011 Assess economic impact of a design

Release: 1

MSFFDT5011 Assess economic impact of a design

Modification History

Release 1 - New unit of competency

Application

This unit of competency covers assessing the economic impact of a design, and recording its marketability, volume potential and competition. It applies in an industry workplace or design studio environment and involves application of skills and knowledge at a managerial level.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Pre-requisite Unit

Competency Field

Unit Sector

Furniture design and technology

Elements and Performance Criteria

Elements describe the essential outcomes.

Performance criteria describe the performance needed to demonstrate achievement of the element.

1	Research economic factors	1.1	Applicable work health and safety (WHS), legislative and organisational requirements relevant to assessing the economic impact of a design are verified and complied with
		1.2	Design brief is reviewed, confirmed and clarified with appropriate personnel
		1.3	Communication with others is established and maintained in accordance with WHS requirements
		1.4	Market research fundamentals undertaken to assess the size and nature of a market are considered and analysed
		1.5	Potential designed products sales volume of amount sold within a specified time period, expressed in monetary terms or in terms of the total amount of stock or products sold are analysed and evaluated

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| | | 1.6 | Niche markets are discovered and analysed for cost-benefit analysis assigning monetary value to the costs and benefits (social, environmental and monetary) associated with a project for the purpose of selecting and evaluating project investment opportunities |
| 2 | Assess economic impact of the design | 2.1 | Production costs of a design are assessed and evaluated |
| | | 2.2 | Longitudinal statistical studies of a design that produces data gathered over a period of time are undertaken to explore potential success factors |
| | | 2.3 | Scale of production is estimated taking into account market analysis |
| | | 2.4 | Profit margins of the amount by which income exceeds expenditure, including the sale price minus the cost of production, distribution and marketing are analysed based on expected turnover

Full costing of product, including the price point of the cost for sale placed on a product which caters to a market segment based on production costs, overheads and profit margins in relation to demand, supply and volume of sales in the market and demand for the product is conducted |
| | | 2.5 | Competition in the market place with similar design solutions or products in that market segment are analysed and strategies reviewed |
| | | 2.6 | Availability of resources is assessed to ascertain what impact this will have on economic viability |
| | | 2.7 | Product lifecycle analysis is evaluated for economic significance |
| | | 2.8 | Long-term economic impact on the business, staff and associated suppliers is analysed and strategised |
| | | 2.9 | Intended manufacturing processes, including assembly and finishing, are assessed for their economic impact |
| | | 2.10 | Final documentation outlining the full analysis of the designs economic impact is compiled and produced as a report |
| | | 2.11 | Production costs of a design are assessed and evaluated |

Foundation Skills

Foundation skills essential to performance are explicit in the performance criteria of this unit of competency. Detail on appropriate performance levels for each furnishing unit of competency in reading, writing, oral communication and numeracy utilising the Australian Core Skills Framework (ACSF) are provided in the Furnishing Training Package Implementation Guide.

Range of Conditions

Specifies different work environments and conditions that may affect performance. Essential operating conditions that may be present (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) are included. Range is restricted to essential operating conditions and any other variables essential to the work environment.

Organisational requirements include:

- legal, organisational and site guidelines
- policies and procedures relating to own role and responsibility
- quality assurance
- procedural manuals
- quality and continuous improvement processes and standards
- WHS, emergency and evacuation requirements
- ethical standards
- recording and reporting
- access and equity principles and practices
- equipment use, maintenance and storage
- environmental management (waste disposal, recycling and re-use guidelines)

Design brief includes:

- the aims, objectives, milestones for the design project
- organisational or personal profiles
- target audience
- budget
- timeline
- consultation requirements
- colour requirements
- image requirements
- function

Appropriate personnel include:

- trainers
- supervisors
- suppliers

	• clients • colleagues • managers
Niche markets include:	• a very specific market segment within a broader segment of the market that involves the provision of specialist products where relatively few or no competitors exist
Resources include:	• materials • personnel • equipment • systems
Product lifecycle includes:	• the evolution of a product from its raw source, through its inception, development, manufacture, completion and time as a completed product until potential renewal
Manufacturing processes include:	• the methods by which the product will be produced, these steps entail working from working drawings and specifications, producing components utilising machine operations, assembly of the components and finishing techniques
Assembly methods include:	• nailing • gluing • screwing • welding • pressing • sewing • bonding • jointing • other methods of connecting various materials
Finishing includes:	• paints • waxes • lacquers • stains • pigments • oils • plastic coatings

Unit Mapping Information

Supersedes and is equivalent to LMFFDT6001A Assess economic impact of a design

Links

Companion Volume implementation guides are found in VETNet -

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