



Australian Government

BSBFRA402 Establish a franchise

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with BSB Business Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to establish a franchise from the initial research phase through to finalising a franchising agreement with the franchisor and opening the franchise for business.

It applies to potential franchisees who will operate under formal franchising agreements and focuses on the planning aspects of the establishment of a franchise.

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

Unit Sector

Management and Leadership – Franchising

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1 Identify opportunities for establishing franchise	1.1 Research and identify franchising opportunities 1.2 Determine own interests and skills to assess suitability for identified opportunities 1.3 Determine requirements for establishing a specific franchise 1.4 Research and check viability and business record of franchisor in prospective franchise 1.5 Enter into negotiations with a franchisor to establish a franchise
2 Complete business plan	2.1 Access business plan proforma, as appropriate 2.2 Consult franchisor and others in process of developing business planning documents

ELEMENT	PERFORMANCE CRITERIA
	2.3 Research and determine financing options 2.4 Finalise financial planning for franchise 2.5 Undertake market analysis for franchise opportunity and complete marketing plan 2.6 Research and determine needs for premises in appropriate area 2.7 Compile relevant information into business plan
3 Identify and address learning needs	3.1 Determine required skills and knowledge to manage a franchise, and identify gaps for self and others 3.2 Seek assistance to assess and address learning needs and document these in the form of a learning plan 3.3 Determine training required by franchisor of a franchisee 3.4 Undertake learning plan and required training programs
4 Finalise agreements	4.1 Complete finance agreements 4.2 Access legal advice as required 4.3 Finalise and sign off franchising agreement 4.4 Obtain required permits for franchise operation 4.5 Finalise contracts and agreements with third parties
5 Prepare for opening of franchise	5.1 Obtain physical and human resources required to manage franchise 5.2 Undertake marketing activities associated with opening the franchise 5.3 Open the franchise for business

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Learning	3.1, 3.2, 3.4	<ul style="list-style-type: none"> Reviews own competencies and those of others to determine skill gaps and future training requirements
Reading	1.1, 1.4, 2.1-2.7, 3.1-3.4, 4.1-4.5, 5.1,	<ul style="list-style-type: none"> Identifies and evaluates a variety of texts to determine business requirements

	5.2	
Writing	1.1, 1.4, 1.5, 2.3-2.7, 3.1-3.3, 4.1, 4.3, 4.5, 5.2	<ul style="list-style-type: none"> Records results of analysis of information and consultations using clear and comprehensible language and layout Prepares factual and informative content in documentation which meets requirements of purpose and audience
Oral Communication	1.5, 2.2, 3.2, 3.3, 4.2, 4.5	<ul style="list-style-type: none"> Participates in verbal exchanges of information and elicits the view and opinions of others by listening and questioning Articulates requirements clearly, based on language appropriate to audience and environment
Numeracy	2.4, 4.1	<ul style="list-style-type: none"> Uses mathematical formula to calculate financial requirements and finalise official agreements
Navigate the world of work	1.4, 4.1-4.5	<ul style="list-style-type: none"> Takes personal responsibility for establishing and adhering to legal/regulatory responsibilities relevant to own work context
Interact with others	1.5, 2.2, 3.2	<ul style="list-style-type: none"> Selects the appropriate form, channel and mode of communication for a specific purpose relevant to own role Seeks guidance and assistance to address learning needs
Get the work done	1.1-1.4, 2.1, 2.3-2.6, 3.1, 3.3, 5.1, 5.2, 5.3	<ul style="list-style-type: none"> Takes responsibility for planning, sequencing and prioritising tasks and own workload for efficiency and effective outcomes Takes responsibility for the outcomes of decisions related directly to own role

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
BSBFRA402 Establish a franchise	BSBFRA402B Establish a franchise	Updated to meet Standards for Training Packages	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=11ef6853-ceed-4ba7-9d87-4da407e23c10>