



Australian Government

Department of Education, Employment and Workplace Relations

BSBFRA401B Manage compliance with franchisee obligations and legislative requirements

Release: 1

BSBFRA401B Manage compliance with franchisee obligations and legislative requirements

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to comply with obligations set out in the franchising agreement and with relevant legislative requirements specific to the type of franchise. No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.
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Application of the Unit

Application of the unit	This unit applies to franchisees who require a broad knowledge of franchisee obligations and legislative requirements and who use this knowledge to develop compliance strategies. Franchisors will have their needs met in this area by BSBFRA501B Establish a franchise operation.
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Licensing/Regulatory Information

Not applicable.

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. Determine franchisee obligations and legislative requirements	1.1. Identify <i>obligations under franchising agreement</i> 1.2. Identify relevant <i>legislative requirements</i> 1.3. Access codes of practice and material that interprets and explains obligations and legislative requirements 1.4. Clarify obligations and legislative requirements with franchisor and relevant <i>government</i> and licensing agencies
2. Develop strategies for compliance with franchisee obligations and legislative requirements	2.1. Analyse available information on obligations and legislative requirements to develop <i>strategies</i> for compliance 2.2. Check strategies with franchisor to determine suitability to operate franchise within obligations and legislative requirements 2.3. Use strategies to develop regular, cyclical <i>compliance checks</i> 2.4. Complete <i>training</i> to facilitate compliance requirements
3. Undertake scheduled compliance checks	3.1. Communicate compliance requirements to staff 3.2. Delegate compliance checks to relevant staff and provide training and support for staff to carry out these checks 3.3. Record timing and outcomes of compliance checks according to organisational requirements 3.4. Identify instances of non-compliance from compliance checks
4. Act on identified instances of non compliance with franchisee obligations and legislative requirements	4.1. Determine courses of action to address instances of non-compliance 4.2. Seek assistance of franchisor or other relevant parties to address non-compliance 4.3. Take action to address non-compliance 4.4. Make checks to ensure non-compliance has been addressed 4.5. Monitor compliance in a specific area to ensure continuing compliance 4.6. Analyse reasons for non-compliance to guide future compliance

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- culturally appropriate communication skills to relate to people from diverse backgrounds and people with diverse abilities
- communication and negotiation skills to establish franchisee obligations
- problem-solving skills to address non-compliance
- research skills to access necessary information.

Required knowledge

- occupational health and safety (OHS) requirements:
 - specific to nature and type of franchise
 - generic to all workplaces
- other relevant legislation, codes of practice and national standards, for example:
 - legislation covering fire safety, employment of staff and anti-discrimination, dangerous goods, liquor licensing, food safety
 - Franchising Code of Conduct
- franchise specific obligations:
 - as per franchise agreement
 - as per updates and amendments to agreement over time
- auditing requirements
- penalties for non-compliance and context for franchisee obligations and legislative requirements.

Evidence Guide

EVIDENCE GUIDE

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.

Overview of assessment

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the following is essential:

- schedule of checks being undertaken associated with a broad statement of strategies to ensure compliance
- compliance check schedule and examples of checks made
- documented actions to address instances of non-compliance
- demonstrated support to staff to assist with compliance
- knowledge of relevant legislation, codes of practice and national standards.

Context of and specific resources for assessment

Assessment must ensure:

- access to an actual workplace or simulated environment
- access to office equipment and resources
- access to examples of real franchisee agreements and related documentation.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit:

- direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate
- review of action taken to address non-compliance
- oral or written questioning to assess knowledge of franchisee arrangements
- evaluation of strategies developed for compliance
- review of documentation recording timing and outcomes of compliance checks.

Guidance information for assessment

Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.

Range Statement

RANGE STATEMENT

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.

Obligations under franchising agreement may include:

- area of operations or limits to region or territory
- fees and pricing structures
- fees paid to franchisor
- financial controls
- franchise corporate image requirements and branding
- limits on trading of other products and services that are outside franchise operations
- merchandising requirements
- quality assurance requirements
- reporting of income, sales or turnover
- stock control and inventory requirements, and reporting of this information

Legislative requirements may include:

- Australian Taxation Office requirements, including requirements to register as a business and obtain an (Australian Business Number) ABN
- Dangerous Goods Act requirements
- fire regulations
- food safety requirements
- Liquor Licensing Act requirements
- local government planning and land use zoning regulations
- OHS requirements
- other legislative requirements specific to the nature and type of franchise
- relevant permits, licences and completion of training programs such as in safe food handling
- requirements under employment legislation

Government may include:

- commonwealth
- local government
- state/territory

RANGE STATEMENT	
<i>Strategies</i> may be:	<ul style="list-style-type: none"> • broad statements of requirements for compliance • used to develop specific work procedures and compliance checks
<i>Compliance checks</i> may be:	<ul style="list-style-type: none"> • continuous, daily, weekly, monthly as required to ensure compliance • logged in specific logbook or checked against checklists and filed as required • undertaken by franchisee or staff delegated with specific tasks
<i>Training</i> may include:	<ul style="list-style-type: none"> • a cyclical schedule (such as yearly refresher courses and product knowledge workshops) • legislative requirements such as first aid, OHS, food handling • specifications in the initial franchise agreement

Unit Sector(s)

Unit sector	
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Competency field

Competency field	Management and Leadership - Franchising
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Co-requisite units

Co-requisite units		