SIRXSRM805 Lead the strategic planning process in a service environment

Release: 1

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Modification History

The version details of this endorsed unit are in the table below. The latest information is at the top.

Release	Comments
First Release	New unit

Unit Descriptor

This unit describes the performance outcomes, skills and knowledge required to lead the development of high-level strategic plans for a retail organisation. This entails the analysis of the environment, identification of risks and opportunities, and specification of strategic directions that serve the vision and mission of the organisation. Establishing financial and non-financial performance indicators and monitoring them are critical to success.

Application of the Unit

This unit of competency supports the needs of senior managers and business owners with significant responsibility for setting the strategic direction of a service organisation.

Licensing/Regulatory Information

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

Pre-Requisites

Nil

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements and Performance Criteria

Element	Performance Criteria
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.
1. Initiate the strategic planning process.	1.1. Consult extensively with business owners and senior staff to determine the **parameters** that will be used for the planning process.
	1.2. Analyse previous strategic and business plans to identify strengths and weaknesses and inform current processes.
	1.3. Develop or select a planning methodology to drive the process.
	1.4. Identify and brief stakeholders who will contribute to the plan's development.
	1.5. Negotiate and allocate human and other resources required to support the planning process.
	1.6. Negotiate and determine a timeframe for the completion of the strategic plan.
2. Conduct an environmental and organisational scan.	2.1. Research **best practices and trends** within the retail industry.
	2.2. Collect and analyse demographic and trend data to provide profiling information about the organisation's customer base.
	2.3. Collect and analyse **industry intelligence** into the strengths and weaknesses of competitors.
	2.4. Analyse the strengths, weaknesses, opportunities and threats (SWOT) of the organisation and its environment.
	2.5. Identify **risks** that could constrain the achievement of organisational goals in the short, medium and long term.
	2.6. Consult with stakeholders to identify issues and expectations affecting the organisation's operations.
3. Establish organisational directions.	3.1. Implement processes to engage staff and relevant stakeholders in the planning process, ensuring ownership of an agreement to the plan's outcomes.
	3.2. Seek staff and stakeholder input into establishing the organisation's vision, mission, values and major goals.
	3.3. Provide leadership to establish the organisation's key result areas and performance measures.
4. Develop the strategic plan.	4.1. Manage the development of the detailed activities that will be required to achieve organisational goals.

	4.2. Manage the development of specific performance indicators to enable the measurement of success.
	4.3. Identify, cost and budget the *resource levels* required to implement the plan.
	4.4. Consult with experts and staff to review the organisation's brand management strategy and positioning within the market place.
	4.5. Undertake consultation, communication and negotiation to gain commitment to the process and the plan.
	4.6. Obtain sign-off and commitment to the finalised strategic plan from relevant stakeholders and participants.
5. Manage the implementation process.	5.1. Manage the development of the tactical or *operational* annual plans required to implement the longer-term strategic plan.
	5.2. Plan and prioritise the allocation of human, financial and capital resources to enable implementation.
	5.3. Put strategies in place to skill the workforce to ensure effective implementation.
	5.4. Communicate with staff and stakeholders during the implementation process to ensure commitment and gain feedback.
	5.5. Monitor performance of the implementation process against agreed benchmarks and performance indicators.
	5.6. Monitor outcomes of the strategic and operational plans in line with agreed organisational processes.

Required Skills and Knowledge

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

Required skills

- analytical and problem-solving skills to evaluate business strengths and weaknesses
- communication and interpersonal skills to:
  - consult with:
    - business owners and senior staff to establish planning process parameters
    - stakeholders to identify issues and expectations affecting the organisation's operations
    - experts and staff to review the organisation's brand management strategy and position within the marketplace
  - gain staff and stakeholder commitment and feedback during the implementation process
  - negotiate to:
    - allocate human and other resources to develop and implement the plan
    - determine planning timelines
  - seek staff input to identify organisation's vision, mission, values and major goals
- planning skills to:
  - analyse the operational environment
  - develop business goals
  - develop operational plans
- initiative and enterprise skills to develop organisational vision and mission
- time-management skills to plan and prioritise work

Required knowledge

- budgeting and financial management practices
- concepts and models of strategic planning processes, including:
  - environmental analysis
  - SWOT
  - establishing a vision and mission
  - goal setting
  - activity setting
- establishing key performance indicators and measures
- industry trends, including changes to technology and customer preferences
- organisational resource requirements to undertake large and complex projects
- practices and procedures for financial management
- risk management processes

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.

Critical aspects for assessment and evidence required to demonstrate competency in this unit	Evidence of the following is essential: - researches and analyses to identify industry trends and organisational requirements - demonstrates communication and management skills to design and drive a strategic planning process - develops a strategic plan that reflects organisational needs, positions the organisation for success, and is underpinned by sound financial and other analysis - harnesses resources and staff commitment to ensure implementation of the detailed tactics required for business success.
Context of and specific resources for assessment	Assessment must ensure access to: - a retail work environment - current range of text and online information sources on industry intelligence, best practice and trends within the retail industry - previous strategic and business plans - retail managers and staff across the organisation.
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: - observation of performance in the workplace - a role play - answers to questions about specific skills and knowledge - review of portfolios of evidence and third-party workplace reports of on-the-job performance.
Guidance information for assessment	Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended.

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 individual, accessibility of the item, and local industry and regional contexts) may also be included.

Parameters may include:	• budget • timeframe.

Best practices and trends may include:	• emerging or changed use of technologies, including:
	  • e-retailing
	  • radio frequency identification devices (RFIDs)
	  • self-service checkouts
	  • social networking media as a marketing and sales channel
	• company structures, including trends towards:
	  • changed ownerships
	  • merged or diversified organisations
	  • multi-service organisations
	• new or changing levels and ranges of services and products, including:
	  • blurring of product categories (e.g. bookshops with cafes)
	  • brand extension
	  • customisation of products and services
	  • generationally targeted products (e.g. for the over 50s)
	  • polarisation of cost of goods (focus on high end and discount).

Industry intelligence may include:	• data available from industry associations • information gained through industry networks • market research, including mystery shopping • published reports on industry composition • search of publicly available annual reports for listed companies • search of publicly available business records.
Risks may include:	• access to skilled workforce • change to regulatory or licensing environment • changing customer behaviours and requirements • cyclical changes within the industry or region • difficulty in accessing funds • emergence of new technologies • ill health of principal or key staff

	• legal proceedings
	• reliability of suppliers
	• strength of existing or new competitors
	• tightened economic environment.
Resource levels may include:	• consultant costs
	• cost of floor space
	• cost of new or changed security systems
	• cost of stock
	• funding of business expansion
	• human resources
	• infrastructure
	• new marketing effort and costs.
Operational plans that provide tactical implementation of the strategic plan and directions may include:	• financial plan
	• human resource management plan
	• marketing plan
	• purchasing and stock management plan.

Unit Sector(s)

Cross-Sector

Competency Field

Retail Management