



Australian Government

BSBFRA501 Establish a franchise operation

Release: 1

BSBFRA501 Establish a franchise operation

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 franchising operation from an existing business, chain of businesses or planned concept.

It applies to individuals with a well-established, sound theoretical knowledge base in franchising who are proficient in using a range of specialised technical and managerial techniques to plan and establish a franchise operation.

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 Research feasibility of establishing a franchise operation	1.1 Undertake research into franchising models 1.2 Analyse existing business or planned concept to determine opportunity for expansion into franchise operation, seeking assistance as required 1.3 Undertake market research on product or service 1.4 Complete business plan for franchise operation 1.5 Complete marketing plan for franchise operation 1.6 Determine financial viability of proposed franchise operation
2 Plan for establishment of a franchise operation	2.1 Secure financial backing for franchise operation 2.2 Complete documentation of franchising operation according to

ELEMENT	PERFORMANCE CRITERIA
	legislative and regulatory requirements 2.3 Define and document the roles and responsibilities of franchisor and franchisees 2.4 Develop and document policies and procedures for franchisees and franchisors 2.5 Determine and document resources required to commence franchise operation 2.6 Develop and document recruitment, support and monitoring processes for franchise operation
3 Implement plan for establishment of a franchise operation	3.1 Undertake marketing of franchise operation 3.2 Identify franchisees and formalise agreements 3.3 Assist franchisees in developing a business and marketing plan 3.4 Obtain resources to implement franchise operation 3.5 Support and coordinate franchise operation 3.6 Monitor franchise operation in accordance with agreement
4 Review implementation process	4.1 Develop and implement a process to review the start-up of a franchise operation 4.2 Evaluate practices used in start-up to identify improvements 4.3 Implement identified improvements to all documented policies, procedures and practices

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
Reading	1.1, 1.3, 2.2, 3.6, 4.2	Identifies and analyses complex material from a range of sources and determines how content may be applied to business requirements
Writing	1.4, 1.5, 2.2-2.6, 3.1, 3.2, 4.1, 4.3	Develops material for a specific audience using clear and detailed language and appropriate structure to convey explicit information, requirements and recommendations

Oral Communication	2.1, 3.1-3.3	Participates in verbal exchanges using appropriate tone, language and syntax and elicits the views and opinions of others by listening and questioning
Numeracy	1.2, 1.4, 1.6, 2.1, 2.5	Interprets numerical information embedded in business materials to determine financial viability, secure funding to support operation and calculate necessary resources
Navigate the world of work	2.2, 2.4, 3.6, 4.3	- Identifies and adheres to legal and regulatory responsibilities - Creates and modifies organisational policies and procedures
Interact with others	1.2, 2.1, 3.3, 3.4	- Collaborates with others to achieve joint outcomes, influencing direction and taking a leadership role - Recognises the importance of taking audience, purpose and context into account when deciding what and how to communicate with others
Get the work done	1.1-1.6, 2.3, 2.5, 2.6, 3.1, 3.2, 3.4-3.6, 4.1, 4.2	- Uses formal, logical planning processes to identify relevant information, risks, alternative strategies and resources - Makes a range of critical and non-critical decisions in relatively complex situations, taking a range of factors into account - Uses experiences to reflect on key principles and concepts that may help with future improvements

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
BSBFRA501 Establish a franchise operation	BSBFRA501B Establish a franchise operation	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>

Assessment Requirements for BSBFRA501 Establish a franchise operation

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Performance Evidence

Evidence of the ability to:

- carry out initial research into franchise operations
- create a business and marketing plan to determine financial viability or secure financial backing
- create policies, procedures and processes in accordance with relevant legislative and regulatory requirements
- establish a formal agreement with a franchisee that specifies roles and responsibilities of both parties.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- identify work health and safety (WHS) requirements specific to the nature and type of franchising operation
- outline legislation, codes of practice and national standards relevant to franchise operation
- explain what a financial feasibility study entails
- explain the differences between a marketing plan and business plan
- list and describe financing options available
- describe different franchising models, including how each operates.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the management and leadership – franchising field of work. This includes access to:

- business documentation

- relevant legislation, regulations and codes of conduct
- feedback from franchisees
- office equipment and resources.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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