



Australian Government

BSBFRA505 Manage closure of a franchise

Release: 1

BSBFRA505 Manage closure of a franchise

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 manage the closure of a franchise or to transfer it to a new franchisee, or to take action to prevent a closure being executed.

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 undertake the closure of a franchise or transfer to a new franchisee.

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 Investigate and implement alternatives to closure	1.1 Discuss, document and analyse reasons for closure with relevant stakeholders 1.2 Use lessons learned from previous franchise closures and potential franchise closures to arrive at alternative strategies 1.3 Research and negotiate alternative strategies to closure with franchisee and relevant third parties 1.4 Assess feasibility of transferring franchise to new franchisee 1.5 Implement, where feasible, alternative arrangements to closure including transfer
2 Determine roles and	2.1 Determine roles and responsibilities of all parties in closure or

ELEMENT	PERFORMANCE CRITERIA
responsibilities in closure or transfer of franchisee	transfer in line with the Franchising Code of Conduct 2.2 Negotiate process for effecting closure or transfer with relevant stakeholders and document in the form of a plan 2.3 Allocate responsibilities for effecting closure or transfer 2.4 Negotiate closing date or transfer date for franchise with relevant stakeholders
3 Implement plan for closure or transfer	3.1 Communicate closing date or transfer date for franchise to relevant stakeholders 3.2 Carry out disposal of assets according to plan or transfer them to new franchisee 3.3 Facilitate financial settlements with financial institutions or franchisor's financial officers or debt collectors 3.4 Implement arrangements for closure or transfer in consultation with customers 3.5 Dispose of intellectual property including client database according to agreement between franchisor and franchisee 3.6 Undertake checks to ensure the process for closure or transfer has been completed according to plan
4 Review implications for franchise operations	4.1 Analyse implications for franchise operations from review of closure or transfer 4.2 Identify and recommend improvements to franchise operations and management of franchises

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	1.3, 3.2, 3.6, 4.1	Evaluates and integrates facts and ideas to construct meaning from a range of texts
Writing	1.1, 2.2, 2.3, 3.1, 3.4	Develops material for specific audiences using clear and detailed language to convey explicit information, develop alternate strategies and document recommendations

Oral Communication	1.1, 1.3, 2.2, 2.4, 3.1, 3.4	- Participates in verbal exchanges using language and non-verbal features appropriate to the audience - Elicits the view and opinions of others by listening and questioning
Navigate the world of work	2.1, 3.5	Determines and adheres to agreements and regulations
Interacts with others	1.1, 1.3, 2.2, 2.4, 3.1, 3.4	- Leads and facilitates discussions to achieve requirements - Uses effective negotiation skills to work with franchisees to implement closure - Selects and used appropriate modes and channels for communicating with diverse stakeholders
Get the work done	1.1-1.5, 2.1, 2.3, 3.1, 3.2, 3.3, 3.5, 3.6, 4.1, 4.2	- Accepts responsibility for planning, prioritising and sequencing complex tasks according to requirements - Uses analytical processes to evaluate and decide on closure options - Uses problem-solving processes to determine solutions to issues arising during closure

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
BSBFRA505 Manage closure of a franchise	BSBFRA505B Manage closure of 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>

Assessment Requirements for BSBFRA505 Manage closure of a franchise

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Performance Evidence

Evidence of the ability to:

- evaluate alternatives to closure
- plan franchise closure
- consult all stakeholders involved in closure
- document reasons for closure and incorporate these reasons into plans for future operations.

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 legislation, codes of practice and national standards relevant to the franchise operation
- explain the fundamentals of the Franchising Code of Conduct and other franchise specific obligations:
 - as per franchise agreement
 - as per updates and amendments to the agreement over time.

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
- feedback from franchisees
- office equipment and resources.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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