



Australian Government

SIRRRTF003 Drive retail profitability

Release: 1

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Modification History

Not applicable.

Application

This unit describes the performance outcomes, skills and knowledge required to interpret financial information for a retail business, and to identify, promote and implement strategies to positively impact the business financials.

This unit applies to senior personnel working in a diverse range of retail industry sectors and business contexts. They operate independently and are responsible for making a range of operational business decisions and financial planning and monitoring.

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

Pre-requisite Unit

Nil

Competency Field

Retail Financials

Unit Sector

Retail

Elements and Performance Criteria

ELEMENTS	PERFORMANCE CRITERIA
Elements describe the essential outcomes.	Performance criteria describe the performance needed to demonstrate achievement of the element.
1. Evaluate and plan retail financials.	1.1.Access and accurately interpret budgetary and financial plans of the business. 1.2.Measure financial results, identifying patterns and trends, including variances from budget and financial plans. 1.3.Identify factors that could improve financial performance and limit variances from budget and financial plan. 1.4.Identify contingency actions to be adopted if financial circumstances change. 1.5.Clarify and negotiate, with relevant personnel, changes required

- to the budget and financial plans.
2. Monitor and control financials.
 - 2.1. Monitor financials regularly to accurately identify actual results against budget and financial plans.
 - 2.2. Identify trends and patterns including variances from budget and financial plans, and take prompt corrective action within work role where significant deviations occur.
 - 2.3. Review variable and semi-variable costs to highlight opportunities.
 - 2.4. Complete workplace documentation and other records of budget performance and expenditure, and report to relevant personnel.
 - 2.5. Recommend, and implement within work role, activities that improve business financial performance and limit variances from budget and financial plan.
 3. Positively impact the financials.
 - 3.1. Consult relevant internal personnel, including work team, on ways to increase productivity and reduce labour spend.
 - 3.2. Identify and document strategies to increase productivity and reduce labour spend.
 - 3.3. Promote the strategies adopted to improve productivity and financial profitability, including advising the work team on their roles in improving business financials.
 - 3.4. Monitor implementation of strategies, and support team to improve sales results.
 - 3.5. Identify changes to strategies to improve uptake and outcomes.
 - 3.6. Delegate responsibilities and accountabilities relevant to budget and financial achievement in accordance with organisational policies.

Foundation Skills

Foundation skills essential to performance in this unit, but not explicit in the performance criteria are listed here, along with a brief context statement.

SKILLS	DESCRIPTION
Numeracy skills to:	interpret numerical information and perform financial calculations relevant to store budgets and financial plans.

Unit Mapping Information

No equivalent unit.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=ca051b1b-5101-4ec2-ac1c-49699303188d>

Assessment Requirements for SIRRRTF003 Drive retail profitability

Modification History

Not applicable.

Performance Evidence

Evidence of the ability to complete tasks outlined in elements and performance criteria of this unit in the context of the job role, and:

- evaluate financial performance of a retail business over a specific organisational financial period
- develop and document a financial plan for the same retail business detailing:
 - strategies to drive sales
 - strategies to reduce labour spend
 - strategies to reduce cost of goods
 - contingency planning
- implement the above financial plan demonstrating the following financial monitoring and control activities:
 - communicating and delegating responsibilities:
 - team or individual sales targets
 - roster to labour spend
 - shrinkage targets
 - measuring financial results to identify trends
 - reviewing variable and semi variable costs
 - consulting the team on financial management and performance.

Knowledge Evidence

Demonstrated knowledge required to complete the tasks outlined in elements and performance criteria of this unit:

- retail financial planning and reporting
- for the specific industry sector:
 - external factors impacting on financial results
 - competitor activity
 - market performance
- for the particular retail organisation:
 - budgets and financial plans
 - internal factors impacting on results
 - individual store circumstances impacting on financials

- process to amend stock allocation
- promotional calendar
- recruitment process
- shrinkage targets
- financial results including:
 - sales
 - variable costs
 - semi variable costs
- financial contingencies and contingency planning:
 - amending stock allocation
 - sales promotions
 - recruitment strategies
- strategies to monitor retail financials:
 - measuring results to identify trends:
 - team or individual performance
 - trading days or times with peak or low performance
 - external market factors
 - reviewing variable and semi variable costs:
 - labour
 - utilities
 - consumables
- financial management strategies:
 - management of variances
 - driving sales by:
 - increasing average spend
 - increasing customer loyalty
 - increasing traffic
 - reducing labour spend:
 - increasing productivity
 - reducing non-contact hours
 - reducing overtime if applicable
 - reducing cost of goods:
 - reducing aged stock and markdowns
 - reducing internal theft and fraud
 - reducing external theft
 - managing administrative errors.

Assessment Conditions

Skills must be demonstrated in a retail environment. This can be:

- an industry workplace
- a simulated industry environment.

Assessment must ensure access to:

- organisational budgets and financial plans
- organisational financial results including:
 - sales
 - variable costs
 - semi variable costs
- stakeholders and team members with whom the individual can interact; these can be:
 - relevant personnel and team members in a retail workplace, or
 - people who participate in role plays or simulated activities, set up for the purpose of assessment, in a simulated industry environment.

Assessors must satisfy the Standards for Registered Training Organisations' requirements for assessors.

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