



Australian Government

Department of Education, Employment and Workplace Relations

SIRXSRM802 Lead the development of business opportunities

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 identify, analyse and implement programs that will provide opportunities for business growth.

Senior managers and business owners must have awareness of the trends and emerging patterns within industry and their customer groups.

The ability to exercise judgement in the pursuit of new business relationships will result in positive benefits for the organisation. The ability to weigh up options and make decisions based on how well new opportunities align with the strategic positioning, goals and capacity of the organisation as a whole is also central to success.

Application of the Unit

This unit may apply to senior managers and business owners with responsibility for developing new business opportunities for their 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. Analyse areas of potential new business.	1.1.Consult with business owners and key staff members within the organisation to canvass and identify areas that may offer future business opportunities. 1.2.Review research to provide relevant knowledge about the business environment and emerging trends. 1.3.Analyse the strengths and weaknesses of competitors . 1.4.Identify and evaluate opportunities and threats from the internal and external environments. 1.5.Consult with current clients and stakeholders to enhance understanding of their preferred products and services.
2. Analyse organisational strengths and weaknesses.	2.1.Review internal documentation to build understanding of organisational capacity to respond to new business opportunities. 2.2.Put in place structured processes to identify organisational strengths and weaknesses. 2.3.Conduct a financial analysis to determine the cost of current sales or service delivery and the returns generated to the organisation. 2.4.Gather and analyse relevant research that assesses current customer satisfaction.
3. Prepare a business development plan.	3.1.Negotiate and determine required outcomes, objectives and performance measures for the business development plan. 3.2.Prepare feasibility studies and reports that assess viability, profitability and sustainability of development opportunities. 3.3.Test business development initiatives for acceptance in the marketplace. 3.4.Analyse risks associated with the initiative and ensure compliance with legislative and regulatory requirements . 3.5.Prioritise potential business development opportunities for action. 3.6.Develop a business plan to support the priority initiative, ensuring it is fully costed and resourced.

- 3.7. Seek approval where required for the business development plan according to organisational policies and procedures.
- 4. Manage the implementation of the business opportunity.
 - 4.1. Design, develop and implement the strategy to deliver the new business initiative using identified organisational protocols and processes.
 - 4.2. Identify and allocate financial and non-financial resources to support the delivery of the business development opportunity.
 - 4.3. Develop and oversee the roll-out of **marketing and communication processes** to the target market launching the new business initiative.
- 5. Evaluate the success of the initiatives.
 - 5.1. Monitor and evaluate new business initiatives against desired outcomes and performance measures.
 - 5.2. Identify and oversee implementation of techniques for building repeat business and sustained client relationships.
 - 5.3. Review the business development plan in line with changing organisational and business requirements.

Required Skills and Knowledge

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

Required skills

- initiative and enterprise skills to:
 - apply lateral and creative thinking to the development of new opportunities
 - demonstrate management skills
- interpersonal skills to negotiate and persuade
- literacy and numeracy skills to:
 - prepare complex business documents, such as business cases
 - present information to and consult with staff, business owners, clients and stakeholders
 - analyse profitability of new opportunities
- planning and organising skills to develop and manage the implementation of new business opportunities
- problem-solving and analytical skills to:
 - assess new growth opportunities
 - analyse strengths and weaknesses of competitors
 - evaluate client preferences
 - exercise judgement and decision making when selecting opportunities for business development

Required knowledge

- budgeting and financial planning procedures
- concepts and models of:
 - business case and plan development
 - effective communication
 - risk management planning and processes
- industry and client networks and their operation
- organisational policies and procedures related to business development

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 consults to identify areas for future business development
- uses analysis and judgement to weigh risks and establish priorities for development
- develops a business plan that demonstrates business viability and resource requirements for success
- develops an implementation process to ensure effective roll-out of the business initiative
- evaluates success of business initiative against clear performance indicators.

Context of and specific resources for assessment

Assessment must ensure access to:

- a retail work environment
- current and varied range of relevant text and online information sources
- relevant internal documentation, including:
 - customer profiling data
 - payroll data and trends
 - sales data and trends
 - stock turnover data
 - strategic and business plans
- relevant publicly available data.

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
- customer feedback
- 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.

- Research** may include:
- primary research accessed or commissioned from external sources
 - primary research conducted in-house, including:
 - qualitative research
 - quantitative research
 - search of publicly available annual reports for listed companies
 - search of publicly available business records
 - secondary research, including publicly available data accessed through desk-based research.
- Strengths and weaknesses of competitors** may be analysed using tools, including:
- mystery shopping to identify customer service standards and products or services offered
 - analysis of substitute services, such as:
 - use of internal and informal skill development
 - free vendor training
 - interviews with clients regarding past experiences
 - document and website analysis
 - Porter's Five Forces analysis
 - SWOT analysis.
- Opportunities and threats** may be generated by factors, including:
- changed client needs and preferences
 - changed competitor environment
 - changed government policy settings
 - declining industries
 - emerging competitors
 - macro-economic trends that can dampen or stimulate demand and influence client confidence
 - new and emerging industries
 - new or changing technologies
 - size and profile of the potential market.
- Internal documentation** may include:
- customer profiling data
 - payroll data and trends
 - sales data and trends
 - stock turnover data
 - strategic and business plans.

Financial analysis may be conducted using a range of techniques, including:

- balance sheet analysis
- break even analysis
- cash flow analysis
- cost-benefit analysis
- daily sales and trend analysis
- gross profit
- profit and loss analysis
- return of assets analysis
- return on investment (ROI) analysis
- sales per employee
- sales per square metre of floor space
- sales to inventory ratio
- stock turnover rate.

Business development initiatives:

- are diverse and reflect the nature and structure of the industry in which the organisation operates
- may include the following broad categories:
 - developing and selling new services to existing clients
 - developing and selling new services to new clients
 - expanding volume of current services sold to existing clients
 - selling current services to new clients.

Legislative and regulatory requirements may include:

- alcohol and liquor laws
- emergency management
- employment laws
- environmental standards and protection
- food safety and handling
- intellectual property and licensing
- local government authority planning and permit requirements
- merchandising licensing
- public safety, including fire safety
- responsible serving of alcohol
- Australian consumer law
- traffic management
- work health and safety (WHS).

Marketing and communication processes may include:

- advertising
- brand management
- internet and 'viral' marketing
- personal selling
- product placements
- promotions
- public relations

- social networking sites
- sponsorships
- word of mouth.

Unit Sector(s)

Cross-Sector

Competency Field

Retail Management