

## **SQA Advanced Unit Specification**

### **General information for centres**

**Unit title:** Retail Operations (SCQF level 7)

**Unit code:** HT5P 47

**Superclass:** BC

**Publication date:** August 2017

**Source:** Scottish Qualifications Authority

**Version:** 01

### **Unit purpose**

This unit is designed to enable the learner to understand the importance of retail operations within a store environment and to develop an appreciation of the current operational strategies in the retail sector as a whole.

The unit is relevant to all learners undertaking the SQA Advanced Certificate in Retail or the SQA Advanced Diploma in Retail Management, or to any individual working within the retail sector.

### **Outcomes**

On successful completion of the unit the learner will be able to:

- 1 Explain the role of retail operations within a store environment.
- 2 Analyse the role of retail security within the modern omni-channel retailer.
- 3 Analyse operational strategies in the retail sector and identify current trends and issues.

### **Credit points and level**

2 SQA Credits at SCQF level 7: (16 SCQF credit points at SCQF level 7)

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### **Recommended entry to the unit**

Access to this unit is at the discretion of the centre, but it would be beneficial if the learner had a basic understanding of the retail sector in the UK and/or work experience within the sector.

### **Core Skills**

Opportunities to develop aspects of Core Skills are highlighted in the support notes for this unit specification.

There is no automatic certification of Core Skills or Core Skill components in this unit.

### **Context for delivery**

If this unit is delivered as part of a group award, it is recommended that it should be taught and assessed within the subject area of the group award to which it contributes.

The Assessment Support Pack (ASP) for this unit provides assessment and marking guidelines that exemplify the national standard for achievement. It is a valid, reliable and practicable assessment. Centres wishing to develop their own assessments should refer to the ASP to ensure a comparable standard. A list of existing ASPs is available to download from SQA's website.

### **Equality and inclusion**

This unit specification has been designed to ensure that there are no unnecessary barriers to learning or assessment. The individual needs of learners should be taken into account when planning learning experiences, selecting assessment methods or considering alternative evidence.

Further advice can be found on our website [www.sqa.org.uk/assessmentarrangements](http://www.sqa.org.uk/assessmentarrangements).

### Unit specification: statement of standards

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Acceptable performance in this unit will be the satisfactory achievement of the standards set out in this part of the unit specification. All sections of the statement of standards are mandatory and cannot be altered without reference to SQA.

#### Outcome 1

Explain the role of retail operations within a store environment.

##### Knowledge and/or skills

- ◆ 'Profit and Loss' management in store
- ◆ Stock Management Systems
- ◆ Operational impact of omni-channel retailing and the customer experience
- ◆ Health and safety
- ◆ HR responsibilities
- ◆ HQ/Head Office support functions

#### Outcome 2

Analyse the role of retail security within the modern omni-channel retailer.

##### Knowledge and/or skills

- ◆ Retail industry security trends and issues
- ◆ Internal/external store security methods
- ◆ Role of the store team in retail security

#### Outcome 3

Analyse operational strategies in the retail sector and identify current trends and issues.

##### Knowledge and/or skills

- ◆ Supply Chain Management trends in the retail sector
- ◆ Sustainable practices adopted by retailers in the UK
- ◆ Logistics and distribution challenges for UK retailers
- ◆ Omni-channel customer experience

#### Evidence requirements for this unit

Learners will need to provide evidence to demonstrate their knowledge and/or skills across all outcomes by showing that they can:

##### Outcome 1

- ◆ explain the impact that payroll, stock loss, cash handling and rent/rates will have on the profitability of a retail store.
- ◆ identify various approaches to Stock Management Systems.

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- ◆ evaluate the operational challenges of omni-channel retailing for a UK retail store.
- ◆ identify the role of health and safety in store operations.
- ◆ explain the HR roles and responsibilities an operations team would have in a retail store.
- ◆ identify the relationship between the store operations teams and head office support functions.

### **Outcome 2**

- ◆ identify and explain the key issues and trends facing the modern UK omni-channel retailer.
- ◆ identify the processes and procedures that a retailer puts in place to ensure strong security measures are in place.
- ◆ identify and analyse the role that the wider store team play in reducing the risk of theft.

### **Outcome 3**

Learners will need to provide evidence to demonstrate their knowledge and/or skills across all outcomes by showing that they can:

- ◆ explain the role that supply chain management plays in omni-channel retailing.
- ◆ identify examples of sustainable practices in the UK retail sector.
- ◆ evaluate the logistical challenges that face the UK retail sector.
- ◆ explain the link between e-commerce and the logistics of a modern UK retailer.
- ◆ identify the operational opportunities/challenges that omni-channel retailing has created in the UK retail sector.

The outcomes in this unit could be assessed holistically. Alternatively each outcome could be assessed individually.

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### Unit specification: support notes

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Unit support notes are offered as guidance and are not mandatory.

While the exact time allocated to this unit is at the discretion of the centre, the notional design length is 80 hours.

### Guidance on the content and context for this unit

The unit is intended for learners who would like to pursue a career in retail industry and who are currently undertaking an SQA Advanced Certificate in Retail or an SQA Advanced Diploma in Retail Management. This unit is a core unit at both SQA Advanced Certificate and SQA Advanced Diploma level.

It should give the learner a clear understanding of the importance and structure of an operational platform in retail stores as well as understanding of the macro environment issues that face the retail industry.

The following notes give additional information

**Outcome 1** is concerned with the operational platform of a retail store with reference to:

- ◆ **Profit and Loss in Stores** — the key performance indicators explored in payroll, stock loss, rent and rates, retail estates, shrinkage, waste
- ◆ **Stock Management Systems** — EPOS, Stock processing, stock replenishment, software systems, stock re-ordering
- ◆ **Health and Safety** — store opening/closing procedures, H&S audits, safety in the workplace, emergency procedures
- ◆ **Effect of Omni-Channel Retailing in Stores** — click and collect, stock accuracy, frequency of deliveries, payroll costs for operational compliance, customer demands
- ◆ **HR Responsibilities** — recruitment processes, scheduling/rota, training and developing staff, employment legislation
- ◆ **Store Operations and Head Office Support** — communications platform (intranet), Head Office Store Support Teams, store visits, implementation of operational company strategy

**Outcome 2** is concerned with the role of retail security within the modern omni-channel retailer

- ◆ **Security Trends and Issues** — retail crime statistics, cyber crime
- ◆ **Internal/External Store Security Methods** — LP — policy and procedures, store layout, store technology, hotspots, security tagging, customer service
- ◆ **Role of the Store Team in Retail Security** — proactive prevention, stock take accuracy, daily security checks, customer service as a deterrent, effective merchandising

**Learning Outcome 3** is concerned with operational strategies in retail and the trends and challenges faced by the industry,

- ◆ **Supply Chain Management** — manufacturer/retail relationship, Efficient Consumer Response (ECR), Quick Response (QR), Vertical Integration Trends

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- ◆ **Sustainable Practices** — corporate responsibility, environmental impact of global operations, natural resources, carbon neutral initiatives, local sourcing, ethical sourcing
- ◆ **Logistics and Distribution** — distribution centres (local and regional), delivery frequencies, click and collect
- ◆ **Omni-Channel Retailing** — ‘bricks and mortar’ retailing, ‘bricks and clicks’ retailing, customer service IT software, mobile shopping Apps, shopper data, data accuracy, stock accuracy

## Guidance on approaches to delivery of this unit

Delivery of this unit is likely to form part of the SQA Advanced Certificate in Retail and the SQA Advanced Diploma in Retail Management. It is intended for learners who wish to pursue a career in the retail industry. It is recommended this unit be delivered in Year 1 of the SQA Advanced Diploma as it is a mandatory unit in the SQA Advanced Certificate.

The unit is designed to introduce the learner to the operational functions which are vital in the successful running of a retail organisation. Outcome 1 introduces the learner to store operation/head office functions including finance, stock management and HR and asks the learner to identify, explain and evaluate various roles and the impact of the functions of the roles on the successful running of a retail organisation. Outcome 2 asks the learner to identify the key security issues a modern omni-channel retail organisation faces and the measures put in place to combat these issues. This will cover both head office strategies and the role of customer facing staff. Outcome 3 requires the learner to analyse the operational strategies in the retail sector, taking into consideration the supply chain and the logistical challenges facing retailers in the current climate.

In terms of delivery it is recommended that the teaching of this unit is delivered in a logical format from Outcome 1 to Outcome 3 as laid out above. This will allow the learner to develop and apply their basic understanding of how a retail store may operate before learning about the macro- environment issues/challenges facing the industry

### Delivery Methods for Outcome 1 and 2 and 3

It would be recommended that the following delivery methods are considered through this unit:

- ◆ Group work and activities based on learners shared experiences working in a retail store — this would give an insight into how different retailers may operate
- ◆ Research activities to understand the application of stock management software systems
- ◆ In class group presentations in research activities
- ◆ Case studies involving the changes in retail through omni-channel
- ◆ Media and documentaries creating debate on current issues and trends related to omni-channel retailing, technology, supply chain management
- ◆ Industry contacts/guest speakers who could provide a knowledge of how their retail store operates and the focus placed on their operational platform

## Guidance on approaches to assessment of this unit

Evidence can be generated using different types of assessment. The following are suggestions only. There may be other methods that would be more suitable to learners.

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Centres are reminded that prior verification of centre-devised assessments would help to ensure that the national standard is being met. Where learners experience a range of assessment methods, this helps them to develop different skills that should be transferable to work or further and higher education.

It is recommended that the assessment for this unit could combine Outcomes 1, 2 and 3 in the form of a case study. This single instrument of assessment could be adopted for the unit in the form of a report of 2,000–2,500 words approximately. This assessment should be undertaken towards the end of the unit. Adequate time should be given to allow the learner to review all teachings as well as further research with particular reference to Outcome 2.

The case study will clearly outline a scenario with which the learner is then able to complete a report (as recommended above)

In order to complete the unit successfully the learner will be required to achieve a satisfactory level of performance on a recommended single piece of work.

### **Opportunities for e-assessment**

E-assessment may be appropriate for some assessments in this unit. By e-assessment we mean assessment which is supported by Information and Communication Technology (ICT), such as e-testing or the use of e-portfolios or social software. Centres which wish to use e-assessment must ensure that the national standard is applied to all learner evidence and that conditions of assessment as specified in the evidence requirements are met, regardless of the mode of gathering evidence. The most up-to-date guidance on the use of e-assessment to support SQA's qualifications is available at [www.sqa.org.uk/e-assessment](http://www.sqa.org.uk/e-assessment).

### **Opportunities for developing Core and other essential skills**

#### **Communication: Written Communication (Reading) at SCQF level 6**

The delivery and assessment of this unit may offer opportunities to develop this Core Skill. Written Communication (Reading) at SCQF level 6 involves identifying significant information, ideas and supporting details in a written communication. This would fit the requirements for Outcomes 1, 2 and 3 which requires the learners to spend time researching and studying diverse sources of information.

#### **Communication: Written Communication (Writing) at SCQF level 6**

The delivery and assessment of this unit may offer opportunities to develop this Core Skill. Written Communication (Writing) at SCQF level 6 involves presenting all essential information and supporting detail in logical and effective order. This could fit the requirements of Outcomes 1, 2 and 3 in which learners can produce a report to detail the findings of their investigation.

#### **Using Number at SCQF level 6**

The delivery and assessment of this unit may offer opportunities to develop this Core Skill. Using Number at SCQF level 6 involves working confidently with numerical or statistical methods. Learners have an opportunity to demonstrate this in Outcome 2 through the analysis of retail crime statistics.

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### **Information and Communication Technology (ICT): Accessing Information at SCQF level 5**

The delivery and assessment of this unit may offer opportunities to develop this Core Skill. Accessing Information at SCQF level 5 involves learners carrying out searches and evaluating the results. This fits with the requirements of Outcome 1, 2 and 3 where learners search for and evaluate information using a range of sources.

### **Information and Communication Technology (ICT): Providing/Creating Information at SCQF level 5**

The delivery and assessment of this unit may offer opportunities to develop this Core Skill. Providing/Creating Information at SCQF level 5 involves selecting appropriate websites/data sources to research a current issue and presenting findings in an appropriate format, including referencing which could be demonstrated in Outcomes 1, 2 and 3.

### **Problem Solving: Critical Thinking at SCQF level 5**

The delivery and assessment of this unit may offer opportunities to develop this Core Skill. Critical Thinking at SCQF level 5 involves assessing the relevance of factors to a situation or issue. This can be demonstrated in all Outcomes where the learner will be expected to identify explain and evaluate a number of factors in relation to retail operations.

### **Problem Solving: Planning and Organising at SCQF level 6**

The delivery and assessment of this unit may offer opportunities to develop this Core Skill. Planning and Organising at SCQF level 6 involves identifying and ensuring you have the necessary resources, selecting these from a wide range of familiar and unfamiliar sources, possibly involving a search. This would fit with Outcomes 1, 2 and 3 where learners could produce a report or presentation to detail the findings of their investigation.

### **Problem Solving: Reviewing and Evaluating at SCQF level 5**

The delivery and assessment of this unit may offer opportunities to develop this Core Skill. Reviewing and Evaluating at SCQF level 5 involves drawing conclusions, which should refer to and consider the evidence. This would fit with Outcome 3 where learners will evaluate the logistical challenges facing the UK retail sector.



## Administrative information

Version	Description of change	Date

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SQA acknowledges the valuable contribution that Scotland's colleges have made to the development of SQA Advanced Qualifications.

**FURTHER INFORMATION:** Call SQA's Customer Contact Centre on 44 (0) 141 500 5030 or 0345 279 1000. Alternatively, complete our [Centre Feedback Form](#).

### General information for candidates

#### Unit title: Retail Operations (SCQF level 7)

This unit will help you understand the role of retail operations within a retail store environment and the wider retail industry. You will come to appreciate and understand the processes, challenges and opportunities in the industry. The unit will complement existing SQA units such as *Retail Environment*, *Stock Presentation*, *Retail Customer Experience* and *Principles of Retail Buying* in demonstrating how they all play a collective role in the success of a retail brand. On successful completion of the unit you will be able to:

- 1 Explain the role of retail operations in a store environment.
- 2 Analyse the role of retail security in the modern omni-channel retailer.
- 3 Analyse operational strategies in the retail sector and identify current trends and issues.

Although the instrument of assessment to be used is at the discretion of your centre, it is recommended that the assessment for this unit could combine Outcomes 1, 2 and 3 in the form of a case study. This single instrument of assessment could be adopted for the unit in the form of a report of 2,000–2,500 words approximately. This assessment should be undertaken towards the end of the unit.

In the course of this unit you will have the opportunity to develop Core Skills in the following areas:

- ◆ *Communication*
- ◆ *Numeracy*
- ◆ *Information and Communication Technology (ICT)*
- ◆ *Problem Solving*