

**-SQA- SCOTTISH QUALIFICATIONS AUTHORITY**

**NATIONAL CERTIFICATE MODULE: UNIT SPECIFICATION**

**GENERAL INFORMATION**

**-Module Number-** 5120137 **-Session-**1997-98  
**-Superclass-** BC  
**-Title-** UNDERSTANDING THE RETAIL AND DISTRIBUTION INDUSTRIES (x2)

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**-DESCRIPTION-**

**GENERAL COMPETENCE FOR UNIT:** Developing an understanding of the structure and operation of the retail and distribution industries and the characteristics of their components.

**OUTCOMES**

1. describe the characteristics and main functions of retail organisations;
2. explain the role of wholesale and physical distribution operations;
3. describe operational considerations in a range of retail organisations;
4. explain the contribution of customer care to the success of retail organisations;
5. select a suitable mix of physical distribution activities for a given situation;
6. apply procedures for the receipt and storage of goods within a warehouse;
7. apply procedures and use equipment in the control and despatch of goods;
8. explain the factors informing the selection of modes of transport in the distribution sector.

**CREDIT VALUE:** 2 NC Credits

**ACCESS STATEMENT:** Access to this unit is at the discretion of the centre. However, it would be advantageous if the candidate had achieved NC module: 5120127 Introduction to the Retail and Distribution Industries or relevant industrial experience.

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For further information contact: Committee and Administration Unit, SQA, Hanover House, 24 Douglas Street, Glasgow G2 7NQ.

Additional copies of this unit may be purchased from SQA (Sales and Despatch section). At the time of publication, the cost is £1.50 (minimum order £5.00).

**NATIONAL CERTIFICATE MODULE: UNIT SPECIFICATION**

**STATEMENT OF STANDARDS**

**UNIT NUMBER:** 5120137

**UNIT TITLE:** UNDERSTANDING THE RETAIL AND DISTRIBUTION INDUSTRIES

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

**OUTCOME**

1. DESCRIBE THE CHARACTERISTICS AND MAIN FUNCTIONS OF RETAIL ORGANISATIONS

**PERFORMANCE CRITERIA**

- (a) The types and functions of retail organisations are described accurately.
- (b) Services offered to customers by different retail organisations are outlined accurately.
- (c) Retail organisations are categorised by different selling methods.

**RANGE STATEMENT**

Retail organisations: independent; multiple; variety chain store; department store; discount store; supermarket; superstore; hypermarket; concession; franchise; co-operative; specialist store.

**EVIDENCE REQUIREMENTS**

Written and/or oral evidence that the candidate can describe the characteristics and functions of each type of retail organisation.

**OUTCOME**

2. EXPLAIN THE ROLE OF WHOLESALER AND PHYSICAL DISTRIBUTION OPERATIONS

**PERFORMANCE CRITERIA**

- (a) Characteristics and functions of different types of wholesaler are accurately explained.
- (b) Warehousing activities are accurately described.
- (c) Methods of transport are correctly identified.

**RANGE STATEMENT**

Types of wholesaler: general; specialist; traditional; cash and carry; voluntary group.

Functional areas: bulk buying; breaking bulk; credit facilities; storage facilities; physical movement of goods; forward buying; stimulating demand; sources of information; delivery.

Warehouse activities: receipt of goods; storage of goods; movement of goods; despatch of goods.

Transport: road; rail; sea; air.

**EVIDENCE REQUIREMENTS**

Written and/or oral evidence that the candidate can explain the role of wholesaling and physical distribution.

**OUTCOME**

3. DESCRIBE OPERATIONAL CONSIDERATIONS IN A RANGE OF RETAIL ORGANISATIONS

**PERFORMANCE CRITERIA**

- (a) Organisation structures of retail organisations are accurately outlined.
- (b) Security considerations in store design are accurately explained.
- (c) Staffing considerations in different retail organisations are accurately described.
- (d) Effects on organisation structure of centralisation and decentralisation are accurately described.

### **RANGE STATEMENT**

Retail organisations: variety chain stores; multiples; department stores; sole traders.

Organisation structures: organisation by duties and departments; organisation charts.

Security considerations: blind spots; methods of prevention of theft; staff areas; lighting.

Staffing considerations: according to layout and departments; according to type of merchandise; fixtures; rotas.

Effects of centralisation and decentralisation: head office instructions; meeting local needs; job satisfaction; decision making.

### **EVIDENCE REQUIREMENTS**

Written and/or oral evidence that the candidate can describe operational considerations in a range of retail organisations.

### **OUTCOME**

4. EXPLAIN THE CONTRIBUTION OF CUSTOMER CARE TO THE SUCCESS OF RETAIL ORGANISATIONS

### **PERFORMANCE CRITERIA**

- (a) Reasons for customer care are accurately explained.
- (b) Methods of identifying customer needs are accurately described.
- (c) Response of organisations to customer needs is accurately explained.

### **RANGE STATEMENT**

Customers: internal; external.

Reasons for customer care: customer loyalty, gaining service competitive edge.

Methods of identifying customer needs: surveys; evaluation cards; suggestion boxes; complaints; questioning techniques; listening techniques; body language.

### **EVIDENCE REQUIREMENTS**

Written and/or oral evidence that the candidate can explain the contribution of customer care to the success of retail organisations, the importance of identifying and meeting customer needs and methods used to do so.

**OUTCOME**

5. SELECT A SUITABLE MIX OF PHYSICAL DISTRIBUTION ACTIVITIES FOR A GIVEN SITUATION

**PERFORMANCE CRITERIA**

- (a) The factors influencing choice of the mix are identified.
- (b) The relationship between the different physical distribution activities is accurately described in terms of their effects on each other.
- (c) The mix of activities selected is appropriate to the given situation.

**RANGE STATEMENT**

Factors: nature and size of organisation; character of product; geographical area; number and types of customer; levels of service.

Physical distribution activities: warehousing; packaging; transport.

**EVIDENCE REQUIREMENTS**

Written evidence that the candidate can select a mix of physical distribution activities suitable for a given situation.

**OUTCOME**

6. APPLY PROCEDURES FOR THE RECEIPT AND STORAGE OF GOODS WITHIN A WAREHOUSE

**PERFORMANCE CRITERIA**

- (a) Incoming goods are checked against relevant documentation and discrepancies are identified.
- (b) Storage or security requirements are accurately matched to special considerations.

**RANGE STATEMENT**

Documentation: order form; delivery note.

Locations: location code lists; appropriate to goods.

Special considerations: high value goods; perishable goods; delicate or fragile goods.

**EVIDENCE REQUIREMENTS**

Performance evidence that the candidate can accurately receive and store goods using appropriate procedures. Where performance evidence is not possible written and/or oral evidence would be acceptable.

**OUTCOME**

7. APPLY PROCEDURES AND USE EQUIPMENT IN THE CONTROL AND DESPATCH OF GOODS

**PERFORMANCE CRITERIA**

- (a) Procedures and equipment used in the control of goods are described.
- (b) Procedures and equipment used in the despatch of goods are described.
- (c) Procedures for preventing and accounting for wastage are described.

**RANGE STATEMENT**

Control of goods: physical stock control; stock checking; stock records; stock levels.

Despatch of goods: order picking; assembly; preparation for delivery; requirements of delivery methods; movement and customer requirements; security.

Wastage: through theft; poor handling; over ordering; incorrect storage.

**EVIDENCE REQUIREMENTS**

Performance evidence that the candidate can control and despatch goods using appropriate procedures and equipment.

Where performance evidence is not possible written and/or oral evidence would be acceptable.

**OUTCOME**

8. EXPLAIN THE FACTORS INFORMING THE SELECTION OF MODES OF TRANSPORT IN THE DISTRIBUTION SECTOR

**PERFORMANCE CRITERIA**

- (a) The product and market features which influence selection of mode(s) of transport are accurately described.

- (b) The procurement strategies relating to road transport are assessed.

### **RANGE STATEMENT**

Features: nature of goods; transport costs; market; urgency; value; routing and regulatory considerations.

Modes of transport: single/multi model; rail; sea; road; air.

Procurement strategies: purchasing; leasing; contracting out.

### **EVIDENCE REQUIREMENTS**

Written and/or oral evidence that the candidate can explain the influential factors concerned with selecting modes of transport.

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### **ASSESSMENT**

In order to achieve this unit, candidates are required to present sufficient evidence that they have met all the performance criteria for each outcome within the range specified. Details of these requirements are given for each outcome. The assessment instruments used should follow the general guidance offered by the SQA assessment model and an integrative approach to assessment is encouraged. (See references at the end of support notes).

Accurate records should be made of the assessment instruments used showing how evidence is generated for each outcome and giving marking schemes and/or checklists, etc. Records of candidates' achievements should be kept. These records will be available for external verification.

### **SPECIAL NEEDS**

In certain cases, modified outcomes and range statements can be proposed for certification. See references at end of support notes.

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**NATIONAL CERTIFICATE MODULE: UNIT SPECIFICATION****SUPPORT NOTES**

**UNIT NUMBER:** 5120137

**UNIT TITLE:** UNDERSTANDING THE RETAIL AND DISTRIBUTION INDUSTRIES

**SUPPORT NOTES:** This part of the unit specification is offered as guidance. None of the sections of the support notes is mandatory.

**NOTIONAL DESIGN LENGTH:** SQA allocates a notional design length to a unit on the basis of time estimated for achievement of the stated standards by a candidate whose starting point is as described in the access statement. The notional design length for this unit is 80 hours. The use of notional design length for programme design and timetabling is advisory only.

**PURPOSE** This module is intended for those who are seeking employment or are currently working in the retail and distribution industries including retail, wholesale, warehousing and transportation.

SQA publishes summaries of NC units for easy reference, publicity purposes, centre handbooks, etc. The summary statement for this unit is as follows:

This module provides you with a full appreciation of the structure of the distribution industry in terms of its main sectors, ie: retailing, wholesaling and physical distribution. In it you will examine the main components and functions of each sector.

**CONTENT/CONTEXT** Corresponding to outcomes 1-8:

1. The differences and similarities between different retail organisations, taking into account recent developments. The importance of service, and increased range of services now offered by retailers.

Services: services used by specific retailers in order to gain competitive edge.

Selling methods used by different organisations according to size of outlet and range of merchandise.

2. This outcome should present an overview of these activities and their contribution to the distribution chain.
3. This outcome should provide an overview of operations considerations and their effects on the organisation of the outlet, and should highlight the retail store as a "dynamic" organisation.

4. Internal and external customers.  
Organisational procedures to support the provision of customer care to ensure that the organisation maintains or improves customer loyalty and service competitive edge. Methods of identifying customer needs and appropriate responses to ensure needs are met.
5. Factors affecting decisions on the choice of mix of physical distribution. Different activities and their interrelationships.
6. Sample documentation should be used to enable the candidate to apply procedures. Emphasis should be upon the fact that stock must be maintained in optimum condition.
7. The use of technology in warehouse operations should be emphasised. Visits to warehouses to view equipment are recommended.
8. Products/goods discussed could include frozen goods; electronic equipment; livestock; books; fresh fruit; wines/spirits etc for national and international markets.

**APPROACHES TO GENERATING EVIDENCE** This unit should be delivered in a candidate-centred, practical manner. Wherever possible candidates should be able to visit different organisations within the distribution chain. This should be supported by theoretical input in the form of tutor input, visiting speakers, group discussions, etc. The use of trade journals, etc. should also be encouraged.

### **ASSESSMENT PROCEDURES**

#### Outcome 1

The candidate will participate in an assignment which allows comparisons of various outlets, providing evidence for all performance criteria and the full range.

#### Outcome 2

The candidate will participate in an assignment which allows examination of one wholesale and one warehouse operation providing evidence for all performance criteria and the full range.

#### Outcome 3

The candidate will participate in an assignment which will compare two different retail outlets, allowing evidence to be generated for all performance criteria and the full range.

#### Outcome 4

The candidate will participate in an assignment which will allow evidence to be generated for all performance criteria and the full range.

#### Outcome 5

The candidate will participate in a case study which will allow evidence to be generated for all performance criteria and the full range.

#### Outcome 6

Where possible the candidate will participate in an practical exercise in a real or simulated work environment which will allow evidence to be generated for all performance criteria and the full range.

Where this is not possible the candidate will participate in a case study or restricted response questions which will allow evidence to be generated for all performance criteria and the full range.

#### Outcome 7

Where possible the candidate will participate in a practical exercise in a real or simulated work environment which will allow evidence to be generated for all performance criteria and the full range.

Where this is not possible the candidate will participate in 10 short answer questions which will allow evidence to be generated for all performance criteria and the full range.

#### Outcome 8

The candidate will participate in an assignment or case study which will allow evidence to be generated for all performance criteria and the full range.

Various opportunities exist for integrative assessment of the performance criteria, through assignments and this should be encouraged.

**PROGRESSION** Candidates who successfully achieve this module may wish to progress to Higher National units in retail or distribution or related areas.

**RECOGNITION** Many SQA NC units are recognised for entry/recruitment purposes. For up-to-date information see the SQA guide 'Recognised Groupings of National Certificate Modules'.

#### REFERENCES

1. Guide to unit writing. (A018).
2. For a fuller discussion on assessment issues, please refer to SQA's Guide to Assessment. (B005).
3. Procedures for special needs statements are set out in SQA's guide 'Candidates with Special Needs'. (B006).
4. Information for centres on SQA's operating procedures is contained in SQA's Guide to Procedures. (F009).
5. For details of other SQA publications, please consult SQA's publications list. (X037).

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