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| Title | Demonstrate knowledge of process loss in a retail or distribution environment | | |
| Level | 2 | Credits | 5 |

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| Purpose | People credited with this unit standard are able to explain: terms related to process loss; the causes of process loss; and the impact of process loss on an organisation, in a retail or distribution environment. |
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| Classification | Retail, Distribution, and Sales > Retail and Distribution Core Skills |
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| Available grade | Achieved |
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Guidance Information

1 Definitions

Distribution environment refers to a workplace where the primary focus is on storage and distribution of stock.

Process loss refers to loss due to poorly designed and/or poorly implemented operating procedures. It may include but is not limited to – food wastage, accidental stock damage, customer returns.

Retail environment refers to workplaces where the primary focus is on customers purchasing goods or services.

Workplace procedures refer to applicable procedures found in the following: workplace performance guidelines and standards; manufacturer's procedures and specifications; Government and local body legislation.

2 All assessment tasks must be carried out in accordance with workplace procedures.

Outcomes and performance criteria

Outcome 1

Explain terms related to process loss in a retail or distribution environment.

Performance criteria

- 1.1 The term 'process loss' is explained to distinguish it from loss due to theft and fraud.

1.2 Other terms related to process loss are explained.

Range may include but is not limited to – known loss, unknown loss, passive loss, active loss, wastage, shrinkage; evidence of at least four terms is required.

Outcome 2

Explain the causes of process loss in a retail or distribution environment.

Range may include but is not limited to – policies, procedures, management, supervision, environment, training, monitoring, recording, equipment, house-keeping; evidence of five is required.

Performance criteria

2.1 The causes of process loss are explained in terms of how processes may contribute to losses occurring in the organisation.

Range may include but is not limited to – stock handling, stocktake errors, equipment use, managing employees, over-ordering, under-ordering, markdowns, wastage, administration errors, supplier inaccuracy; evidence of four causes of process loss is required.

Outcome 3

Explain the impact of process loss on an organisation in a retail or distribution environment.

Performance criteria

3.1 The short-term impacts of process loss on an organisation are explained.

Range may include but is not limited to – low stock, no stock, loss of profits; evidence of two short-term impacts is required.

3.2 The long-term impacts of process loss on an organisation are explained.

Range may include but is not limited to – staffing levels, impact on bottom line or profit, business sustainability, business growth; evidence of two long-term impacts is required.

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| Planned review date | 31 December 2027 |
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Status information and last date for assessment for superseded versions

| Process | Version | Date | Last Date for Assessment |
|--------------|---------|-----------------|--------------------------|
| Registration | 1 | 18 June 2009 | 31 December 2018 |
| Review | 2 | 8 December 2016 | 31 December 2024 |
| Review | 3 | 2 March 2023 | N/A |

Consent and Moderation Requirements (CMR) reference

0112

This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

Comments on this unit standard

Please contact the Ringa Hora Services Workforce Development Council qualifications@ringahora.nz if you wish to suggest changes to the content of this unit standard.