Title	Minimise or prevent process loss in a retail or distribution environment		
Level	3	Credits	5

Purpose	People credited with this unit standard are able to: explain and undertake process loss analysis; and use results of process loss analysis to minimise or prevent process loss, in a retail or distribution environment.

Classification	Retail, Distribution, and Sales > Retail and Distribution Core Skills

Available grade	Achieved

Guidance Information

1   Definitions
Current industry theory – includes information published in retail or distribution trade magazines or available on the internet or reference texts.
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   Evidence is required for two process loss situations agreed by the candidate and their employer or assessor.

Outcomes and performance criteria

Outcome 1

Explain and undertake process loss analysis in a retail or distribution environment.

Performance criteria

1.1   Purpose of process loss analysis is explained in accordance with current industry theory.

        Range   may include but is not limited to – identify known process loss, identify unknown loss, quantify loss, identify causes of loss, identify effect of loss, minimise loss, prevent loss, monitor loss, improve process, identify training needs, revise or update loss prevention policies and procedures, improve stock management, update stock control system, improve efficiency, profitability, customer satisfaction;
                  evidence of seven is required.

1.2   Causes of process loss are explained in accordance with current industry theory.

        Range   causes may include but are not limited to – losses when selling, providing customer service, tracking orders, processing sales, staff purchasing, receiving returned goods, pricing stock, applying discounts, handling stock, ordering stock, receiving stock, storing stock, transporting stock, identifying stock, labelling stock, advertising, planning, stock taking, record keeping, using the stock control system, housekeeping, supervision and management of staff, dealing with damage and waste, allowing for seasonal changes, maintaining and using equipment, health and safety, emergency procedures, administrative procedures;
                  evidence for seven causes is required.

1.3   Effects of process loss are explained in accordance with current industry theory.

        Range   effects may include but are not limited to – loss of sales, loss of customers, customer dissatisfaction, forced discounts, need for rainchecks, stock outage, stock shortage, stock damage, stock out-of-date, over-stocking, increased transport costs, increased storage costs, withdrawal of suppliers, bank charges, overpayments, stock damage, double handling, administration costs;
                  evidence of seven effects is required.

1.4   Steps involved in process loss analysis are explained in accordance with workplace procedures.

        Range   steps may include but are not limited to – identify purpose of analysis, gather data, analyse data, identify causes and effects of loss, identify actions that can be taken to minimise or prevent loss, make recommendations, report, revise or update policies or procedures;
                  evidence of five steps is required.

1.5 Process loss analysis is undertaken in accordance with workplace procedures.

> Range   analysis may include but is not limited to – data comparison and analysis, calculation, estimation, research, tracking, use of stock control system, use of computer software, quantification of known loss, quantification of unknown loss;
> evidence for two situations using four analysis methods is required.

1.6 Results of process loss analysis are documented in accordance with workplace procedures.

> Range   includes but is not limited to – identifying causes of process, effects on organisation.

Outcome 2

Use results of process loss analysis to minimise or prevent process loss in a retail or distribution environment.

Performance criteria

2.1 Procedures to minimise or prevent process loss in the situations analysed are identified.

> Range   validity, practicality, timeliness, relevance.

2.2 Recommendations for changes to policies and procedures to minimise or prevent process loss are made in accordance with workplace procedures.

2.3 Updated procedures to minimise or prevent process loss are implemented in accordance with workplace procedures.

Planned review date	31 December 2027

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