

<b>Title</b>	<b>Improve business performance in sales roles</b>		
<b>Level</b>	<b>4</b>	<b>Credits</b>	<b>8</b>

<b>Purpose</b>	<p>This unit standard is for people working in the sales area. They could be working in a variety of different sales situations.</p> <p>People credited with this unit standard are able to: analyse and apply the value of competitive advantage; analyse the impact of terms and conditions of sale, cash flow, and cost to serve on business performance; and apply performance information to improve business performance.</p>
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<b>Classification</b>	Retail, Distribution, and Sales > Sales
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<b>Available grade</b>	Achieved
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### Guidance Information

- 1 Legislation immediately applicable to this unit standard includes but is not limited to: Consumer Guarantees Act 1993, Credit Contracts and Consumer Finance Act 2003, Fair Trading Act 1986, Privacy Act 1993, Contract and Commercial Law Act 2017, Unsolicited Electronic Messages Act 2007.
- 2 Definitions
 

*Brand* refers to the requirements set by the corporate body for financial performance, promotion, marketing, customer satisfaction, quality assurance, and staff management.

*Cash flow* is the pattern of income and expenditure of a business and the resulting availability of cash.

*Competitive advantage* is an advantage over competitors gained by offering customers greater value, either by means of lower prices or by providing greater benefits and service that justifies higher prices.

*Cost drivers* are factors which cause a change in the cost of an activity.

*Cost to serve* is a calculation of the profitability of a customer account, based on the actual business activities and overhead costs incurred to service that customer.

*Sales* or *selling* refers to creating, building and sustaining mutually beneficial and profitable business through personal and organisational contact and relationships.

*Sales role* refers to a person's main job or function at work.

*Value* refers to the worth of products and services, process improvement or business performance improvement as determined by the customer.
- 3 The assessor is to ensure that actual sales situations are used as evidence of competency.

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## Outcomes and performance criteria

### Outcome 1

Analyse and apply the value of competitive advantage.

#### Performance criteria

- 1.1 The personal aspect of selling value is explained in terms of influencing the customer's understanding of value and how the salesperson can add value to the customer.
- 1.2 The opportunity for gaining competitive advantage through communicating the experience and capabilities of the business and leveraging brand power are analysed.
- 1.3 The degree of competitive advantage from a cost leadership perspective is analysed in terms of the relative competitive position of the business within the industry.
- 1.4 The implications of applying competitive advantage are analysed in terms of the impact on value creation for the customer, the salesperson and the business.

### Outcome 2

Analyse the impact of terms and conditions of sale, cash flow and cost to serve on business performance.

#### Performance criteria

- 2.1 The effect of changing standard terms and conditions of sale is analysed in terms of the impact on the business and the customer.
- 2.2 The factors which influence cash flow in the business are explained.  
  
Range factors may include but are not limited to – revenue growth, margin, cost to serve, accounts receivable, accounts payable, inventory, capital expenditure, sales staff.
- 2.3 The salesperson's attempts to improve cash flow through sales activities is analysed in terms of the impact on the business and customers.  
  
Range attempts may include but are not limited to – increasing revenue, achieving margin, reducing cost to serve, reducing number of credit notes issued, reducing time customers take to pay, securing down payment at time of order, selling what is in stock.
- 2.4 The ways in which the actions of a salesperson can affect the cost to serve are analysed in terms of the cost drivers.

- 2.5 The decisions on sales activities that help minimise the cost to serve and improve margin are analysed.
- 2.6 The methods used by customers to measure the performance of the business as a supplier are analysed.

Range methods may include but are not limited to – financial, operational, relationship, strategic.

### Outcome 3

Apply performance information to improve business performance.

#### Performance criteria

- 3.1 Performance information on terms and conditions of sale, cash flow and cost to serve is applied to business practices to improve business performance.
- 3.2 Supplier performance information received from customers is applied to sales practices to improve business performance.

<b>Planned review date</b>	31 December 2021
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#### Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	18 March 2011	31 December 2015
Revision	2	14 November 2012	31 December 2021
Review	3	8 December 2016	31 December 2021
Revision	4	29 March 2018	N/A

<b>Consent and Moderation Requirements (CMR) reference</b>	0225
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

#### Comments on this unit standard

Please contact ServicelQ [qualifications@ServicelQ.org.nz](mailto:qualifications@ServicelQ.org.nz) if you wish to suggest changes to the content of this unit standard.