

Unit Title:	Understanding the management of stock in a retail business
Level:	3
Credit value:	3
Guided learning hours:	16
Unit expiry date:	31.10.12

Unit purpose and aim

The purpose of this unit is to provide learners with the knowledge and understanding of the management of stock in retail businesses. This includes how to manage the procedures for receiving and storing stock and the principles of auditing stock levels.

Learning Outcomes	Assessment Criteria	Knowledge, understanding and skills
		<p>General</p> <p>The term 'key sellers' may appear within questions set for this unit. This may include:</p> <ul style="list-style-type: none"> • Out of stocks • Special promotions • Popular items
<p>1. Understand how the receipt and storage of stock is managed</p>	<p>1.1 Explain the importance of having sufficient resources (staff, equipment and space) to process deliveries of stock</p> <p>1.2 State what information is needed by staff receiving a delivery of stock and explain why they need it</p> <p>1.3 Describe the procedures for monitoring:</p> <ul style="list-style-type: none"> • the preparation of the delivery area and storage facilities • the quality and quantity of goods received • the movement of goods • the disposal of stock and waste 	<p>1.1 Candidates will need to be familiar with the different types of resourcing issues detailed in the AC and the considerations that need to be made overall and for each aspect. For example, this may include:</p> <ul style="list-style-type: none"> • Timely deliveries • Planning delivery schedules • Key sellers available for shop floor <p>1.2 For example, this may refer to:</p> <ul style="list-style-type: none"> • Delivery schedules/times • Paperwork (eg manifest documents) • Trailer seal numbers • Security procedures

Learning Outcomes	Assessment Criteria	Knowledge, understanding and skills
	<p>1.4 Describe the actions to take in the event of:</p> <ul style="list-style-type: none"> • discrepancies in the goods received • late deliveries <p>1.5 Explain the main principles of systems used for recording and controlling stock</p> <p>1.6 Explain how to identify and evaluate improvement to stock management using a range of information such as that from suppliers, customers and colleagues</p>	<p>1.3 Candidates may be questioned on any of the aspects listed in the AC (<i>quality</i> and <i>quantity</i> may be tested separately).</p> <p>For example, it may include:</p> <ul style="list-style-type: none"> • Clean, tidy areas; consolidating space • Checks of items; spot checks; paperwork checks • Safe handling techniques; equipment • Safe disposal of waste; recycling <p>1.4 For example, it may include:</p> <ul style="list-style-type: none"> • Checking/altering delivery paperwork • Contacting the supplier • Refusing the delivery/arranging alternative times <p>1.5 Candidates will be expected to understand the types of systems used, <i>and</i> the principles of them in relation to recording and controlling stock. For example, this may include:</p> <ul style="list-style-type: none"> • RFID technology • Goods receiving logs • LILO/FIFO • Hand-held Terminals/DIADs • EPOS <p>1.6 Candidates may be questioned on any of the aspects listed in the AC. For example, it may include:</p> <ul style="list-style-type: none"> • Key sales reports • Analysis of feedback from suppliers; customers • Supplier performance • Industry trends • Consumer regulations

Learning Outcomes	Assessment Criteria	Knowledge, understanding and skills
<p>2. Understand the principles of auditing stock levels</p>	<p>2.1 Explain the purpose of auditing stock levels</p> <p>2.2 Explain why stock should be audited regularly</p> <p>2.3 Explain how to anticipate and prevent situations that make it difficult to carry out an audit</p> <p>2.4 Explain the resources needed for auditing stock and the effects on the business of redeploying staff to the audit team</p> <p>2.5 State what preventative actions and further investigations can be recommended as a consequence of a stock audit</p>	<p>2.1 For example, this may include:</p> <ul style="list-style-type: none"> • To help manage stock levels; identify/monitor stock shrinkage • Verify stock inventory • Adjust stock inventory • Space management • Ensure proper storage • Inform future buying decisions <p>2.2 For example, this may include:</p> <ul style="list-style-type: none"> • To ensure suitable stock levels are maintained/storage available • Manage flow of goods • Monitor/address stock shrinkage levels • Check physical stock against inventory • Safeguard assets <p>2.3 For example, this may include:</p> <ul style="list-style-type: none"> • Planning of audit • Availability of resources (eg suitable staff/paperwork/reports/IT systems) • Labelling/identification of items • Timing of audit • Unavailable data <p>2.4 Candidates will be expected to understand what resources are required <i>and</i> the effects of re-deploying staff. These may be covered in separate questions.</p> <p>For example, resources may include:</p> <ul style="list-style-type: none"> • Staff • IT systems • Paperwork <p>For example, effects of re-deploying staff may include:</p> <ul style="list-style-type: none"> • Additional personnel required elsewhere • Removal of experienced/senior staff • Additional/overtime wages

Learning Outcomes	Assessment Criteria	Knowledge, understanding and skills
		2.5 For example, this may include: <ul style="list-style-type: none"> • Investigation of discrepancies • Adjustments to inventories • Adjustments to stock management processes/systems • Additional security measures • Changes to business activities (eg information storage)
3. Understand the legal requirements relating to stock management	3.1 Describe the legal requirements for storing different types of products such as food, toxic items and bonded items 3.2 Describe the legal requirements for keeping records regarding the disposal of stock and the consequences to the business of failing to comply with these requirements	3.1 Candidates will be expected to know about a range of legal storage requirements (including those listed in the AC). For example, they will need to be familiar with the contents of the following in relation to storage of goods: <ul style="list-style-type: none"> • Food safety standards (eg heights/temperatures for food storage) • COSHH (eg separating incompatible substances/labelling) • Health and Safety at Work Act (eg need for PPE) • Customs and excise requirements (bonded items) 3.2 Candidates will need to understand that waste/disposed items must be included in VAT calculations. For example consequences for non-inclusion may include: <ul style="list-style-type: none"> • Investigation • Penalties

Assessment and evidence requirements

The on-screen test for unit will be 40 minutes in length and consist of 25 questions. The test has a notional pass mark of 60%. Results will be graded pass or fail.

Each test will consist of multiple-choice questions which will test candidates' knowledge and understanding across the learning outcomes and associated assessment criteria. Candidates will be required to have knowledge and understanding of all assessment criteria within the unit, as all assessment criteria will be covered within any one test.

A number of multiple-choice question types may be used. These could include: closed questions; statements for completion; multiple response questions; true/false questions or ordering questions (including a maximum of 4 steps).

In order to deliver the on-screen test for this unit, centres will need to meet minimum hardware requirements as specified in the Surpass System Requirements. This document is available from the [e-assessment area](#) of our website.

For further information on the e-assessment route please refer to the centre handbook which is available on our [website](#).