

# Specification of Competency Standards of the Retail Industry

## Unit of Competency

### Functional Area: Strategic Management

Title	Negotiate a store contract
Code	105031L5
Range	This unit of competency (UoC) is applicable to staff of the management level in the retail industry. It covers the abilities to analyze and judge meticulously, and negotiate and confirm a tenancy contract with the store owner.
Level	5
Credit	6 (for reference only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Knowledge of negotiating a store contract <ul style="list-style-type: none"> <li>• Understand the organization's requirements for a store, including: <ul style="list-style-type: none"> <li>• Store area (minimum to maximum dimensions)</li> <li>• Store location (e.g. passenger flow in that area)</li> <li>• Store position (e.g. ground floor shop or upper floor shop)</li> <li>• Other requirements (e.g. floor height, other auxiliary facilities, etc.)</li> </ul> </li> <li>• Understand the organization's policies and criteria for making a store contract, including: <ul style="list-style-type: none"> <li>• Rental rate of the store (rental per square feet or other measurement methods) and flexibility of negotiation</li> <li>• Duration of tenancy period and flexibility of negotiation</li> <li>• Arrangement for termination or modification of the store contract</li> <li>• Types of stores nearby (particularly those of the same business)</li> <li>• Whether or not the store is located at or near large shopping mall as well as the mall facilities that can be used, etc.</li> </ul> </li> <li>• Master the background information of the store owner and the contractual terms for the stores nearby as far as possible</li> <li>• Master negotiation skills <ul style="list-style-type: none"> <li>• Stimulating passion</li> <li>• Techniques in relationship building</li> <li>• Sufficient preparatory work, etc.</li> </ul> </li> <li>• Understand the regulations on the conclusion of a store contract as stipulated by the government's ordinances as well as the related guidelines of other governing bodies</li> </ul> </li> <li>2. Negotiate a store contract <ul style="list-style-type: none"> <li>• Search for eligible stores in accordance with the organization's store requirements and submit them to the higher level for consideration</li> <li>• Give assistance in the inspection of the eligibility of the store if the choice of store is made by the top management of the organization</li> <li>• Contact the owner or company concerned to negotiate the details of a store contract when the choice of store is confirmed</li> <li>• Apply negotiation skills to strive for the greatest benefit for the organization during the negotiation process of a store contract, e.g.: <ul style="list-style-type: none"> <li>• The best rental offer</li> <li>• The most appropriate tenancy period</li> <li>• The most flexible arrangement (e.g. in termination of tenancy contract)</li> <li>• The best protection (e.g. when the store itself has problems), etc.</li> </ul> </li> <li>• Submit the contractual terms to the higher level for vetting and approval if the store contract negotiation is successful</li> <li>• Submit justifications to the higher level for double checking if the store contract negotiation is unsuccessful</li> <li>• Properly file the case for future reference no matter the store contract negotiation is successful or not</li> <li>• Give assistance in the final signing and implementation of the store contract after approval by the higher level</li> </ul> </li> <li>3. Exhibit professionalism <ul style="list-style-type: none"> <li>• Strive for the greatest benefit and protection for the organization in store contract negotiation</li> <li>• Negotiate store contracts in a professional manner and observe the related ordinances of the government</li> </ul> </li> </ol>

**Unit of Competency**

**Functional Area: Strategic Management**

Assessment Criteria	The integrated outcome requirements of this UoC are the abilities to: <ul style="list-style-type: none"><li>• Negotiate and confirm tenancy contracts with store owners in accordance with the organization's store requirements; and</li><li>• Apply negotiation skills to strive for the greatest benefit for the organization in the process of store contract negotiation.</li></ul>
Remark	