

**Specification of Competency Standards**  
**for the Retail Industry**  
**Unit of Competency**

Functional Area - Store Operations

Title	Manage the termination of franchise
Code	111359L4
Range	This unit of competency (UoC) is applicable to staff responsible for franchise management in the retail industry. Practitioners have the ability to perform supervisory duties, and to analyse and assess the impact of termination of franchise on the organisation's operation and terminate the rights according to schedule so as to reduce the impact on daily operation.
Level	4
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Understand the knowledge of management of franchise and store operation</p> <ul style="list-style-type: none"> <li>• Understand the organisation's policy related to franchise, including: <ul style="list-style-type: none"> <li>○ Contract terms</li> <li>○ Responsibilities of both parties in relation to the operation and termination of franchise</li> <li>○ Franchise duration</li> <li>○ Liability</li> </ul> </li> <li>• Understand the organisation's procedures and formalities for termination of franchise, e.g.: <ul style="list-style-type: none"> <li>○ Handling assets</li> <li>○ Transfer of intellectual property</li> </ul> </li> <li>• Know about legal requirements and professional codes related to franchise</li> </ul> <p>2. Manage the termination of franchise</p> <ul style="list-style-type: none"> <li>• Formulate comprehensive procedures for termination of franchise according to the organisation's franchise policy, including: <ul style="list-style-type: none"> <li>○ Schedule for closure</li> <li>○ Rights and responsibilities of both parties</li> <li>○ Handling assets and goods</li> </ul> </li> <li>• Assess the potential implications of termination of franchise, e.g. : <ul style="list-style-type: none"> <li>○ Disruption of business operation</li> <li>○ Control of goods and stock volume</li> <li>○ Allocation of shelf space</li> <li>○ Staff redundancy</li> </ul> </li> <li>• Enforce the termination of franchise according to the procedures and schedule, including: <ul style="list-style-type: none"> <li>○ Handling remaining goods</li> <li>○ Launching reduction sale</li> <li>○ Informing customers of new arrangements</li> <li>○ Maintaining the relationship with suppliers</li> </ul> </li> <li>• Coordinate and monitor the procedures for termination of franchise, and make proper adjustments if necessary</li> <li>• Record the whole process and report to the higher level</li> </ul> <p>3. Exhibit professionalism</p> <ul style="list-style-type: none"> <li>• Ensure the compliance with relevant professional codes and legislations in the process of termination of franchise</li> <li>• Work on the details and proactively identify opportunities for improvement</li> </ul>

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Assessment Criteria	The integrated outcome requirements of this UoC are the abilities to: <ul style="list-style-type: none"><li>• Formulate the schedule and procedures for closure of franchise which comply with contract terms according to the franchise policy of the organisation; and</li><li>• Coordinate and monitor the process of termination of franchise in order not to affect the daily business operation of retail stores.</li></ul>
Remark	This UoC is adopted from 105145L4.