



Australian Government

Department of Education, Employment and Workplace Relations

MSS407011A Manage benchmarking studies

Release: 1

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Modification History

New unit, superseding MSACMG711A Manage benchmarking studies - Equivalent

Unit Descriptor

This unit of competency covers the skills and knowledge required to undertake benchmarking studies, either directly or as a leader in a team undertaking benchmarking. It covers both performance and process benchmarking. It does not cover product or strategic benchmarking.

Application of the Unit

This unit applies to individuals who undertake benchmarking as an input to an improvement process. The benchmarking may be used to find areas for improvement or to provide information as to how to make the improvements.

The benchmarking process would:

- decide the nature of the benchmarking to be undertaken
- collect the benchmarking data and information
- determine what actions to be taken based on the benchmarking
- take the required steps to have those actions implemented
- identify the ongoing nature of these benchmarking activities.

Benchmarking may be undertaken by a team or be largely the responsibility of an individual. This unit applies either to that individual or to a leader in the team. The benchmarking activity may use benchmarks which are derived either internally to the organisation or externally from the organisation although some degree of externality would be expected in most applications. This unit does not require the statistical or financial analysis of data, but does require the interpretation and application of information derived from such analyses.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.

Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

1	Identify nature of benchmarking activity	1.1	Identify operations or area to be benchmarked
		1.2	Determine the core set of benchmark measures required
2	Develop the benchmarking methodology	2.1	Determine baseline in area of study for core measures
		2.2	Confirm nature and source of data/information to be collected
		2.3	Agree on likely suitable sources of benchmarking data/information
		2.4	Confirm required survey methodology
3	Conduct benchmarking survey	3.1	Establish required communication channels for survey
		3.2	Obtain required data/information
		3.3	Validate data/information as required by methodology
4	Apply results of benchmarking	4.1	Interpret the analysed results of the survey
		4.2	Agree required improvement actions resulting from the survey
		4.3	Analyse health, safety and environment (HSE)

- implications from proposed actions
- 4.4 Modify proposed actions as required to ensure they are at least HSE neutral
- 4.5 Initiate the implementation of the improvement actions
- 4.6 Follow through on improvement actions to ensure they are fully implemented
- 5 Improve the benchmarking process
 - 5.1 Analyse the benchmarking process just undertaken
 - 5.2 Analyse the changes which have resulted from the benchmarking
 - 5.3 Identify areas for improvement
 - 5.4 Agree ways of improving future benchmarking activities

Required Skills and Knowledge

This section describes the skills and knowledge required for this unit.

Required skills

Required skills include:

- undertaking self-directed problem solving and decision-making
- communicating across all levels in an organisation
- determining operations or area to be benchmarked by:
 - previous benchmarking
 - identification by other studies or processes of area of need
 - informal conversations with customers, employees or suppliers
 - exploratory research techniques such as focus groups
 - in-depth marketing research, quantitative research, surveys, questionnaires, engineering analysis, process mapping, quality control variance reports, or financial ratio analysis
- interpreting data and qualitative information gained from benchmarking
- cooperating and working with others, both internally and externally to the work group
- analysing and planning
- communicating effectively (both receiving and sending communications)
- solving problems to root cause
- prioritising benchmarking needs and data in relation to organisation goals, objectives and strategies

Required knowledge

Required knowledge includes:

- the organisation's performance data and/or processes subject to the benchmarking to a level needed to identify appropriate applications for benchmarking and apply the benchmarking results to it
- benchmarking protocols
- benchmarking code of practice
- legal and ethical issues involved in benchmarking
- different approaches to benchmarking and their applications
- performance versus process benchmarking
- criterion referenced versus qualitative versus quantitative benchmarking and the applications of each
- group processes
- own organisation's intellectual property and stance on confidentiality

- benchmarking partners' attitudes to confidentiality
- application of benchmarking to continuous improvement and the concept of continually improving best practice
- distinction between measurable data and useful information
- validity of benchmarking measures, data and information
- measures of data quality and methods of improving the quality of benchmarking information
- application of benchmarking data and information to Balanced Scorecard approaches

Evidence Guide

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>A person who demonstrates competency in this unit must be able to provide evidence of the ability to:</p> <ul style="list-style-type: none"> • determine priority operations or areas for benchmarking • undertake benchmarking • implement (or initiate and follow through on the implementation of) the actions which flow from the benchmarking • examine the outcomes and identify improvements.
Context of and specific resources for assessment	<p>Assessment of performance must be undertaken in a workplace using or implementing one or more competitive systems and practices.</p> <p>Access may be required to:</p> <ul style="list-style-type: none"> • workplace procedures and plans relevant to work area • specifications and documentation relating to planned, currently being implemented, or implemented changes to work processes and procedures relevant to the assessee • documentation and information in relation to production, waste, overheads, and hazard control/management • reports from supervisors/managers • case studies and scenarios to assess responses to contingencies.
Method of assessment	<p>A holistic approach should be taken to the assessment.</p> <p>Competence in this unit may be assessed by using a</p>

	<p>combination of the following to generate evidence:</p> <ul style="list-style-type: none"> • demonstration in the workplace • workplace projects • suitable simulation • case studies/scenarios (particularly for assessment of contingencies, improvement scenarios, and so on) • targeted questioning • reports from supervisors, peers and colleagues (third-party reports) • portfolio of evidence. <p>In all cases it is expected that practical assessment will be combined with targeted questioning to assess underpinning knowledge.</p> <p>Where applicable, reasonable adjustment must be made to work environments and training situations to accommodate ethnicity, age, gender, demographics and disability.</p>
Guidance information for assessment	Assessment processes and techniques must be culturally appropriate and appropriate to the language and literacy capacity of the candidate and the work being performed.

Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

Competitive systems and practices	<p>Competitive systems and practices may include, but are not limited to:</p> <ul style="list-style-type: none"> • lean operations • agile operations • preventative and predictive maintenance approaches • monitoring and data gathering systems, such as Systems Control and Data Acquisition (SCADA) software, Enterprise Resource Planning (ERP) systems, Materials Resource Planning (MRP) and proprietary systems • statistical process control systems, including six sigma and three sigma
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	<ul style="list-style-type: none"> • Just in Time (JIT), kanban and other pull-related operations control systems • supply, value, and demand chain monitoring and analysis • 5S • continuous improvement (kaizen) • breakthrough improvement (kaizen blitz) • cause/effect diagrams • overall equipment effectiveness (OEE) • takt time • process mapping • problem solving • run charts • standard procedures • current reality tree <p>Competitive systems and practices should be interpreted so as to take into account:</p> <ul style="list-style-type: none"> • the stage of implementation of competitive systems and practices • the size of the enterprise • the work organisation, culture, regulatory environment and the industry sector
Sources of benchmarking data	<p>Sources of benchmarking data may include:</p> <ul style="list-style-type: none"> • other relevant areas within the same organisation • external organisations in a similar market/with similar processes • external organisations recognised as a leader in the process/activity under study • benchmarking consultancies offering access to relevant data/information/organisations

Unit Sector(s)

Unit sector

Competitive systems and practices

Custom Content Section

Not applicable.