Australian Government

Department of Education, Employment and Workplace Relations

BSBMGT608B Manage innovation and continuous improvement

Release: 1

INDUSTRY SKILLS COUNCILS
Creating Australia's Future

BSBMGT608B Manage innovation and continuous improvement

Modification History

Not Applicable

Unit Descriptor

This unit describes the performance outcomes, skills and knowledge required to sustain and develop an environment in which continuous improvement, innovation and learning are promoted and rewarded.
No licensing, legislative, regulatory or certification requirements apply to this unit at the time of endorsement.

Application of the Unit

This unit applies to people who have managerial responsibilities which include building a better and more effective work environment. Continuous improvement and innovation have links with the model of the learning organisation and people working at this level play an important role in building the culture, values and attitudes of the organisation.
Links may be made between continuous improvement and formal quality systems such as International Standardization for Organization (ISO) or quality software. However it is not assumed that formal quality systems or software are in the workplace.
Innovation is seen as an important attitude and set of practices which should be fostered by people working at this level in teams and across the organisation.

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

ELEMENT	PERFORMANCE CRITERIA
1. Review programs, systems and processes	1.1. Establish strategies to monitor and evaluate performance of key systems and processes
	1.2. Undertake detailed analyses of **supply chains**, operational and product/service delivery systems
	1.3. Identify performance measures, and assessment tools and techniques, and evaluate their effectiveness
	1.4. Analyse **performance reports** and variance from plans for all key result areas of the organisation
	1.5. Identify and analyse changing trends and opportunities relevant to the organisation
	1.6. Seek advice from **specialists**, where appropriate, to identify technology and electronic commerce opportunities
2. Develop options for continuous improvement	2.1. Brief groups on performance improvement strategies and innovation as an essential element of competition
	2.2. Foster **creative climate** and **organisational learning** through the promotion of interaction within and between work groups
	2.3. Encourage, test and recognise new ideas and entrepreneurial behaviour where successful
	2.4. Accept failure of an idea during trialling, and recognise, celebrate and embed success into systems
	2.5. Undertake **risk management** and **cost benefit analyses** for each option/idea approved for trial
	2.6. Approve innovations through agreed organisational processes
3. Implement innovative processes	3.1. Promote **continuous improvement** as an essential part of doing business
	3.2. Address impact of change and consequences for people, and implement **transition plans**
	3.3. Ensure objectives, timeframes, measures and communication plans are in place to manage implementation

	3.4. Implement ***contingency plans*** in the event of non-performance
	3.5. Follow-up failure by prompt investigation and analysis of causes
	3.6. Manage emerging challenges and opportunities effectively
	3.7. Evaluate continuous improvement systems and processes regularly
	3.8. Communicate costs and benefits of innovations and improvements to all relevant groups and individuals

Required Skills and Knowledge

This section describes the skills and knowledge required for this unit.
Required skills
• analytical skills to identify improvement opportunities in relation to the services/products delivered or concepts/ideas developed • flexibility and creativity skills to think laterally • leadership skills to foster a commitment to quality and an openness to innovation.
Required knowledge
• quality management and continuous improvement theories • creativity/innovation theories/concepts • risk management.

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.	

Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	Evidence of the following is essential: • documentation of consultation processes to introduce or evaluate an existing continuous improvement process or system, including suggested actions or an action plan • generation of an idea or concept which exhibits creative thinking and which offers the possibility of advantaging the organisation • how the concept or idea was introduced, tested and evaluated - the idea or concept does not have to have been shown to work or to be adopted by the business • knowledge of quality management and continuous improvement theories.
Context of and specific resources for assessment	Assessment must ensure: • access to appropriate documentation and resources normally used in the workplace.
Method of assessment	A range of assessment methods should be used to assess practical skills and knowledge. The following examples are appropriate for this unit: • analysis of responses to case studies and scenarios • assessment of written reports • direct questioning combined with review of portfolios of evidence and third party workplace reports of on-the-job performance by the candidate • observation of presentations • oral or written questioning to assess knowledge of creativity/innovation theories/concepts • evaluation of strategies established to monitor and evaluate performance of key systems and processes • review of briefing of groups on performance improvement strategies and innovation

	• review of documentation communicating costs and benefits of innovations and improvements to relevant groups and individuals.
Guidance information for assessment	Holistic assessment with other units relevant to the industry sector, workplace and job role is recommended, for example: • other units from the Advanced Diploma of Management.

Innovation and Business Skills Australia

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.	
Supply chains includes:	• network of facilities that procures raw materials, transforms them into intermediate products (or services) and then finished goods (or services), and delivers them through a distribution system • procurement, production and distribution, which are viewed as being interlinked not as discrete elements
Performance reports may include:	• budget/cost variance • customer service • environmental • financial • occupational health and safety • quality • other operating parameters
Specialists refers to:	• those people inside and outside the organisation who are expert in the application of technology to process systems and procedures, relevant to the organisation's business
Creative climate means:	• climate of high motivation with extensive expertise, and deliberative and lateral thinking time to think through and test out ideas
Organisational learning refers to:	• extent to which groups and individuals within an organisation are given the opportunity to learn from each other and encouraged to share their learning
Risk management means:	• process of identification of potential negative events and the development of plans to mitigate or minimise the likelihood of the negative event occurring and/or the consequences in the event it does occur
Cost benefit analyses means:	• calculation to determine whether the results/outcomes of a particular course of action are sufficient to justify the costs and risks in taking that action

Continuous improvement means:	• consistently reviewing what we do in search of a better way and improving the organisation in every aspect of its activities
Transition plan means:	• process of communication and education to help people through major change programs which impact on the way they do their work or them personally
Contingency plan means:	• plan which will deal with the uncertainty of a proposal and will come into operation in the event of a failure or non-conformance

Unit Sector(s)

Management and Leadership - Management