



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **MSACMG711A Manage benchmarking studies**

**Revision Number: 1**

## MSACMG711A Manage benchmarking studies

### Modification History

Not applicable.

### Unit Descriptor

<b>Unit descriptor</b>	This unit covers the undertaking of 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.
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## Application of the Unit

<p><b>Application of the unit</b></p>	<p>In a typical scenario, an organisation undertakes 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.</p> <p>The benchmarking process would:</p> <ul style="list-style-type: none"> <li>• decide the nature of the benchmarking to be undertaken</li> <li>• collect the benchmarking data and information</li> <li>• determine what actions to be taken based on the benchmarking</li> <li>• take the required steps to have those actions implemented</li> <li>• identify the ongoing nature of these benchmarking activities.</li> </ul> <p>Generally benchmarking will be undertaken by a team although it may 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 application environments.</p> <p>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.</p>
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## Licensing/Regulatory Information

Not applicable.

## Pre-Requisites

Prerequisite units		

## Employability Skills Information

<b>Employability skills</b>	This unit contains employability skills.
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## 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.
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## Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Identify nature of benchmarking activity	1.1. Identify 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

### REQUIRED SKILLS AND KNOWLEDGE

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

#### Required skills

- ability to cooperate and work with others, both internally and externally to the work group
- analysis and planning
- communication skills (both receiving and sending communications)
- problem solving and prioritising

#### Required knowledge

- understanding of 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 score card approaches

## Evidence Guide

<b>EVIDENCE GUIDE</b>	
<p>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.</p>	
<b>Overview of assessment</b>	
<b>Critical aspects for assessment and evidence required to demonstrate competency in this unit</b>	<p>Demonstrates skills and knowledge required to:</p> <ul style="list-style-type: none"> <li>• undertake benchmarking</li> <li>• implement (or initiate and follow through on the implementation of) the actions which flow from the benchmarking</li> <li>• examine the outcomes and identify improvements.</li> </ul>
<b>Context of and specific resources for assessment</b>	<p>Assessment may occur on the job or in an appropriately simulated environment. Access is required to real or appropriately simulated situations, including work areas, materials and equipment, and to information on workplace practices and OHS practices.</p> <p>Where applicable, reasonable adjustment must be made to work environments and training situations to accommodate ethnicity, age, gender, demographics and disability.</p> <p>Access must be provided to appropriate learning and/or assessment support when required. Where applicable, physical resources should include equipment modified for people with disabilities.</p>
<b>Method of assessment</b>	<ul style="list-style-type: none"> <li>• Assessment must satisfy the endorsed assessment guidelines of the Manufacturing Training Package.</li> <li>• Assessment methods must confirm consistency and accuracy of performance (over time and in a range of workplace relevant contexts) together with application of underpinning knowledge.</li> <li>• Assessment methods must be by direct observation of tasks and include questioning on underpinning knowledge to ensure its correct interpretation and application.</li> <li>• Assessment may be applied under project related conditions (real or simulated) and require evidence of process.</li> <li>• Assessment must confirm a reasonable inference that competency is able not only to be satisfied under the particular circumstance, but is able to be transferred</li> </ul>

<b>EVIDENCE GUIDE</b>	
	to other circumstances. <ul style="list-style-type: none"><li>• Assessment may be in conjunction with assessment of other units of competency where required.</li></ul>
<b>Guidance information for assessment</b>	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

### 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.

#### Determine area to be benchmarked

The area of the organisation, plant or process to be benchmarked may be determined by:

- previous benchmarking or other 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

#### Sources of benchmarking data

Sources of benchmarking data may include:

- 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)

<b>Unit sector</b>	CM Graduate
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## Competency field

<b>Competency field</b>	
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## Co-requisite units

<b>Co-requisite units</b>		