MSS403034 Organise products into groups

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Modification History

Release 1. Supersedes and is equivalent to MSS403034A Organise products into groups

Application

This unit of competency covers the skills and knowledge required to organise products and processes into groups, or to re-examine the current organisation into groups, using techniques such as the Glenday Sieve, Pareto analysis or similar. This may be done to assist in moving to flow-based operations or to identify other strategies for improving customer benefits/features and the elimination of muda (waste).

This unit applies to individuals who, as part of their work role, need to analyse an organisation's products or processes (physical or otherwise) so as to identify the most significant groups. There are several ways in which this may be done and this unit covers all of these ways. Typically the sorting into groups is not an end in itself but simply a way of identifying groups of products to which other competitive systems and practices may be applied.

The person will typically be a team leader, manager, senior operator or other person who has a role in implementing competitive systems and practices. They will work with others in the organising of products into groups either as part of a formal team or otherwise. They will liaise and communicate with these others as required.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Pre-requisite Unit

Nil

Competency Field

Competitive systems and practices

Unit Sector

Not applicable

Elements and Performance Criteria

Elements describe the essential outcomes.	Performance criteria describe the performance needed to demonstrate achievement of the element.	
1 **Determine the**	1.1	Identify stock keeping units (SKUs) for analysis.

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	basis of product organisation	1.2	Determine relevant metric as the basis of organisation.
		1.3	Determine time basis for analysis.
		1.4	Collect selected metric over the time period for each SKU.
2	**Apply analysis tool**	2.1	Select appropriate analysis tool.
		2.2	Apply the tool.
		2.3	Test for sensitivity, as appropriate.
		2.4	Confirm ranking of product groupings.
		2.5	Tabulate and communicate the results.
3	**Develop a strategic response to the results**	3.1	Analyse product groupings for opportunities for increased flow based on customer pull and elimination of waste.
		3.2	Select relevant competitive systems and practices tools.
		3.3	Develop a strategy deployment plan.
		3.4	Obtain required approvals.

Foundation Skills

This section describes those required skills (language, literacy and numeracy) that are essential to performance.

Foundation skills essential to performance are explicit in the performance criteria of this unit of competency.

Range of Conditions

This field allows for different work environments and conditions that may affect performance. Essential operating conditions that may be present (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) are included.

Competitive systems	• lean operations

and practices include one or more of:	- agile operations - preventative and predictive maintenance approaches - statistical process control systems, including six sigma and three sigma - 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.
Stock keeping unit (SKU) is a unique identifier applying to one or more of:	- items that are purchased - items that are offered for sale - items that are manufactured/conducted internally - countable services/events (e.g. time slots available for service calls charged by the hour, insurance claims).
Relevant metric includes one or more of:	- sales volume - profit - profitability - sales/profit growth - other metrics appropriate to the analysis tool.
Time basis includes one or more of:	- one year - one business cycle - one seasonal cycle - one/two quarters - one period related to the business/product.
Analysis tool for grouping the SKUs includes one or	- Glenday Sieve - Pareto analysis 80:20 rule

more of:	• similar grouping tools.
Sensitivity testing includes one or more of:	• repeating the analysis using a different tool • repeating the analysis using a different metric • repeating the analysis using a different time basis.
Strategic response incudes one or more of:	• the levelling of production • the creation of different virtual production processes • the application of kaizen blitz to some groups • other relevant tool or strategy.

Unit Mapping Information

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Links

Companion Volume implementation guides are found in VETNet - https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=5b04f318-804f-4dc0-9463-c3fb9a3fe998