Australian Government

MSS405007 Introduce competitive systems and practices to a small or medium enterprise

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Modification History

Release 1. Supersedes and is equivalent to MSS405007A Introduce competitive systems and practices to a small or medium enterprise

Application

This unit of competency covers the skills and knowledge required to introduce competitive systems and practices into a small or medium operations enterprise (SME). The unit may also apply to any small or medium not-for-profit organisation seeking to improve their processes through competitive systems and practices. The unit covers any constraints that may be placed on how competitive systems and practices are introduced and which aspects of competitive systems and practices are introduced due to the limitations of being a SME.

This unit requires the application of skills associated with problem solving, initiative, enterprise, planning and organising in order to determine competitive systems and practices processes appropriate for a small business environment. This unit also requires communication and analysis skills to gather information about processes and implement competitive systems and practices strategies.

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 **Analyse the current operations**	1.1 Review the reasons for introducing competitive systems and practices and confirm the expected benefits with relevant stakeholders.

	systems and processes	1.2	Determine any internal limiting factors which will constrain the introduction of competitive systems and practices.
		1.3	Determine any external limiting factors which will constrain the introduction of competitive systems and practices.
		1.4	Quantify expected returns from achieving the benefits of introducing competitive systems and practices.
2	**Develop strategic and tactical plans to introduce competitive systems and practices to the SME**	2.1	Develop a strategic plan for the SME that takes into account the nature of its business and relationships with suppliers and customers.
		2.2	Where required, seek authority for the implementation of the strategic plan.
		2.3	Identify components of competitive strategy which will yield quick returns.
		2.4	Identify actions which will free up required resources to allow for the introduction of competitive systems and practices.
		2.5	Develop achievable tactical plans which are compatible with strategy.
		2.6	Develop key performance indicators (KPIs) for strategic and tactical plans.
		2.7	Consult with relevant stakeholders to confirm tactical plans.
		2.8	Prioritise plans for order of implementation.
3	**Implement competitive systems and practices**	3.1	Implement priority tactical plan.
		3.2	Determine benefits from change.
		3.3	Use benefits from priority plan to assist in the implementation of further tactical plans.
		3.4	Review progress towards strategic objectives and adjust plans, as appropriate, in consultation with relevant

stakeholders.

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 and practices include one or more of:	- lean operations - agile operations - preventative and predictive maintenance approaches - statistical process control systems, including six sigma and three sigma - 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.
Stakeholders include one or more of:	- managers - supervisors - employees and their representatives - shareholders - suppliers - customers

- service providers.

Internal limiting factors include consideration of all of:	• free cash • management time and expertise • machinery • work organisation and workforce skills and knowledge.
External limiting factors include consideration of all of:	• lack of bargaining power • lack of effective communication • supplier issues • customer issues • financial institution issues • other factors.
Expected returns include one or more of:	• cost savings due to more consistent or higher quality • benefits from greater on-time delivery • savings from lower inventories and reduction in waste.
Actions which will free up required resources include one or more of:	• reduction of inventory • reduction of scrap • decreased throughput times • changes in approval processes/delegations • use of computers instead of paper-based processes • reduction of muda (waste).
Prioritising plans includes the consideration of all of:	• greatest benefit, benefit/cost ratio • ease of implementation • best fit with strategy • available resources.

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