



Australian Government

Department of Education, Employment and Workplace Relations

MSS405004A Develop business plans in an organisation implementing competitive systems and practices

Release: 1

MSS405004A Develop business plans in an organisation implementing competitive systems and practices

Modification History

New unit, superseding MSACMS603A Develop manufacturing related business plans - Equivalent

Unit Descriptor

This unit of competency covers the skills and knowledge required to develop business plans in an organisation implementing competitive systems and practices.

Application of the Unit

This unit applies to a person in an organisation implementing competitive systems and practices (e.g. a production/plant manager, purchasing/technical officer or similar) who is required to develop a section business plan to meet the requirements of the overall strategic plan of the organisation. The plan includes the impact on the value stream and other critical competitive systems and practices factors. Due to competitive pressures this may be a reasonably frequent activity and can occur at any time over the business cycle. The plan may be in response to a specific change, or it may be a plan for the next period.

This unit assumes that up-to-date information about the organisation's role in the value stream is available. For detailed mapping and analysis of the value stream refer to MSS405002A Analyse and map a value stream.

This unit primarily requires the application of skills associated with gathering, analysing and applying information and consulting with stakeholders. Problem solving, initiative and enterprise, and planning and organising are required to develop an effective and measurable business plan. This unit also requires aspects of self-management and learning to ensure feedback and new learning is integrated into competitive systems and practices strategies.

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	Determine purpose of plan	1.1	Confirm reason for developing plan and expected outcomes from plan
		1.2	Confirm purpose of plan with all relevant stakeholders
		1.3	Check expected outcomes from plan with overall strategic plan for organisation
		1.4	Identify any potential areas for conflict between proposed plan and strategic directions
		1.5	Negotiate with relevant stakeholders to resolve issues
2	Develop objectives and strategies	2.1	Draft objectives for business plan
		2.2	Draft strategies to achieve these objectives
		2.3	Determine implications for value stream
		2.4	Determine capital or workplace layout/organisation implications for objectives and strategies
3	Develop plans to meet objectives and strategies	3.1	Negotiate with relevant stakeholders over implications for objectives and strategies
		3.2	In liaison with relevant stakeholders, develop plans to meet objectives

- 3.3 Determine relevant key performance indicators (KPIs) for plan
 - 3.4 Check KPIs are appropriate for purpose of plan
 - 3.5 Check plan will deliver planned purpose
 - 3.6 Map plan to changed value stream
 - 3.7 Adjust plan to optimise value stream
 - 3.8 Validate plan with relevant stakeholders
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- 4 Monitor the implementation of the plan
 - 4.1 Release plan for implementation
 - 4.2 Check the key progress points against the key stages of the plan
 - 4.3 Note any discrepancies
 - 4.4 Take appropriate action to ensure correct implementation of plan

Required Skills and Knowledge

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

Required skills

Required skills include:

- communicating at all levels in the organisation and value stream and to audiences of different levels of literacy and numeracy
- undertaking self-directed problem solving and decision-making on issues of a broad and/or highly specialised nature and in a wide variety of contexts
- analysing organisation overall strategic plan for implications relevant to competitive systems and practices implementation
- determining appropriate KPIs and methods of data collection
- determining best means of gathering data, including data from 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
- identifying value stream members and performance
- determining implications of business plan for value stream
- analysing data, including competitive systems and practices indicators and verifying results with stakeholders
- determining key parameters for business plan, including:
 - scope
 - period
 - objectives in terms of customer benefit
 - relationship to overall organisation objectives
 - targets
 - KPIs
 - implementation strategy
 - risk management
 - monitoring and adjustment strategy
 - approval process

Required knowledge

Required knowledge includes:

- organisation strategic directions
- business planning methods and types of plans

- contingency planning and other risk mitigating planning tools
- the organisation's value stream
- analysis of value stream
- competitive systems and practices
- application of quality principles
- human resources and industrial relations
- occupational health and safety (OHS)

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.

<p>Critical aspects for assessment and evidence required to demonstrate competency in this unit</p>	<p>A person who demonstrates competency in this unit must be able to provide evidence of their ability to:</p> <ul style="list-style-type: none"> • develop a business plan that conforms to organisation overall strategic directions • determine implications of business plan for competitive systems and practices practice in organisation • determine KPIs appropriate for business plan • monitor the implementation of a business plan and make adjustments as necessary.
<p>Context of and specific resources for assessment</p>	<p>Assessment of performance must be undertaken in a workplace using or implementing one or more competitive systems and practices. 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.
<p>Method of assessment</p>	<p>A holistic approach should be taken to the assessment. 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>
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Guidance information for assessment	Assessment processes and techniques must be culturally appropriate and appropriate to the oracy, language and literacy capacity of the candidate and the work being performed.
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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 SCADA software, ERP systems, MRP and proprietary systems• 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 <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
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	<p>and practices</p> <ul style="list-style-type: none"> • the size of the enterprise • the work organisation, culture, regulatory environment and the industry sector
Plan	<p>Plan may include:</p> <ul style="list-style-type: none"> • any sort of business plan and may emphasise any of the areas for sub-plans over the others
Objectives	<p>Objectives may include performance in terms of:</p> <ul style="list-style-type: none"> • sales • profit • quality • OHS • environment • competitive systems and practices • human, physical, financial and environmental/resource use
Objectives and strategies	<p>Objectives and strategies may include:</p> <ul style="list-style-type: none"> • human and industrial relations practice • material/component and resources use • sustainable environmental practices • sales and marketing • financial • regulatory compliance
Relevant stakeholders	<p>Relevant stakeholders may include:</p> <ul style="list-style-type: none"> • other team members • other workers • management • technical specialists • other members of the value stream
Value stream	<p>The value stream begins with the customer and includes all actions (both value adding and non value added) by both internal sections/departments and external organisations to meet a customer requirement. Depending on the operations and the customer requirement stages where value stream actions may occur include:</p> <ul style="list-style-type: none"> • sales outlet/representative • information gathering, data analysis and research • product design • raw material sourcing

	<ul style="list-style-type: none">• intermediate processing• final assembler/ collation/preparation• support services (e.g. accounting, finance and legal)• storage and delivery to customer• after market support
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Unit Sector(s)

Unit sector Competitive systems and practices

Custom Content Section

Not applicable.