MSS407009A Facilitate improvements in the external value stream

Release: 1

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Modification History

New unit, superseding MSACMG709A Facilitate improvements in the external value chain - Equivalent

Unit Descriptor

This unit of competency covers the skills and knowledge required to work with value stream members to improve the overall effectiveness of the value stream, so delivering greater value to the customer. It includes other organisations within the value stream/supply chain.

Application of the Unit

This unit applies to managers and team leaders with appropriate authority and others with similar authority and responsibility for working with value stream members outside their own organisation. The value streams are referred to as 'source-to-destination' value streams. For skills associated with a 'gate-to-gate' (internal) value streams refer to *MSS407004A Facilitate improvements in the internal value stream*.

The unit includes the use of skills to resolve issues from one or more value stream members which impact on the overall ability of the value stream to continue to improve and offer better value to the customers. The improvement practices may (or may not) have used previously within their own organisation, other teams and organisations within the value stream. The unit does not cover mapping or managing value streams (refer to *MSS405002A Analyse and map a value stream* and *MSS405003A Manage a value stream*).

The unit applies to individuals who are familiar with competitive systems and practices, formal problem solving and root cause analysis (RCA), leading change and reducing costs. Where this is not the case the following units can be completed to supply the necessary skills:

- *MSS402080A Undertake root cause analysis*
- *MSS403001A Implement competitive systems and practices*
- *MSS403011A Facilitate implementation of competitive systems and practices*
- *MSS403030A Improve cost factors in work practices.*

Where previous improvements need to be evaluated refer to *MSS407005A Undertake a qualitative review of a process change* and *MSS407003A Analyse process changes*.

This unit may also be applied to service organisations applying competitive systems and practices principles.

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	Establish scope of value stream activity	1.1	Identify key individuals within value stream organisations
		1.2	Jointly identify possible areas of study
		1.3	Agree on a protocol for undertaking value stream improvement activities
		1.4	Confirm any special conditions of activity (e.g. confidentiality)
2	Study possible value stream improvements	2.1	Arrange meeting with suitable representatives of the value stream members
		2.2	Agree on extent of current implementation of competitive systems and practices in value stream
		2.3	Agree opportunities for improvement and any current or anticipated restrictions
		2.4	Work with value stream representatives to determine root cause of restrictions
		2.5	Work with value stream member to identify possible

			solutions to problem
		2.6	Define outcomes from any proposed changes
3	Develop a consensus approach to implementing improvements	3.1	Determine benefits/costs to each value stream member from the proposed changes
		3.2	Decide whether the proposed improvements will result in a perceived improvement to the end customer
		3.3	Determine health, safety and environment (HSE) impacts as a result of the change
		3.4	Agree on proposed change/program of changes with all key stakeholders
4	Obtain required approvals	4.1	Draft a formal proposal for the proposed changes
		4.2	Submit proposal for all required approvals from stakeholders
		4.3	Modify proposal, as required, in liaison with all key stakeholders
		4.4	Obtain sign off from all process/system owners
5	Measure and communicate gains	5.1	Agree indicators/metrics of success of proposed changes
		5.2	Make arrangements to collect necessary data
		5.3	Make arrangements for the data to be analysed and presented in an agreed format to the agreed stakeholders
		5.4	Agree on the communication plan
		5.5	Liaise with stakeholders to implement changes as agreed and approved
6	Review change	6.1	Analyse results of change
		6.2	Identify areas where planned improvements have occurred
		6.3	Take action to sustain improvement by standardising

6.4   Identify areas which have not met predicted outcome (positive or negative)

6.5   Determine cause of target not being met

6.6   Take appropriate action to improve the value stream

Required Skills and Knowledge

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

Required skills

Required skills include**:**

- undertaking self-directed problem solving and decision-making
- examining possible improvements and determine costs and benefits to customers, shareholders, employees and other stakeholders
- prioritising improvements in terms of benefits to ultimate customers
- communicating across all levels in organisations
- presenting to others the benefits of change in a manner that develops consensus (win/win)
- developing strategies and metrics to monitor the implementation of improvements
- initiating, planning and executing change across broad and specialised contexts
- adjusting improvement strategies on the basis of review findings and feedback
- analysing restrictions and non-conformances in value stream to root cause

Required knowledge

Required knowledge includes:

- competitive systems and practices principles, including:
    - value stream mapping
    - 5S
    - Just in Time (JIT)
    - mistake proofing
    - process mapping
    - establishing customer pull
    - kaizen and kaizen blitz
    - setting of key performance indicators (KPIs)/metrics
    - identification and elimination of waste (muda)
- own organisation goals, operations and processes
- confidentiality and other sensitivies of value stream members
- any regulatory, issues which may be relevant to the value stream, including:
    - HSE
    - Trade Practices
    - contract and commercial Acts and regulations
- continuous improvement and the workplace improvement processes and procedures

- value stream members' processes
- value stream mapping and analysis
- approval processes within each organisation
- benefit/cost analysis methods
- methods of determining the impact of a change
- communication methods
- customer perception of benefits

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.

Critical aspects for assessment and evidence required to demonstrate competency in this unit	A person who demonstrates competency in this unit must be able to provide evidence of the ability to: • identify competitive systems and practices techniques used by value stream members • create consensus on and facilitate improvements in the value stream. • identify value stream restrictions to further improvement and determining root cause • develop consensus solutions • jointly implement and monitor solutions.
Context of and specific resources for assessment	Assessment of performance must be undertaken in a workplace using or implementing one or more competitive systems and practices. Access may be required to: • 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.
Method of assessment	A holistic approach should be taken to the assessment.

	Competence in this unit may be assessed by using a combination of the following to generate evidence: • 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. In all cases it is expected that practical assessment will be combined with targeted questioning to assess underpinning knowledge. Where applicable, reasonable adjustment must be made to work environments and training situations to accommodate ethnicity, age, gender, demographics and disability.
Guidance information for assessment	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

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	Competitive systems and practices may include, but are not limited to: • lean operations • agile operations • preventative and predictive maintenance approaches • 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 • 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
	Competitive systems and practices should be interpreted so as to take into account:
	• the stage of implementation of competitive systems and practices
	• the size of the enterprise
	• the work organisation, culture, regulatory environment and the industry sector
Opportunities for continuous improvement	Opportunities for continuous improvement may be beyond those arising just from within the organisation
Codes of practice/standards	Where reference is made to industry codes of practice, and/or Australian/international standards, the latest version must be used
HSE	All changes implemented are expected to be at least neutral, or preferably beneficial, in their impact on HSE
Change	Changes may:
	• be to plant, procedures or practice
	• be to logistics, communication systems (e.g. ordering, supplying and quality certification)
	• include kanban/systems, SCAD) supply/resupply systems across the chain
	• arise from continuous improvement or an improvement event/project
	• have been intended to make an improvement or to implement new products, technology or systems

	• include the implementation of a change Changes do not include an engineering review of a major capital expenditure or similar review
Presentation of information	Information may be presented: • in terms of graphs or other appropriate visual forms
Stakeholders	Stakeholders may include: • work team members • value stream members
Results of change	Results of change may include: • an initial improvement followed by a return to previous performance • a change which has resulted in continued improvement • continued detriment or other variations over time
Improvements	Improvements may: be to process, plant, procedures or practice • include changes to ensure positive benefits are maintained
Changes which have not met target	Changes which have not met target may include: • those that fall short and those that exceed expectations Appropriate action is to remove restrictions on those items which fell short, and make standard/further implement those which exceeded expectation
Sustaining improvement	Improvement may be sustained by including it in: • standard procedures and work instructions • standard practice • other relevant documents and practices
• **Team leader**	Team leader may include: • any person who may have either a permanent or an ad hoc role in facilitating the function of a team in a workplace

Unit Sector(s)

Unit sector   Competitive systems and practices

Custom Content Section

Not applicable.

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