



Australian Government

MSS015007 Develop a business case for sustainability improvements

Release: 1

MSS015007 Develop a business case for sustainability improvements

Modification History

Release 1. Supersedes and is equivalent to MSS015007A Develop a business case for sustainability improvements.

Application

This unit of competency covers developing an appropriate business case for proposed changes which will deliver improvements to the sustainability of a process or organisation. It includes benefit/cost and return on investment (ROI) analyses.

This unit applies inside organisations and their value chains. The unit has been developed with manufacturing operations as a focus. However, because of the range of organisations in a typical manufacturing value chain it may also be applied to other types of organisations.

The unit applies to the development of a business case for sustainability related improvements to an organisation's products or processes. The business case may relate to the whole or part of an organisation, or to the whole or part of the value chain (e.g. suppliers of goods or services or customers). The business case may be required for sustainability related improvements in response to regulatory, Board, employee, shareholder or community requests or pressure.

A manager or technical specialist who has a major responsibility for sustainability as part of a broader work role would typically undertake this, or sustainability may be their primary work responsibility. The manager or technical specialist may undertake this alone or as part of a team.

The technical measurement of operational performance or measurement of emissions or other environmental impact is not covered by this unit. However, there is a requirement to present and organise data. The complexity of this requirement will vary according to the type and scale of the organisation's processes.

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

Pre-requisite Unit

Nil

Competency Field

Sustainable operations

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	Define the intended sustainability improvement project	1.1	Define the purpose of the project.
		1.2	Determine the project goals.
		1.3	Determine regulatory requirements.
		1.4	Determine stakeholders for project.
		1.5	Clarify the critical success factors for the project.
		1.6	Quantify the current state.
2	Quantify expected benefits from the project	2.1	Determine cost of any capital improvements from the project.
		2.2	Determine production improvements.
		2.3	Determine maintenance improvements.
		2.4	Determine product life cycle improvements.
		2.5	Determine regulatory health, safety and environment (HSE) improvements.
		2.6	Estimate total benefit of proposed project.
3	Determine costs required to implement project	3.1	Estimate fixed capital costs required.
		3.2	Estimate personnel costs required.
		3.3	Estimate financial costs required.
		3.4	Estimate time required for project and time-related costs.
		3.5	Estimate total costs of project.
4	Prepare a proposal justifying project	4.1	Determine ROI, sustainability and other project benefits.
		4.2	Determine costs, if any, of not proceeding with the project.

4.3 Compare benefits to costs using appropriate methods.

4.4 Prepare proposal for project.

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.

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|---|--|
| Expected benefit may be benefit against one or more of | <ul style="list-style-type: none"> • business • ecological • social • sustainability goals. |
| Capital improvements covers all of | <ul style="list-style-type: none"> • the purchase, installation, construction and commissioning of new equipment • alterations to existing equipment designed to improve the sustainability of the organisation's operations and which will be classed as capital in the organisation's balance sheet. |
| Production improvements include one or more of | <ul style="list-style-type: none"> • work re-organisation • eliminating or changing operating steps • use of different materials, components or supplies • changing equipment and process conditions. |
| Maintenance related improvements include an increase in one or more of | <ul style="list-style-type: none"> • condition monitoring • maintenance frequency • efficiency and sustainability of operating equipment. |
| Personnel costs | <ul style="list-style-type: none"> • recruiting new staff |

include costs related to one or more of

- retrenchments
- training and retraining
- use of contract labour.

Time-related costs include one or more of

- time value of money
- maintenance of new plant as part of the project.

Unit Mapping Information

Release 1. Supersedes and is equivalent to MSS015007A Develop a business case for sustainability improvements.

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=5b04f318-804f-4dc0-9463-c3fb9a3fe998>

Assessment Requirements for MSS015007 Develop a business case for sustainability improvements

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Performance Evidence

Evidence required to demonstrate competence in this unit must be relevant to and satisfy the requirements of the elements and performance criteria and include the ability, for the whole or part of an organisation or the whole or part of the value chain, to:

- identify sustainability goals and relate these goals to current and future states
- determine costs of sustainability related improvements across an organisation's operation or value chain
- make return on investment (ROI) calculations
- prepare project proposals that clearly define and quantify costs and benefits and present a cogent and valid argument for proceeding with the project (or otherwise).

Knowledge Evidence

Must provide evidence that demonstrates sufficient knowledge to interact with relevant personnel and be able to develop an appropriate business case including knowledge of:

- characteristics of good project purposes and goals
- regulatory environment and requirements for sustainability related project, including health, safety and environment (HSE) aspects
- concept of capital versus operational improvements
- characteristics of good critical success factors and key performance indicators
- internal and external data sources
- project costing methods for capital, personnel, financial and time related costs
- methods of quantifying project benefits
- ROI calculations
- cost-benefit calculation
- relevant accounting conventions and requirements and the alternative lean view, where appropriate
- AS/NZS ISO 14001 Environmental Management Standards (or its authorised replacement or other relevant standard).

Assessment Conditions

- The unit should be assessed holistically and the judgement of competence shall be based on a holistic assessment of the evidence.

- The collection of performance evidence is best done from a report and/or folio of evidence drawn from:
 - a single project which provides sufficient evidence of the requirements of all the elements and performance criteria
 - multiple smaller projects which together provide sufficient evidence of the requirements of all the elements and performance criteria.
- A third party report, or similar, may be needed to testify to the work done by the individual, particularly when the project has been done as part of a project team.
- Assessment should use a real project where the development of a business case for sustainability related improvements to an organisation's products or processes occur for an operational workplace.
- Knowledge evidence may be collected concurrently with performance evidence or through an independent process such as workbooks, written assessments or interviews (provided a record is kept).
- Assessment processes and techniques must be appropriate to the language, literacy and numeracy requirements of the work being performed and the needs of the candidate.
- Conditions for assessment must include access to all tools, equipment, materials and documentation required including relevant workplace procedures, product and manufacturing specifications associated with this unit.
- Foundation skills are integral to competent performance of the unit and should not be assessed separately.
- Assessors must satisfy the assessor competency requirements that are in place at the time of the assessment as set by the VET regulator.
- The assessor must demonstrate both technical competency and currency.
- Technical competence can be demonstrated through:
 - relevant VET or other qualification/Statement of Attainment AND/OR
 - relevant workplace experience
- Currency can be demonstrated through:
 - performing the competency being assessed as part of current employment OR
 - having consulted with an organisation providing relevant environmental monitoring, management or technology services about performing the competency being assessed within the last twelve months.

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