



Australian Government

MSS402082 Apply cost factors to work practices

Release: 1

MSS402082 Apply cost factors to work practices

Modification History

Release 1. Updated unit code. Changes to performance criteria. Range of conditions removed. Assessment requirements amended. Equivalent outcome.

Application

This unit describes the skills and knowledge to identify cost components in work practices and determine, in general terms, the cost impacts of alternative actions.

The unit applies to assessing the relative costs of the alternatives and using this as one of the key factors in making decisions. Decisions are made within the scope of the employee's authority and according to procedures. Typical decisions include those that contribute to the efficient organisation of own work and the improvement of production time and cycle times.

Employees are required to use problem solving to identify cost factors and cost implications of own work and self-management to apply cost-effective practices.

This unit applies to an individual who is required to contribute to, and be involved in, the assessment of cost factors in their work. This may be done individually or in a team environment.

No licensing or certification requirements exist at the time of publication. Relevant legislation, industry standards and codes of practice within Australia must be applied.

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	Identify the major cost components of product or process in own	1.1	Identify cost components in the product or process in own work area
		1.2	Recognise the impact of current or alternative actions on

Elements describe the essential outcomes.		Performance criteria describe the performance needed to demonstrate achievement of the element.	
	work area		costs
2	Identify constraints to cost-efficiency	2.1	Identify required production or process rate and major costs
		2.2	Identify costs factors under individual or team control
		2.3	Relate identified costs factors to impact on overall cost of production or process
		2.4	Identify cost factors that are a constraint to cost-efficiency in own work area
3	Apply cost-efficient work practices	3.1	Identify and explain to relevant people the implications of actions and changes to improve cost-efficiency in simple financial terms
		3.2	Identify non-financial implications of proposed changes in discussion with relevant people
		3.3	Select actions which minimise overall costs
		3.4	Monitor actions to ensure cost-efficiency in own work area is maintained

Foundation Skills

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

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

Unit Mapping Information

Release 1. Supersedes and is equivalent to MSS402030 Apply cost factors to work practices.

Links

The MSS Sustainability Companion Volume implementation Guides are available from VETNet: -

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

Assessment Requirements for MSS402082 Apply cost factors to work practices

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Performance Evidence

There must be evidence the candidate has completed the tasks outlined in the elements and performance criteria of this unit, and:

- identified cost factors and cost implications of at least 1 product or process in own work and applied cost-effective practices.

Knowledge Evidence

There must be evidence the candidate has knowledge of:

- concepts of expense, income and capital
- relative impact of fixed and variable cost components relevant to own work, including:
 - power and energy
 - materials, plant and equipment
 - production or process time, including impact of salary and wages
 - office expenses
 - government taxes and charges
- financial and non-financial impacts of cost reductions
- the difference between internally and externally controlled costs
- difference between overhead, labour and consumables.

Assessment Conditions

Skills must have been demonstrated in the workplace or in a simulated environment that reflects workplace conditions, contingencies, facilities, equipment and resources.

Assessors must satisfy the NVR/AQTF mandatory competency requirements for assessors.

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