



Australian Government

MSS403005 Facilitate use of a Balanced Scorecard for performance improvement

Release: 1

MSS403005 Facilitate use of a Balanced Scorecard for performance improvement

Modification History

Release 1. Supersedes and is equivalent to MSS403005A Facilitate use of a Balanced Scorecard for performance improvement

Application

This unit of competency applies in organisations using a Balanced Scorecard approach to performance improvement. In these organisations the unit applies to individuals in a team or workgroup who facilitate the use of the Balanced Scorecard through leading, assisting and/or motivating others in using the Balance Scorecard approach.

This unit requires the application of skills associated with communication, teamwork, problem solving, initiative, enterprise, and planning and organising in order to provide leadership in the interpretation, review and strategic response to Balanced Scorecard results.

This unit has a strong emphasis on identifying and reviewing required performance measures and requires an ability to use new information to improve performance.

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	Interpret Balanced Scorecard results	1.1	Identify patterns of performance shown on strategy map.
		1.2	Identify actions indicated by Balanced Scorecard results.
		1.3	Discuss results with fellow employees and other relevant stakeholders.

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| | | 1.4 | Facilitate the selection of required actions with employees and other stakeholders. |
| | | 1.5 | Facilitate the development of implementation plans for team or individuals. |
| | | 1.6 | Facilitate the implementation of required actions from developed plans. |
| | | 1.7 | Follow up on implementation to ensure it occurs as planned. |
| 2 | Review key performance indicators (KPIs) in the Balanced Scorecard for the organisation and work area | 2.1 | Relate area and other KPIs to strategy map/strategic objective. |
| | | 2.2 | Review the actions required by self and others to meet each KPI. |
| | | 2.3 | Compare current actions to the optimal actions to achieve strategy. |
| | | 2.4 | Discuss with employees and other stakeholders any modifications to KPIs which will better meet strategy. |
| | | 2.5 | Recommend amendments to KPIs to relevant personnel. |
| 3 | Review reporting systems for Balanced Scorecard information | 3.1 | Review reporting systems to ensure information needed by self, other employees in area and organisation is available. |
| | | 3.2 | Review the mix of operational and strategic information to ensure it is appropriate for work area. |
| | | 3.3 | Review information provided for relevance and currency, and that it is meaningful and not excessive. |
| | | 3.4 | Recommend improvements to reports and reporting system, as appropriate. |
| 4 | Lead improvement to work area total performance | 4.1 | Compare actual performance of teams, work areas or individuals with desired total performance using KPIs and other Balanced Scorecard information. |
| | | 4.2 | Discuss with team ways of improving total performance. |

4.3 Lead processes for improvement in total performance.

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
- 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.

Team includes one or more of:

- all individuals in the target work area who are involved in the implementation and use of the Balanced Scorecard
- formally designated team working to a team leader
- informal or *ad hoc* team/group of people.

Balanced Scorecard includes all of:

- an organisation's vision and strategy
- establishing and measuring enterprise activity in a number of different financial and non-financial perspectives
- use of KPIs related to an overall strategy map
- use of metrics for KPI components, such as customer, environmental, internal business process and learning and growth.

KPIs include all of:

- financial performance measures
- non-financial performance measures against targets
- other performance indicators relevant for informing the teams activities (e.g. performance indicators for other areas or sections, suppliers or customers).

Actions include one or more of:

- corrective action for poor results
- confirming action for acceptable results
- taking steps to ensure actions for good results are consistently maintained
- changes to performance indicators or performance measurement.

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>

Assessment Requirements for MSS403005 Facilitate use of a Balanced Scorecard for performance improvement

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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 to review Balanced Scorecard use on two (2) or more occasions and to:

- interpret Balanced Scorecard results
- review key performance indicators (KPIs)
- review reporting
- use this to help improve total performance.

Knowledge Evidence

Must provide evidence that demonstrates knowledge relevant to their job role sufficient to fulfil their job role independently, including:

- components of the Balanced Scorecard, including perspectives, feedback loops, targets and metrics, and reporting systems
- analysis of Balanced Scorecard information
- uses and limitations of KPIs and the alignment of KPIs with the organisations strategy map
- how to identify areas for improvement from Balanced Scorecard information.

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:
 - single projects 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 in 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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