



Australian Government

MSS403034 Organise products into groups

Release: 1

MSS403034 Organise products into groups

Modification History

Release 1. Supersedes and is equivalent to MSS403034A Organise products into groups

Application

This unit of competency covers the skills and knowledge required to organise products and processes into groups, or to re-examine the current organisation into groups, using techniques such as the Glenday Sieve, Pareto analysis or similar. This may be done to assist in moving to flow-based operations or to identify other strategies for improving customer benefits/features and the elimination of muda (waste).

This unit applies to individuals who, as part of their work role, need to analyse an organisation's products or processes (physical or otherwise) so as to identify the most significant groups. There are several ways in which this may be done and this unit covers all of these ways. Typically the sorting into groups is not an end in itself but simply a way of identifying groups of products to which other competitive systems and practices may be applied.

The person will typically be a team leader, manager, senior operator or other person who has a role in implementing competitive systems and practices. They will work with others in the organising of products into groups either as part of a formal team or otherwise. They will liaise and communicate with these others as required.

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 | Determine the | 1.1 | Identify stock keeping units (SKUs) for analysis. |
|---|----------------------|-----|---|

	basis of product organisation	1.2	Determine relevant metric as the basis of organisation.
		1.3	Determine time basis for analysis.
		1.4	Collect selected metric over the time period for each SKU.
2	Apply analysis tool	2.1	Select appropriate analysis tool.
		2.2	Apply the tool.
		2.3	Test for sensitivity, as appropriate.
		2.4	Confirm ranking of product groupings.
		2.5	Tabulate and communicate the results.
3	Develop a strategic response to the results	3.1	Analyse product groupings for opportunities for increased flow based on customer pull and elimination of waste.
		3.2	Select relevant competitive systems and practices tools.
		3.3	Develop a strategy deployment plan.
		3.4	Obtain required approvals.

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 • lean operations

**and practices
include one or more
of:**

- 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.

**Stock keeping unit
(SKU) is a unique
identifier applying
to one or more of:**

- items that are purchased
- items that are offered for sale
- items that are manufactured/conducted internally
- countable services/events (e.g. time slots available for service calls charged by the hour, insurance claims).

**Relevant metric
includes one or
more of:**

- sales volume
- profit
- profitability
- sales/profit growth
- other metrics appropriate to the analysis tool.

**Time basis includes
one or more of:**

- one year
- one business cycle
- one seasonal cycle
- one/two quarters
- one period related to the business/product.

**Analysis tool for
grouping the SKUs
includes one or**

- Glenday Sieve
- Pareto analysis
- 80:20 rule

more of:

- similar grouping tools.

Sensitivity testing includes one or more of:

- repeating the analysis using a different tool
- repeating the analysis using a different metric
- repeating the analysis using a different time basis.

Strategic response includes one or more of:

- the levelling of production
- the creation of different virtual production processes
- the application of kaizen blitz to some groups
- other relevant tool or strategy.

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 MSS403034 Organise products into groups

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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 organise products into groups on one (1) or more occasions and to:

- determine the basis for the organisation
- apply an appropriate analysis tools
- test sensitivity
- develop a strategic response.

Knowledge Evidence

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

- methodologies for sorting of products and service events and their advantages and disadvantages (e.g. Pareto analysis and the Glenday Sieve)
- analysing operations to identify current batching and non-flow related activities
- identifying opportunities for increased customer pull and flow-based operations
- ways of developing a strategic response.

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 activity of organising products into groups 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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