



Australian Government

MSS403082 Improve cost factors in work practices

Release: 1

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Modification History

Release 1. Unit code changed. Application changed. Performance Criteria changed. Foundation Skills populated. Assessment Requirements changed. Supersedes and is equivalent to MSS403086 Improve cost factors in work practices.

Application

This unit describes the skills and knowledge required to identify the cost components of a process, product or service and to make recommendations to improve productivity and reduce cost and variability.

This unit applies to team members who are required to understand major cost contributors in their work and to determine the cost impacts of alternative actions.

This unit applies to any organisation.

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

Competency Field

Competitive systems and practices

Elements and Performance Criteria

Elements	Performance Criteria
Elements describe the essential outcomes.	Performance criteria describe the performance needed to demonstrate achievement of the element.
1. Analyse cost components of work area or team function	1.1 Identify cost components in product or process 1.2 Identify cost factors under control of area or employees in team 1.3 Identify causes of variability in costs 1.4 Analyse impact of costs on production or process activities undertaken
2. Improve cost-efficiency of processes and procedures	2.1 Identify methods of improving productivity and reducing costs within area or team's responsibility 2.2 Calculate cost benefit ratio of alternative methods of improving productivity and reducing costs 2.3 Consult with all stakeholders regarding possible changes 2.4 Recommend changes which will increase productivity and reduce

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Elements describe the essential outcomes.	Performance criteria describe the performance needed to demonstrate achievement of the element.
	cost and variability 2.5 Implement recommended changes in consultation with stakeholders

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

- Reading skills to interpret workplace documentation
- Oral communication skills to consult on and recommend changes
- Numeracy skills to interpret cost factors, calculate cost benefit ratio and cost impact of alternative actions.

Other foundation skills essential to performance are explicit in the performance criteria of this unit.

Unit Mapping Information

Release 1. Supersedes and is equivalent to MSS403086 Improve cost factors in work practices.

Links

Companion Volume Implementation Guides are available from VETNet - -

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

Assessment Requirements for MSS403082 Improve cost factors in 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 demonstrated the ability to:

- identify cost factors in own or team work outcomes and recommend at least 2 ways to improve cost efficiency
- implemented, or participated in team implementation of, at least 1 cost efficiency improvement.

Knowledge Evidence

There must be evidence the candidate has knowledge of:

- cost components of processes, products or services of team or work area
- costs concepts, including expense/capital, income and cost benefit ratios
- major cost contributors to product (including energy, materials and inputs, labour and distribution)
- difference between internally and externally controlled costs
- difference between overhead, capital, expense, labour and other consumables
- common causes of cost variances relevant to the team or work area.

Assessment Conditions

Skills must have been demonstrated in the workplace or in a simulated environment that reflects workplace conditions and contingencies. The following conditions must be met for this unit:

- use of suitable facilities, equipment and resources
- modelling of industry operating conditions.

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

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