



Australian Government

MSS403086 Improve cost factors in work practices

Release: 1

MSS403086 Improve cost factors in 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 required by an individual to evaluate the product or process outcomes of a team or work group in terms of their cost components and to be able to determine, in general terms, the cost impacts of alternative actions. This includes the efficient organisation of own work, and that of others in a work area or within a team, and the improvement of throughput and cycle times.

This applies to team members who will be required to problem solve, show initiative, plan, organise and manage own output and development. Decisions are made within the scope of the authority of the individual and other employees in the area or team and according to procedures.

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	Analyse cost components of work area or team function	1.1	Identify cost components in the product or process
		1.2	Identify costs factors under control of area or employees in the team
		1.3	Identify causes of variability in costs
		1.4	Analyse impact of costs on production or process

Elements describe the essential outcomes.

Performance criteria describe the performance needed to demonstrate achievement of the element.
activities undertaken

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|---|--|-----|--|
| 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 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.

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 MSS403030 Improve cost factors in 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 MSS403086 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:

- identified and analysed cost factors in work practices and made recommendations to improve costs on at least 1 occasion.

Knowledge Evidence

There must be evidence the candidate has knowledge of:

- cost components of products made
- 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.
- causes of cost variances.

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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