



Australian Government

MSS405003 Manage a value stream

Release: 1

MSS405003 Manage a value stream

Modification History

Release 1. Supersedes and is equivalent to MSS405003A Manage a value stream

Application

This unit of competency covers the skills and knowledge required to manage an overall value stream, a supply chain or a demand chain, including close liaison with suppliers and customers. It may be applied to the managing of the chain internally/externally within an organisation.

This unit applies to a person in a senior role in an organisation, such as a manager, technical specialist or similar, who needs to manage the value/supply/demand chain on an ongoing basis to achieve the best overall contribution of value added to their product in terms of customer benefit/features. The unit can be applied to value streams of large or small organisations and to internal and external value streams or a combination value stream.

This unit assumes that the value stream has been mapped and that the mapping is available.

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 Evaluate the value stream

- 1.1 Identify all members in the value stream for products in area of responsibility.
- 1.2 Identify value added by each member of the chain.
- 1.3 Identify non-value adding steps in the value stream.

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| | | 1.4 | Identify acute and chronic issues which impact on the value stream. |
| | | 1.5 | Develop priority list of items for improvement. |
| 2 | Liaise regularly with chain members | 2.1 | Establish and maintain regular liaison with all chain members. |
| | | 2.2 | Identify current and forecast issues with each member. |
| | | 2.3 | Work with members to help them address their issues. |
| | | 2.4 | Build trust and confidence in the relationship. |
| | | 2.5 | Develop with each chain member a priority list of items for improvement. |
| | | 2.6 | Negotiate with all chain members to ensure improvements benefit chain members and improve the benefits/features perceived by the ultimate customer. |
| 3 | Monitor the value added at each step | 3.1 | Identify changes in value added by each chain member. |
| | | 3.2 | Identify areas where changes to value added are required. |
| | | 3.3 | Develop a priority list of required value-added changes. |
| | | 3.4 | Work with chain member to bring about improvements to value added. |
| 4 | Continue to reduce muda (waste) | 4.1 | Identify muda (waste) in value stream. |
| | | 4.2 | Work with chain members to continually reduce muda. |

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.

Customer requirement stages where value stream actions may occur include one or more of:

- sales outlet/representative
- information gathering, data analysis and research
- product design
- raw material sourcing
- intermediate processing
- final assembler/collation/preparation
- support services (e.g. accounting, finance and legal)
- storage and delivery to customer
- after market support.

Value-added as perceived by the customer includes one or more of:

- technical benefits/features
- location benefits/features
- aesthetic benefits/features
- information benefits/features.

Techniques for value stream mapping include one or more of:

- hard copy (e.g. paper or whiteboard)
- appropriate software tools
- expert group
- participation by gemba representatives
- participation by all impacted personnel.

Muda (waste) includes all of:

- excess production and early production
- delays
- movement and transport
- poor process design
- inventory
- inefficient performance of a process
- making defective items
- activities which do not yield any benefit to the organisation or any benefit to the organisation's customers.

Unit Mapping Information

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Links

Companion Volume implementation guides are found in VETNet -

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