



Australian Government

MSS405007 Introduce competitive systems and practices to a small or medium enterprise

Release: 1

MSS405007 Introduce competitive systems and practices to a small or medium enterprise

Modification History

Release 1. Supersedes and is equivalent to MSS405007A Introduce competitive systems and practices to a small or medium enterprise

Application

This unit of competency covers the skills and knowledge required to introduce competitive systems and practices into a small or medium operations enterprise (SME). The unit may also apply to any small or medium not-for-profit organisation seeking to improve their processes through competitive systems and practices. The unit covers any constraints that may be placed on how competitive systems and practices are introduced and which aspects of competitive systems and practices are introduced due to the limitations of being a SME.

This unit requires the application of skills associated with problem solving, initiative, enterprise, planning and organising in order to determine competitive systems and practices processes appropriate for a small business environment. This unit also requires communication and analysis skills to gather information about processes and implement competitive systems and practices strategies.

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 Analyse the current operations

1.1 Review the reasons for introducing competitive systems and practices and confirm the expected benefits with relevant stakeholders.

	systems and processes	1.2	Determine any internal limiting factors which will constrain the introduction of competitive systems and practices.
		1.3	Determine any external limiting factors which will constrain the introduction of competitive systems and practices.
		1.4	Quantify expected returns from achieving the benefits of introducing competitive systems and practices.
2	Develop strategic and tactical plans to introduce competitive systems and practices to the SME	2.1	Develop a strategic plan for the SME that takes into account the nature of its business and relationships with suppliers and customers.
		2.2	Where required, seek authority for the implementation of the strategic plan.
		2.3	Identify components of competitive strategy which will yield quick returns.
		2.4	Identify actions which will free up required resources to allow for the introduction of competitive systems and practices.
		2.5	Develop achievable tactical plans which are compatible with strategy.
		2.6	Develop key performance indicators (KPIs) for strategic and tactical plans.
		2.7	Consult with relevant stakeholders to confirm tactical plans.
		2.8	Prioritise plans for order of implementation.
3	Implement competitive systems and practices	3.1	Implement priority tactical plan.
		3.2	Determine benefits from change.
		3.3	Use benefits from priority plan to assist in the implementation of further tactical plans.
		3.4	Review progress towards strategic objectives and adjust plans, as appropriate, in consultation with relevant

stakeholders.

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
- 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.

Stakeholders include one or more of:

- managers
- supervisors
- employees and their representatives
- shareholders
- suppliers
- customers

- service providers.
- Internal limiting factors include consideration of all of:**
- free cash
 - management time and expertise
 - machinery
 - work organisation and workforce skills and knowledge.
- External limiting factors include consideration of all of:**
- lack of bargaining power
 - lack of effective communication
 - supplier issues
 - customer issues
 - financial institution issues
 - other factors.
- Expected returns include one or more of:**
- cost savings due to more consistent or higher quality
 - benefits from greater on-time delivery
 - savings from lower inventories and reduction in waste.
- Actions which will free up required resources include one or more of:**
- reduction of inventory
 - reduction of scrap
 - decreased throughput times
 - changes in approval processes/delegations
 - use of computers instead of paper-based processes
 - reduction of muda (waste).
- Prioritising plans includes the consideration of all of:**
- greatest benefit, benefit/cost ratio
 - ease of implementation
 - best fit with strategy
 - available resources.

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 MSS405007 Introduce competitive systems and practices to a small or medium enterprise

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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 introduce competitive systems and practices to a SME and to:

- analyse the organisation's current operations
- develop strategic and tactical plans for the introduction of competitive systems and practices
- implement those plans.

Knowledge Evidence

Must provide evidence that demonstrates sufficient knowledge to interact with relevant personnel and be able to introduce competitive systems and practices to a SME, including knowledge of:

- analysis of current operations/value stream mapping
- competitive systems and practices tools which may be relevant
- strategy vs tactics
- kaizen/kaizen blitz applications
- prioritisation of proposed actions/plans.

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 project introducing competitive systems and practices to a SME 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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