



Australian Government

MSS407007 Respond to a major non-conformance

Release: 1

MSS407007 Respond to a major non-conformance

Modification History

Release 1. Supersedes and is equivalent to MSS407007A Respond to a major non-conformance

Application

This unit of competency covers the skills and knowledge required to lead a response at a team or area level to a major non-conformance which could have severe business impacts.

The unit can be applied to subsections of an organisation, such as a team, area or department, or in the case of a small or medium sized enterprise (SME), to the whole organisation.

This unit applies to team leaders and people with a similar sphere of influence and scope of authority and responsibility and covers the skills required to respond to a situation where people, processes, equipment or systems fail to meet requirements (there is a major non-conformance) for whatever reason, and this will have significant business consequences. The non-conformance may be anywhere in the value stream, not necessarily in the team, department or area which needs to respond. Many teams, departments or areas may need to respond. However, this unit applies to the skills needed to lead a single team, department or area response.

This unit is not primarily about identification of the cause of the non-conformance but rather about skills for appropriate responses to contain the situation, including not allowing it to accelerate or cascade. It is also about skills to minimise the adverse consequences while doing what can be done at the team, department or area level to remedy the situation.

This unit does not cover the specialist skills required to contain/remediate an emergency non-conformance, such as a fire or explosion. Relevant emergency management skills from other Training Packages should be accessed for these skills.

This unit may be also applied to service organisations applying competitive systems and practices principles.

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.

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| 1 | Define extent and nature of non-conformance | 1.1 Identify target performance prior to non-conformance.
1.2 Determine commencement and expected duration of non-conformance.
1.3 Determine impact of non-conformance on target performance.
1.4 Determine impact of non-conformance on sustainability (ecology, economy and social) performance.
1.5 Determine impact of non-conformance on maintenance performance.
1.6 Liaise with customers to determine minimum acceptable performance during period of non-conformance.
1.7 Define non-conformance in terms of customer requirements and target performance. |
| 2 | Determine priorities and actions | 2.1 Develop possible responses appropriate to the situation.
2.2 Determine possible timing of possible responses.
2.3 Identify required resources for the responses developed.
2.4 Evaluate possible responses and select or shortlist responses.
2.5 Select responses and obtain necessary approvals.
2.6 Organise resources, as appropriate. |
| 3 | Identify information needs | 3.1 Determine the information needs of stakeholders.
3.2 Identify the sources of required information.
3.3 Arrange to collect required information.
3.4 Obtain authorisation to disseminate information. |

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| | | 3.5 | Report information to stakeholders, as appropriate. |
| 4 | Implement response | 4.1 | Initiate response and establish data and information collection procedures. |
| | | 4.2 | Analyse data and other information as it comes to hand. |
| | | 4.3 | Determine progress of response to achieving required outcomes. |
| | | 4.4 | Modify response, including deployment of resources, as required, to better achieve desired outcomes. |
| 5 | Establish plan to return to normal conformance | 5.1 | Determine root cause of non-conformance and analyse to determine likely preventative measures. |
| | | 5.2 | Develop remedial plan to eliminate root cause. |
| | | 5.3 | Obtain sign-off from process/system owner for planned action. |
| | | 5.4 | Implement remedial plan and establish normal conformance. |
| 6 | Conclude and review response | 6.1 | Conduct a debrief and complete reports as required. |
| | | 6.2 | Evaluate and review response and procedures. |
| | | 6.3 | Evaluate and document effectiveness of the response function and its interaction/communication with stakeholders. |
| | | 6.4 | Recommend improvements to prevent a recurrence and improve response for other non-conformances. |
| | | 6.5 | Communicate reports in accordance with company procedures. |

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.

Major non-conformance includes one or more of:

- a failure to receive a delivery
- receiving a delivery which is out of specification
- a failure of the transport system to make deliveries to customers or from suppliers
- a problem in the process which fails to produce product or only produces non-conforming product
- a major incident, such as a fire or loss of containment
- a breakdown of critical plant/equipment
- a commercial or legal problem which affects the ability to produce to requirements

	• excessive absences of key personnel due to illness or transport breakdown • a security situation preventing key personnel from performing their duties and/or deliveries being made • a major supply shortage or price increase.
Business impacts include one or more of:	• sudden increase in defect rates • loss of supply of materials or components • loss or severe restriction of operational capability • loss of transport from process • increases in fuel energy costs • increases in the cost of finance/capital.
Performance includes one or more of:	• production volume • product quality • production cost • sustainability and similar measures as appropriate at the team level.
Response to minimise the impact of the non-conformance on the customer includes one or more of:	• supply from another source • production from other areas • agreements for reduced supply • agreements to accept different quality • short-term responses to cover immediate situation • different long and medium-term response • transition strategies where there are different strategies at different phases of the response.
Timing of responses include one or more of:	• implementation following initial containment/stabilisation of situation (e.g. where the non-conformance is a major incident, such as a fire or loss of containment) • immediate initiation but delayed implementation (e.g. where the non-conformance is a breakdown of critical plant/equipment which will require repair/replacement before implementation) • immediate implementation (e.g. when the non-conformance does not prevent the response from starting or there is an alternative which bypasses the non-conformance).
Stakeholders include one or more	• work team members • value stream members

of:

- other stakeholders internal and external to the team/organisation who are impacted by the non-conformance.

Team leader includes one or more of:

- a person who has a formal, permanent role
- a person who has an ad hoc role in facilitating the function of a team in a workplace.

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 MSS407007 Respond to a major non-conformance

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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 respond to one (1) or more simulated/'war gamed' major non-conformances and to:

- define the nature and extent of the non-conformance (from the information provided as part of the simulation)
- develop an appropriate, prioritised set of responses
- collect and disseminate relevant information to the stakeholders
- implement the response(s) to the non-conformance
- develop and simulate the implementation of a recovery plan
- debrief, capture learnings and make recommendations for improvements to responses.

Knowledge Evidence

Must provide evidence that demonstrates sufficient knowledge to interact with relevant personnel and be able to respond to a major non-conformance, including knowledge of:

- identification of non-conformances and their consequences
- prioritisation of business impacts based on key indicators, such as such as effect on error rates and defects, loss of or delay in supply of materials or components, loss or severe restriction of process capability, loss of transport from or to operational centre or process facility, unplanned increases in costs of materials or services, increases in the cost of finance/capital, and sudden change in regulatory requirements
- prioritisation of responses based on business and customer needs, such as customer requirements, the philosophies and strategies of the organisation, HSE requirements, delivery, statutory and contractual requirements
- negotiation methods
- dealing with stress.

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.
- Assessment should use a simulated major non-conformance based on real/realistic incidents which have occurred in that or other industries. Assessment should be run using a 'war gaming' model where the simulated non-conformance has a defined start and additional information becomes available as the exercise progresses. This may be a 'desk top' exercise and is best run with the team of individuals who would need to respond and may occur in an 'incident room' or could be run using digital communication and information. The incident should be progressively elaborated as the exercise progresses, and may, or may not be completed within one day.
- 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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