



Australian Government

MSS407011 Manage benchmarking studies

Release: 1

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Modification History

Release 1. Supersedes and is equivalent to MSS407011A Manage benchmarking studies

Application

This unit of competency covers the skills and knowledge required to undertake benchmarking studies. It covers both performance and process benchmarking. It does not cover product or strategic benchmarking. The benchmarking may be used to find areas for improvement or to provide information as to how to make the improvements.

The benchmarking process would:

- decide the nature of the benchmarking to be undertaken
- collect the benchmarking data and information
- determine what actions to be taken based on the benchmarking
- take the required steps to have those actions implemented
- identify the ongoing nature of these benchmarking activities.

Benchmarking may be undertaken by a team or be largely the responsibility of an individual. This unit applies either to that individual or to a leader in the team. The benchmarking activity may use benchmarks which are derived either internally to the organisation or externally from the organisation although some degree of externality would be expected in most applications.

This unit does not require the statistical or financial analysis of data, but does require the interpretation and application of information derived from such analyses.

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 Performance criteria describe the performance needed to

essential outcomes.		demonstrate achievement of the element.	
1	Identify nature of benchmarking activity	1.1	Identify operations or area to be benchmarked.
		1.2	Determine the core set of benchmark measures required.
2	Develop the benchmarking methodology	2.1	Determine baseline in area of study for core measures.
		2.2	Confirm nature and source of data/information to be collected.
		2.3	Agree on likely suitable sources of benchmarking data/information.
		2.4	Confirm required survey methodology.
3	Conduct benchmarking survey	3.1	Establish required communication channels for survey.
		3.2	Obtain required data/information.
		3.3	Validate data/information as required by methodology.
4	Apply results of benchmarking	4.1	Interpret the analysed results of the survey.
		4.2	Agree required improvement actions resulting from the survey.
		4.3	Analyse sustainability (social, ecology and economic) implications from proposed actions.
		4.4	Modify proposed actions, as required, to ensure they are at least sustainability neutral.
		4.5	Initiate the implementation of the improvement actions.
		4.6	Follow through on improvement actions to ensure they are fully implemented.
5	Improve the benchmarking process	5.1	Analyse the benchmarking process just undertaken.
		5.2	Analyse the changes which have resulted from the benchmarking.

- 5.3 Identify areas for improvement.
- 5.4 Agree ways of improving future benchmarking activities.

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.

- Sources of benchmarking data**
- other relevant areas within the same organisation
 - external organisations in a similar market/with similar processes

- include one or more of:**
- external organisations recognised as a leader in the process/activity under study
 - benchmarking consultancies offering access to relevant data/information/organisations.

- Methods to determine operations or areas to be benchmarked include one or more of:**
- previous benchmarking study
 - identification by other studies or processes of area of need
 - informal conversations with customers, employees or suppliers
 - exploratory research techniques such as focus groups
 - in-depth marketing research, quantitative research, surveys, questionnaires, engineering analysis, process mapping, quality control variance reports, or financial ratio analysis.

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 MSS407011 Manage benchmarking studies

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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 manage one (1) or more benchmarking studies and to:

- identify the nature of the benchmarking
- develop an appropriate methodology
- conduct the benchmarking study
- apply the results
- improve the benchmarking process.

Knowledge Evidence

Must provide evidence that demonstrates sufficient knowledge to interact with relevant personnel and be able to manage a benchmarking study, including knowledge of:

- benchmarking methodologies and protocols
- interpretation of data
- key variables indicating the organisation's performance
- legal and ethical, intellectual property issues with benchmarking and obtaining and using data
- performance vs. process benchmarking
- criterion referenced vs. normative referenced vs qualitative benchmarking
- measurable data vs. useful information
- validity and validation of benchmarking data
- application of benchmarking to balanced Scorecard approaches.

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 benchmarking project for an operational 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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