



Australian Government

Department of Education, Employment and Workplace Relations

MSS405007A Introduce competitive systems and practices to a small or medium enterprise

Release: 1

MSS405007A Introduce competitive systems and practices to a small or medium enterprise

Modification History

New unit, superseding MSACMS606A Introduce competitive manufacturing to a small or medium enterprise - Equivalent

Unit Descriptor

This unit of competency covers the skills and knowledge required to introduce competitive systems and practices into a small or medium operations enterprise (SME)

Application of the Unit

This unit applies to the introduction of competitive systems and practices into a 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.

Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Not applicable.

Employability Skills Information

This unit contains employability skills.

Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.

Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.

Elements and Performance Criteria

1	Analyse the current operations systems and processes	1.1	Review the reasons for introducing competitive systems and practices and confirm the expected benefits with relevant stakeholders
		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
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- 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

Required Skills and Knowledge

This section describes the skills and knowledge required for this unit.

Required skills

Required skills include:

- analysing current processes used in the SME, including appropriateness of strategy, operations, and internal and external relationships, including value stream members
- distinguishing between and prepare strategic and tactical plans
- selecting and adapting appropriate competitive systems and practices and techniques for an SME environment, such as:
 - value stream mapping
 - 5S
 - Just in Time
 - mistake proofing
 - process mapping
 - kaizen and kaizen blitz
 - setting of KPIs/metrics
 - identification and elimination of waste
- developing KPIs appropriate for an SME
- communicating to individuals with different levels of literacy and numeracy
- monitoring implementation and establishing continuous improvement

Required knowledge

Required knowledge includes:

- competitive systems and practices principles and tools, including:
 - value stream mapping
 - 5S
 - JIT
 - mistake proofing
 - process mapping
 - kaizen and kaizen blitz
 - setting of KPIs/metrics
 - identification and elimination of waste
 - establishing customer pull
 - standardisation

- quick changeovers
- continuous improvement principles
- principles for deciding acceptable benefit/cost ratios in a SME

Evidence Guide

The evidence guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment	Evidence of the ability to organise implementation of competitive systems and practices in a SME should be available.
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>A person who demonstrates competency in this unit must be able to provide evidence of their ability to:</p> <ul style="list-style-type: none"> • analyse existing SME operations • determine competitive systems and practices key performance indicators for a SME organisation • determine improvements that deliver the greatest overall benefit • develop and supervise the implementation of competitive systems and practices strategy, techniques and tools in a SME.
Context of and specific resources for assessment	<p>Assessment of performance must be undertaken in a workplace using or implementing one or more competitive systems and practices. Access may be required to:</p> <ul style="list-style-type: none"> • workplace procedures and plans relevant to work area • specifications and documentation relating to planned, currently being implemented, or implemented changes to work processes and procedures relevant to the assessee • documentation and information in relation to production, waste, overheads and hazard control/management • reports from supervisors/managers • case studies and scenarios to assess responses to contingencies.
Method of assessment	A holistic approach should be taken to the assessment. Competence in this unit may be assessed by using a combination of the following to generate evidence:

	<ul style="list-style-type: none">• demonstration in the workplace• workplace projects• suitable simulation• case studies/scenarios (particularly for assessment of contingencies, improvement scenarios, and so on)• targeted questioning• reports from supervisors, peers and colleagues (third-party reports)• portfolio of evidence. <p>In all cases it is expected that practical assessment will be combined with targeted questioning to assess underpinning knowledge.</p> <p>Where applicable, reasonable adjustment must be made to work environments and training situations to accommodate ethnicity, age, gender, demographics and disability.</p>
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<p>Guidance information for assessment</p>	<p>Assessment processes and techniques must be culturally appropriate and appropriate to the oracy, language and literacy capacity of the candidate and the work being performed.</p>
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Range Statement

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

<p>Competitive systems and practices</p>	<p>Competitive systems and practices may include, but are not limited to:</p> <ul style="list-style-type: none"> • lean operations • agile operations • preventative and predictive maintenance approaches • monitoring and data gathering systems, such as Systems Control and Data Acquisition (SCADA) software, Enterprise Resource Planning (ERP) systems, Materials Resource Planning (MRP) and proprietary systems • 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 <p>Competitive systems and practices should be interpreted</p>
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	<p>so as to take into account:</p> <ul style="list-style-type: none">• the stage of implementation of competitive systems and practices• the size of the enterprise• the work organisation, culture, regulatory environment and the industry sector
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<p>Stakeholders</p>	<p>Stakeholders may include:</p> <ul style="list-style-type: none"> • managers • supervisors • employees and their representatives • shareholders • suppliers • customers • service providers
<p>Internal limiting factors</p>	<p>Internal limiting factors may include:</p> <ul style="list-style-type: none"> • free cash • management time and expertise • machinery • work organisation and workforce skills and knowledge
<p>External limiting factors</p>	<p>External limiting factors may include lack of bargaining power or effective communication with:</p> <ul style="list-style-type: none"> • suppliers • customers • financial institutions • other factors
<p>Expected returns</p>	<p>Expected returns may include factors such as:</p> <ul style="list-style-type: none"> • cost savings due to more consistent or higher quality • benefits from greater on-time delivery • savings from lower inventories and reduction in waste
<p>Actions which will free up required resources</p>	<p>Actions which will free up required resources will vary according to the size of the SME and the nature of the operations undertake. Examples include:</p> <ul style="list-style-type: none"> • reduction of inventory • reduction of scrap • decreased throughput times • changes in approval processes/delegations • use of computers instead of paper-based processes
<p>Prioritise plans</p>	<p>Prioritise plans according to criteria such as:</p> <ul style="list-style-type: none"> • greatest benefit • ease of implementation • best fit with strategy • available resources

Unit Sector(s)

Unit sector Competitive systems and practices

Custom Content Section

Not applicable.