

Unit of Competency**Functional Area: Quality Management**

Title	Establish benchmarks for continuous improvement
Code	105337L5
Range	This unit of competency is applicable to practitioners in the import and export industry for comparing the company's key measures of performance with others in the industry to determine where improvement opportunities exist.
Level	5
Credit	7 (for reference only)
Competency	<p>Performance Requirement</p> <ol style="list-style-type: none"> 1. Possess knowledge of benchmarking skills <ul style="list-style-type: none"> • Describe benchmarking process • Explain 5Ws (i.e., who, what, where, when, and why) and 2Hs (i.e., how and how much) in benchmarking • Use a range of skills to determine 'what to measure' and 'what to benchmark against' 2.1. Perform benchmarking <ul style="list-style-type: none"> • Identify the strategic objectives of the company • Determine the focus, e.g., based on customer requirements, or general continuous improvement process • Compile relevant information to assess the company, e.g., 5Ws and 2Hs • Use such tools as flowcharts to describe the process involved • Define what is critical for the company to remain competitive • Determine the performance measures for benchmarking assessment to judge the performance of the company • Identify criteria to select who to benchmark against, e.g., the activities under investigation, the scale of operations, the number and types of customers, the financial performance, and the growth of the market share • Select appropriate companies to benchmark against • Collect and analyse data pertaining to the established measures and standards • Verify the company's compliance with the performance measures and standards • Judge the company's ability to perform the established measures and standards 2.2. Create report <ul style="list-style-type: none"> • Provide a report to summarise the significant strength and weakness of the area under study • Report the gap between existing and desired levels of performance • Report the findings to investigate and solve root cause, reduce process variation • Establish systems to prevent re-occurrence of non-conformance 2.3. Improve process to close the gap <ul style="list-style-type: none"> • Communicate the findings to relevant personnel who can enable improvement • Translate the findings into goals and objectives • Develop action plans to implement the change • Incorporate the change into the company's strategic planning process 3. Use benchmarking for continuous improvement <ul style="list-style-type: none"> • Repeat the benchmarking process to identify opportunity for further improvement • Use benchmarking continuously to pursue emerging new ideas
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Capable of benchmarking best practice performance to identify performance gap • Capable of improving organisational process to close the performance gap • Capable of using benchmarking as a tool for continuous improvement
Remark	