

41080**Apply operational principles and practices to contribute to an entity's performance**

Kaupae Level	5
Whiwhinga Credit	15
Whāinga Purpose	<p>This skill standard is intended for people who can contribute to the operational objectives of an entity.</p> <p>This skill standard will provide learners with the knowledge and skills to apply operational principles and practices to enhance and assess an entity's performance.</p> <p>This skill standard can be used within programmes leading to the New Zealand Diploma in Business (Level 5) [Ref: 2459] – Core, or in other credentials.</p>

Hua o te ako me Paearu aromatawai | Learning outcomes and assessment criteria

Hua o te ako Learning outcomes	Paearu aromatawai Assessment criteria
1. Analyse principles and practices that support the operational effectiveness of an entity.	a. Analyse the core principles and their influence on supporting operational effectiveness of an entity.
	b. Analyse the core practices and their influence on supporting operational effectiveness of an entity.
2. Enhance an entity's operations and performance through the application of operational principles and practices.	a. Apply knowledge of operational principles to enhance an entity's operations and performance.
	b. Apply operational practices to enhance an entity's operations and performance.
3. Evaluate the impact of applied operational principle or practice on an entity's innovation and change.	a. Assess the impact that an applied operational principle or practice has on an entity's innovation.
	b. Assess the impact that an applied operational principle or practice has on change in an entity.

Pārongo aromatawai me te taumata paearu | Assessment information and grade criteria*Assessment specifications:*

Assessment must be conducted in real business context(s) and/or based on scenario(s) which must reflect the requirements and practicalities for conducting business in Aotearoa New Zealand.

Assessment materials should allow for learner, regional, cultural, or community contexts. For example, a learner may wish to be assessed in a context that includes te ao Māori perspectives such as mātauranga, and tikanga specific to them. Assessment materials refer to the assessment activities, judgement statements, learner evidence, model answers, and any other material that supports assessment to this standard.

The task or activity may relate to Te Tiriti o Waitangi. For guidance on Te Tiriti o Waitangi, please see [programme guidance documents](#).

Definition:

An *entity* can be a commercial or other enterprise, Iwi organisation, incorporated society, school/kura, not for profit, or a community organisation. An entity can also be self-managed, a small team or separate business unit within a larger organisation.

Ngā momo whiwhinga | Grades available

Achieved.

Ihirangi waitohu | Indicative content

Operational principles

- commercially viable
- fiscally responsible
- benchmarking
- understanding how principles contribute to achieving operational objectives
- ethical practices
- efficiency
- quality
- compliance
- applying best practice
- sustainable business practices
- growth in productivity and performance.

Operational practices

- core practical activities to support daily operational needs
- broad understanding of supporting functions to support business operations
- apply problem solving and decision-making strategy
- staff training and development
- risk management
- time management
- communication and reporting systems.

Steps to apply knowledge of operational principles

- defining core principles
- embedding principles in an entity's strategy
- operationalising
- evaluation and adaptation.

Contribution to enhance operations and performance within an entity

- increased profit
- productivity
- growth in resources
- improvement in processes
- improvement in quality
- added value
- meeting key performance indicators and sales targets
- improving customer satisfaction.

Contributing operationally to an entity's performance, innovation, and change

- performance
 - promoting achievement of entity operational objectives
 - applying core practical activities to support daily operational needs
 - tracking performance using data analytics
 - stakeholder engagement.
- innovation
 - future proofing
 - new ideas
 - new product lines
 - new technology
 - participation testing
 - assessing current processes
 - using data analytics to inform innovation
 - stakeholder engagement
 - considering improvements on existing procedures, processes, productivity, resources.

- change
 - consider improvements to daily operational needs
 - stakeholder engagement
 - structural change
 - changes to staffing
 - financial changes
 - collecting feedback to influence or inform performance and innovation.

Feedback and evaluation tools to inform the evaluation of the impact of innovation and change

- 1:1 with managers
- performance management reviews
- team or company culture surveys
- daily, weekly, or monthly team meetings
- client reviews
- customer reviews
- product or service reviews
- project updates and changes
- quality assessment tools.

Rauemi | Resources

- Business.govt.nz – [Operations strategy](#).
- Business.govt.nz – [Operational efficiency and innovation](#).
- Motu Economic and Public Policy Research – [Firm productivity and performance](#).
- NZ Business – [Sustainability](#).
- Regeneration HQ – [Measuring Innovation](#).

Pārongo Whakaū Kounga | Quality assurance information

Ngā rōpū whakatau-paerewa Standard Setting Body	Services Industry Skills Board
Whakaritenga Rārangi Paetae Aromatawai DASS classification	Business > Business Operations and Development > Systems and Resources Management
Ko te tohutoro ki ngā Whakaritenga i te Whakamanatanga me te Whakaōritenga CMR	0112

Hātepe Process	Putanga Version	Rā whakaputa Review Date	Rā whakamutunga mō te aromatawai Last date for assessment
Rēhitatanga Registration	1	26 February 2026	N/A
Kōrero whakakapinga Replacement information	N/A		
Rā arotake Planned review date	31 December 2030		

Please contact Services Industry Skills Board at qualifications@servicesisb.nz to suggest changes to the content of this skill standard.