Functional Area - Smart Logistics

Title	Formulate air freight-based strategies for fourth-party logistics (4PL)
Code	LOAFEL601B
Range	This unit of competency is applicable to air freight enterprises. Practitioners should be capable to provide a network linking the services of various business partners and customers, and formulate strategies to develop and upgrade the enterprise to provide 4PL services.
Level	6
Credit	9 （For Reference Only）

Competency	Performance Requirements
	1. Possess the knowledge of 4PL
	
	• Master the concepts and functions of 4PL
	• Master the needs of the trade, business partners and customers
	• Master the development of information technology and e-commerce
	• Master the development of electronic security in areas of information technology, network platforms and e-commerce
	• Understand compatibility of software, mode of information flow, computerised forms and documents used by business partners, customers and potential customers
	• Understand customers' liaison and activities with other sectors, organisations and government departments
	• Understand the needs of the human resources, capital, systems and technologies for 4PL development
	• Understand the cost structure and selling strategies of 4PL service
	• Understand how to reduce cost and consolidate resources of 4PL service
	• Understand the benefits and other tangible and intangible saving for the customers of 4PL service
	• Understand the additional management tools including in the company's 4PL service package against the market competition
	• Understand the pros and cons for outsourcing of IT facilities and development against ownership by the company
	
	2. Formulate strategies for 4PL
	
	• Assess the feasibility of a 4PL network platform
	    ○ The advantages and disadvantages of setting up a platform by an enterprise
	    ○ The use of the platform as a competitive tool to retain and attract customers
	• Formulate operational procedures for various kinds of services that support communication with partners in the industry and in other industrie
	• Assess the tendency of using 4PL by customers and their need for specific services
	• Assess the impact of the 4PL network platform on the revenues of major air freight business, the expansion of market share and the cost effectiveness of market leadership
	• Decide on the strategies and select feasible solutions
	• Formulate implementation plans or schedules, organise working groups to seek for technical support
	• Analyse the possibility of introducing participating partners
	• Compile a proposal to explain strategies for 4PL development
	• Develop new workflow and technologies to enhance efficient and cost like lean application, robotics logistics
	• Data and system integration options among all stakeholders to maximise data integration and error free from sharing one data base

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	• Develop automations in 4PL transaction with KPI management to ensure compliance and close monitoring of performance
Assessment Criteria	The integrated outcome requirements of this unit of competency are: • Capable to establish a 4PL platform for the air freight enterprise that is feasible and fits in with the market development; provide appropriate services and linkage to maintain business partnership or provide meaningful value-added services; • Capable to establish the 4PL platform as a useful tool for market competition and position the enterprise as a market leader; and • Capable to compile a proposal to explain and analyse the feasibility of establishing a 4PL platform.
Remark	