

**Specification of Competency Standards**  
**for the Logistics Industry**  
**Unit of Competency**

Functional Area - Operations Management

Title	Formulate air freight operation strategy
Code	LOAFOM509B
Range	This unit of competency is applicable to air freight and express operators. Practitioners should be capable to formulate the air freight operation strategy to achieve the goals of the company.
Level	5
Credit	9 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Possess the knowledge of air freight operation</p> <ul style="list-style-type: none"> <li>• Understand the vision, and the short- and long-term goals of the company</li> <li>• Understand the work and scope of air freight operation</li> <li>• Understand the routines and work processes of the company</li> <li>• Understand the key performance indicators and the measurement management tools to enhance the air freight operation performance</li> <li>• Understand the freight standard of the aviation industry</li> <li>• Master the operation strategies of competitors of the trade</li> <li>• Master costing and financial analysis</li> <li>• Master process analysis tools, such as operations research</li> </ul> <p>2. Formulate air freight operation strategy</p> <ul style="list-style-type: none"> <li>• Analyse the SWOT of the company</li> <li>• Analyse the existing mode of operation, efficiency and standard of service to formulate the airfreight operation strategies</li> <li>• Identify the processes and procedures that need to be improved</li> <li>• Recommend directions and ways for enhanced operation according to company's development strategy</li> <li>• Establish the assessment criteria and principles according to the development goals of the company</li> <li>• Assess the directions and propose ways for enhanced operations according to the assessment criteria and principles</li> <li>• Assess the costs and financial pressure of different operation strategies</li> <li>• Apply tools like games theory to analyse the expected results of different operation strategies and select the most appropriate strategies</li> <li>• Compile reports to illustrate the formulation of the operation strategy</li> <li>• Assess the resources required for operational management</li> <li>• Compile operation guidelines for different departments of the company</li> </ul>
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Capable to analyse the current operations and its competitive advantages, formulate the air freight operation strategy to achieve the business goals of the company; and</li> <li>• Capable to establish key performance indicators and implement in operations to measure and enhance the operation efficiency</li> </ul>
Remark	