

Specification of Competency Standards
for the Logistics Industry
Unit of Competency

Functional Area - Operations Management

Title	Renew, terminate and conclude a contract with contractor/supplier
Code	LOCUOM416B
Range	This unit of competency is applicable to sea freight, air freight, and express operators. Practitioners should be capable to renew and conclude a contract with the company's contractor/supplier.
Level	4
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge of contract management</p> <ul style="list-style-type: none"> • Understand the legal implication of a contract, its functions and the principles of drawing up a contract • Understand the concepts of contract management • Master the means of summarizing or evaluating the enforcement of a contract • Understand the conditions for amending or terminating a contract • Master negotiation skills • Master the knowledge of basic statistics <p>2. Arrangements for renewing or concluding a contract with contractor/vendor</p> <ul style="list-style-type: none"> • Collect objective information and data, and conclude or evaluate the enforcement of a contract • Assess the enforcement of a contract and the quality of the service • Conduct review meetings upon the expiration of a contract • Compile reports on conclusion of a contract • Decide whether to renew the existing contract, re-tender the project or replace the current contractor according to the business policy and development strategies of the company • Negotiate on the renewal of a contract, including general updating of terms, specific amendments to terms, negotiations on prices, amendments to contract scope and scale, etc., according to the business policy and development strategies of the company
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Capable to collect objective information and data, and to summarize or evaluate the enforcement of a contract; and • Capable to renew, terminate and conclude a contract with contractor/vendor according to the business policy and development strategies of the company.
Remark	