

Specification of Competency Standards
for the Logistics Industry
Unit of Competency

Functional Area - Operations Management

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| Title | Formulate regional operation strategies |
| Code | LOCUOM502B |
| Range | This unit of competency is applicable to sea freight, air freight, express and relevant operators. Practitioners should be capable to analyse thoroughly the regional factors to formulate regional operation strategies. |
| Level | 5 |
| Credit | 9 (For Reference Only) |
| Competency | <p>Performance Requirements</p> <p>1. Possess the knowledge of regional operation strategies</p> <ul style="list-style-type: none"> • Understand regional operation strategies, market practices and corporate strategies of the company • Understand the current and future changes of economic scale and characteristics of the services in the region • Understand the current and future changes of local economic development and logistics practices • Understand the geopolitics and social culture of the region • Understand the regional government's policies on logistics, infrastructure and investment • Understand goods sources, types and values of products in the region • Understand the business environment and restrictions of the region on market participation • Understand service providers, airlines and major traders on their development plan and trend • Understand the locations, connecting routes and methods of logistics service points, warehouses, and production sites/ sales points in the local district • Understand the services provided by regional competitors and their market share • Understand the relationship between regional logistics solutions and operation policies • Understand the local technical change and potential impacts to the logistics development • Master the transportation, wharf warehousing, distribution, IT infrastructure and manpower training of the region • Master the company's connection with partners, agents and operators in the region • Master the calculations of time, space and cost in the region • Master the use of analytical tools such as statistical methods and operations analysis • Understand the trade agreements and development between countries to avoid double taxes and investment, etc. • Understand the barriers, substitutions, new entrants and upstreams/downstreams relationships and development trends of the region <p>2. Formulate regional operation strategies</p> <ul style="list-style-type: none"> • Collect data and information on internal and external business environment • Analyse data and information • Analyse and assess the company's strengths, weaknesses, opportunities and threats • Analyse and assess the direction of the short-, mid-, and long-term development of the company • Analyse and assess governmental restrictions on operation, such as licensing, fees and environmental protection, in the region |

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| | <ul style="list-style-type: none"> • Establish different strategic operation directions • Analyse and assess the advantages of different operation strategies and the resources thus required • Formulate appropriate business management policy according to the company and market conditions • Establish key performance indicators and reports to assess the effectiveness and efficiency of the strategies <p>3. Review regional operation strategies</p> <ul style="list-style-type: none"> • Assess whether the existing services can cope with the business management policy • Recommend new services or modify the existing ones to cope with the business management direction • Examine the business direction of customers and make use of the operation strategies to meet their needs • Make use of the global and regional operation strategies to meet the needs of customers if the company has global or regional operation strategies in place • Apply key performance indicators and measurement tools regular audit strategies • Identify improvement areas and make adjustment • Compile reports to illustrate regional operation strategies |
| Assessment Criteria | <p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Capable to analyse thoroughly the factors for formulating regional operation strategies and corporate business policy, and recommend appropriate operation strategies; • Capable to establish key performance indicators and reports to review regional operation strategies; and • Capable to compile reports to illustrate regional operation strategies. |
| Remark | This UoC is adopted from the Logistics UoCs LOCUOM502A and LOCUOM519A |