

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

Functional Area - Operations Management

Title	Assess the tenders from potential contractors
Code	LOCUOM508B
Range	This unit of competency is applicable in sea freight, air freight, and express operators. Practitioners should be capable to assess the tenders of potential contractors professionally and select the most appropriate contractor according to assessment procedures and criteria, and company policies.
Level	5
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Possess the knowledge of assessing contractors</p> <ul style="list-style-type: none"> <li>• Understand the business operation and market conditions of the industry</li> <li>• Understand the scope, terms and details of contracts</li> <li>• Understand all the requirements in the tender, such as the experience in similar projects, the lowest tender, the price, the cost, the best sequence of work and the best outcome</li> <li>• Understand logistics and freight transport market environment and trend</li> <li>• Understand the business policy and development strategy of the company</li> <li>• Understand proposed tender specifications, including the terms in respect of service requirements, insurance coverage payment arrangements and termination of contract</li> <li>• Understand the strength and weaknesses of each potential subcontractors and their direction in short, mid and long term basis</li> <li>• Master the company's policies and guidelines for outsourcing, including tendering procedures, tender assessment and selection criteria</li> <li>• Master ICAC's guidelines on prevention of corruption and other relevant code</li> </ul> <p>2. Assess the tenders of contractors</p> <ul style="list-style-type: none"> <li>• Select the tender in the interests of the company according to company policies, and assessment and selection criteria</li> <li>• Examine the information and content of tenders</li> <li>• Interview or contact potential contractors so as to understand the content of tenders</li> <li>• Assess the past experience and performance of potential contractors as part of selection criteria</li> <li>• Listen to the presentation of tenders by potential contractors</li> <li>• Ask potential contractors to submit additional information or proofs</li> <li>• Select tenders according to the content, the assessment criteria or the point system</li> <li>• Analyse the quotations and the cost information of contractors and compare the experience in similar projects, the lowest tender, the price, the cost, the best sequence of work and the best outcome</li> <li>• Negotiate with contractors in response to their quotations</li> <li>• Develop proper key performance indicators and measurement tools to reflect the performance of each contractors</li> <li>• Compile reports to illustrate the selection of contractors</li> <li>• Educate each level of staff on the ethical and legal obligation on the performance evaluation of the contractors</li> <li>• Establish evaluation criteria and compliance of the contractors and implement to all level of staff</li> </ul>
Assessment Criteria	The integrated outcome requirements of this unit of competency are:

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	<ul style="list-style-type: none"><li>• Analyse the quotations and the cost information of contractors and assess the information and the content of tenders according to company's strategy, and assessment and selection criteria;</li><li>• Select tenders according to the content, the assessment criteria or the point system; compile reports to illustrate the mechanism for selection of contractors; and</li><li>• Establish key performance indicators and measurement tools for both internal and external compliance</li></ul>
Remark	