

Specification of Competency Standards
for the Logistics Industry
Unit of Competency

Functional Area - Operations Management

Title	Formulate global operations strategies
Code	LOCUOM701B
Range	This unit of competency is applicable to logistics service providers. Practitioners should be capable of analysing all relevant factors to formulate a strategy for global operation.
Level	7
Credit	9 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Possess the knowledge of formulating strategy for global operation</p> <ul style="list-style-type: none"> • Understand global operations' strategies • Understand cargo distribution patterns among different regions • Understand the geopolitics and social culture in different regions • Understand the global network of air freight, sea freight and land transport, wharf warehousing, distribution, IT infrastructure and manpower training and other influence such as market diversification, shift, substitution of products and service • Understand the types and values of production, trading and goods sources in different regions • Understand the development of airlines, carriers, major customers, target customers and key global business partners • Understand the locations, connecting routes and methods of logistics service points, warehouses and production sites/sales points in major ports, airports, gateways and transshipment sites in the region • Understand the services provided by global competitors and their market shares and development trends • Understand the new trend of operations and their value creation to the company and the customers • Understand the relationship between global logistics solutions and operations policy • Master the connection of partners, agents and operators in different regions • Master the calculations of the delivery time and costs in major city airports, gateways and transshipment sites • Master the use of analytical tools such as statistical methods and operations research • Understand the development and changes of countries from different aspects of PESTLE <p>2. Formulate global operations strategy</p> <ul style="list-style-type: none"> • Collect data and information on internal and external business environment • Analyse data and information • Analyse the company's strengths, weaknesses, opportunities and threats • Analyse the direction of the short-, mid-, and long-term development of the company • Analyse governmental restrictions on operation, such as licensing, fees and environmental protection, in different regions • Analyse the development and trend of customers and end users' buying behaviour and pattern • Analyse the competition climates and their directions • Analyse the current resources of the company and additional resources required to support the strategies • Assess the tangible and intangible return of each new strategies like saving, efficiency and effectiveness improvement, competitive advantages....

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	<ul style="list-style-type: none"> • Recommend different strategic operations directions • Analyse and assess the advantages of different operations strategies and the resources thus required • Formulate effective business management policy with reference to the company and market conditions • Critically 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 • Audit the business direction of key customers and make use of the global operations strategy to meet their needs • Make use of the global operations strategy to meet the needs of customers if the company has a regional or territorial operations strategy in place • Recommend operating modes and strategy • Establish key performance indicator and measurement tools to ensure the target result achieved • Compile reports to illustrate the global operations strategy
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Capable of analysing thoroughly the factors for formulating global operations strategies and formulate the most appropriate global operation strategies according to the corporate business policy; and • Capable of compiling reports to illustrate the global operations strategy
Remark	This UoC is adopted from the Logistics UoCs LOCUOM701A and LOSAOM701A