

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

Functional Area - Quality Management

Title	Formulate quality management system
Code	LOCUQM502B
Range	This unit of competency is applicable to all logistics companies. Practitioners should be capable to formulate targets for quality management for workplaces providing transport and logistics services according to the quality management policy of individual enterprises.
Level	5
Credit	9 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge of total quality management relevant to transport and logistics services</p> <ul style="list-style-type: none"> <li>• Understand the quality management policy and targets of the company</li> <li>• Understand the operational flow, legal control, working guidelines, international standard and specifications, etc.</li> <li>• Understand the service and the operational standard as formulated by organisations of the industry</li> <li>• Understand the legal requirements and guidelines of government departments regarding the service and its operational standard</li> <li>• Understand the requirements of other countries, international conventions, or relevant organisations that are involved with the service, and also the working standard and operational modes entailed to meet the requirements</li> <li>• Master the techniques of how to formulate quality management target, including: <ul style="list-style-type: none"> <li>○ Benchmarking, competitors' analysis</li> <li>○ Key Performance Indicators (KPIs)</li> <li>○ Performance Pledge</li> <li>○ Balanced Scorecard approaches</li> <li>○ Analysis of deviations in performance</li> <li>○ Master the concepts of setting up awards to promote excellent quality management</li> </ul> </li> <li>• Master techniques in statistics, data analysis, performance assessment and communication, etc.</li> <li>• Fully master the elements of the quality management system, including: <ul style="list-style-type: none"> <li>○ Terms used in the industry and their definitions</li> <li>○ Method of process management</li> <li>○ "Plan-Do-Check-Act" Management Improvement Cycle</li> <li>○ Management and control of documents, records and files</li> <li>○ Resources management</li> <li>○ Control of the service quality record</li> </ul> </li> <li>• Master the techniques of compilation, circulation and revision, etc. of the handbook or proposal on quality management</li> <li>• Master the method and techniques of management assessment</li> <li>• Ensure the relevant units in the company comply with quality management system operation</li> <li>• Conduct management reviews and revise the quality management system regularly</li> </ul> <p>2. Formulate quality management system</p> <ul style="list-style-type: none"> <li>• Formulate targets for quality management</li> <li>• Identify major procedures influencing the quality of transport and logistics services</li> <li>• Measure performance of existing work flow</li> <li>• Research into customers' expectations and competitors' service levels</li> </ul>

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	<ul style="list-style-type: none"> <li>• Compile the target for quality management, including measuring methods, assessment standard and time, etc.</li> <li>• Asses the resources required to meet the target</li> <li>• Explain to relevant units of the company and its management about the target of quality management and its implementation</li> <li>• Formulate quality management system</li> <li>• According to the policy and target of quality management</li> <li>• Establish the framework of the system</li> <li>• Discuss with relevant units in the enterprise to find out major procedures that affect the service quality of the transport and logistics industry so as to confirm the process for quality management and the methods for improvement</li> <li>• Compile handbook or proposal on quality management</li> <li>• Explain to relevant units in the enterprise about quality management system and its implementation</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 compile suitable targets for quality management in appropriate ways;</li> <li>• Capable to illustrate the requirements of a sound quality management system;</li> <li>• Capable to compile a complete, clear, and approved quality management handbook or proposal; and</li> <li>• Capable to effectively set up a quality management system and bring about sustainable development.</li> </ul>
Remark	