

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

1. Title	Formulate vehicle fleet management strategy	
2. Code	LOCUOM513A	
3. Range	This unit of competency is applicable to sea freight, air freight and express operators. Practitioners should be capable to formulate an effective vehicle fleet management strategy for the vehicle fleet they managed.	
4. Level	5	
5. Credit	9 ( for reference only )	
6. Competency	<u>Performance Requirements</u>	
	6.1 Knowledge of vehicle fleet management	<ul style="list-style-type: none"> <li>◆ Understand the ways as well as the advantages and disadvantages of purchasing and leasing goods vehicles</li> <li>◆ Understand the composition and calculation of the operational costs of a vehicle fleet</li> <li>◆ Understand the operation as well as the advantages and disadvantages of contracting out and providing company-owned vehicle fleet for goods transport service</li> <li>◆ Understand the role and functions of the vehicle fleet in the company's operation</li> <li>◆ Master the arrangements for vehicle depreciation, abandonment, replacement and realization</li> <li>◆ Understand the workflow of vehicle fleet operation</li> </ul>
	6.2 Formulate vehicle fleet management strategy	<ul style="list-style-type: none"> <li>◆ Analyze financial and fixed assets investment risks</li> <li>◆ Analyze the operational cost of the vehicle fleet</li> </ul>

	<ul style="list-style-type: none"> <li>◆ Analyze the utilization rate and future need of the vehicle fleet</li> <li>◆ Analyze the considerations in operating the vehicle fleet, including: <ul style="list-style-type: none"> <li>• Human resources management</li> <li>• Technology: global positioning system, geographic information system, etc</li> <li>• Routing and scheduling</li> <li>• Environmental protection</li> <li>• Market image</li> </ul> </li> <li>◆ Assess the value, depreciation and asset value of vehicles</li> <li>◆ Plan the arrangements for selling, purchasing, leasing, hiring and scraping vehicles</li> <li>◆ Plan different vehicle acquisition solutions</li> <li>◆ Assess the effects of different vehicle acquisition plans on the financial arrangement of the company</li> <li>◆ Assess the cost effectiveness of contracting out or providing the service by the company itself</li> <li>◆ Compile reports to illustrate the vehicle fleet management strategy</li> </ul>
7. Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>(i) Capable to indicate the importance of vehicle fleet management on the operation of the company;</li> <li>(ii) Capable to analyze and assess the role of the vehicle fleet in the operation and development of the company; and</li> <li>(iii) Capable to compile reports to illustrate the vehicle fleet management strategy.</li> </ul>
8. Remarks	