

## Specification of Competency Standards for the Logistics Industry

### Unit of Competency

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|------------------------|--|
| 2. Code                | LOCUPD507A   |
| 3. Range               | This unit of competency is applicable to logistics service providers. Practitioners should be capable of formulating an effective vehicle fleet management strategy for the vehicle fleet they managed.  |
| 4. Level               | 5  |
| 5. Credit              | 6 (for reference only)   |
| 6. Competency          | <p style="text-align: center;"><u>Performance Requirements:</u></p> <p>6.1 Knowledge of vehicle fleet management</p> <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 operations 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 realisation</li> <li>• Understand the workflow of vehicle fleet operations</li> </ul> <p>6.2 Formulate vehicle fleet management strategy</p> <ul style="list-style-type: none"> <li>• Analyse financial and fixed assets investment risks</li> <li>• Analyse the operational costs of the vehicle fleet</li> <li>• Analyse the utilisation rate and future need of the vehicle fleet</li> <li>• Analyse 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> <p>6.3 Conduct strategic analysis</p> <ul style="list-style-type: none"> <li>• Conduct strategic analysis to evaluate the business environment on a regular basis</li> <li>• Identify goals of fleet operations</li> <li>• Evaluate the effectiveness of fleet management strategy</li> <li>• Make adjustment to ensure the effective and efficient use of fleet to achieve identified goals</li> </ul> |
| 7. Assessment Criteria | <p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Capable of indicating the importance of vehicle fleet management on the operations of the company</li> <li>• Capable of analysing and assessing the role of the vehicle fleet in the operations and development of the company</li> <li>• Capable of compiling reports to illustrate the vehicle fleet management strategy</li> </ul>  |

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|            | <ul style="list-style-type: none"><li>• Capable of conducting strategic analysis</li></ul> |
| 8. Remarks | This UoC is adapted from the Logistics UoC LOCUOM513A                                      |