

Specification of Competency Standards
for the Logistics Industry
Unit of Competency

Functional Area - Operations Management

Title	Formulate regional operation strategies
Code	LOCUOM502B
Range	This unit of competency is applicable to sea freight, air freight, express and relevant operators. Practitioners should be capable to analyse thoroughly the regional factors to formulate regional operation strategies.
Level	5
Credit	9 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Possess the knowledge of regional operation strategies</p> <ul style="list-style-type: none"> • Understand regional operation strategies, market practices and corporate strategies of the company • Understand the current and future changes of economic scale and characteristics of the services in the region • Understand the current and future changes of local economic development and logistics practices • Understand the geopolitics and social culture of the region • Understand the regional government's policies on logistics, infrastructure and investment • Understand goods sources, types and values of products in the region • Understand the business environment and restrictions of the region on market participation • Understand service providers, airlines and major traders on their development plan and trend • Understand the locations, connecting routes and methods of logistics service points, warehouses, and production sites/ sales points in the local district • Understand the services provided by regional competitors and their market share • Understand the relationship between regional logistics solutions and operation policies • Understand the local technical change and potential impacts to the logistics development • Master the transportation, wharf warehousing, distribution, IT infrastructure and manpower training of the region • Master the company's connection with partners, agents and operators in the region • Master the calculations of time, space and cost in the region • Master the use of analytical tools such as statistical methods and operations analysis • Understand the trade agreements and development between countries to avoid double taxes and investment, etc. • Understand the barriers, substitutions, new entrants and upstreams/downstreams relationships and development trends of the region <p>2. Formulate regional operation strategies</p> <ul style="list-style-type: none"> • Collect data and information on internal and external business environment • Analyse data and information • Analyse and assess the company's strengths, weaknesses, opportunities and threats • Analyse and assess the direction of the short-, mid-, and long-term development of the company • Analyse and assess governmental restrictions on operation, such as licensing, fees and environmental protection, in the region

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	<ul style="list-style-type: none"> • Establish different strategic operation directions • Analyse and assess the advantages of different operation strategies and the resources thus required • Formulate appropriate business management policy according to the company and market conditions • Establish key performance indicators and reports to assess the effectiveness and efficiency of the strategies <p>3. Review regional operation strategies</p> <ul style="list-style-type: none"> • 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 • Examine the business direction of customers and make use of the operation strategies to meet their needs • Make use of the global and regional operation strategies to meet the needs of customers if the company has global or regional operation strategies in place • Apply key performance indicators and measurement tools regular audit strategies • Identify improvement areas and make adjustment • Compile reports to illustrate regional operation strategies
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Capable to analyse thoroughly the factors for formulating regional operation strategies and corporate business policy, and recommend appropriate operation strategies; • Capable to establish key performance indicators and reports to review regional operation strategies; and • Capable to compile reports to illustrate regional operation strategies.
Remark	This UoC is adopted from the Logistics UoCs LOCUOM502A and LOCUOM519A