

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

Functional Area - Planning and Design of Logistics Solutions

Title	Formulate courier and express profit and loss management
Code	LOSAPD511B
Range	This unit of competency is applicable to logistics service providers. Practitioners should be able to establish courier and express profit and loss management and achieve the expected profitability according to the company's strategies.
Level	5
Credit	9 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Possess the knowledge of courier and express profitability and relevant knowledge</p> <ul style="list-style-type: none"> <li>• Understand the concept of basic profit and loss management</li> <li>• Understand the demand elasticity of different customers and markets</li> <li>• Understand market share, profitability and related indexes of courier and express companies</li> <li>• Understand profit and loss analysis methods, such as breakeven point analysis, profit target analysis</li> <li>• Understand the concept, characteristics, evolution and time limit of courier and express industry</li> <li>• Understand the structure, trends and expectations of the courier and express market</li> </ul> <p>2. Formulate courier and express profit and loss management system</p> <ul style="list-style-type: none"> <li>• Use the concepts of probability, statistical forecast or countermeasures to analyse the profitability of courier and express freight</li> <li>• Analyse the market price, profit and loss relationship, market ratio of different courier and express freight and their impact on the company's profitability</li> <li>• Analyse the changing factors of the company in different economic environments and market competition levels</li> <li>• Analyse the situation and forecast of the market, customers and peer price strategies</li> <li>• Predict all possible situation according to different market demand assumptions</li> <li>• Use probability to calculate profit and loss changes in different situations</li> <li>• Analyse the pros and cons of conclusions and strategies, and establish appropriate decision-making guidelines</li> <li>• Design profit and loss management and operating system</li> <li>• Compile report explaining the application of decision-making guidelines and its importance to profit and loss management</li> <li>• Obtain feedback to improve the profitability management system and decision-making guidelines</li> </ul>
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Capable of systematically analysing the relationship between the company's internal and external courier and express freight market conditions and profitability;</li> <li>• Capable of formulating an effective courier and express freight profit and loss management system and decision-making guidelines to manage courier and express freight profitability; and</li> <li>• Capable of analysing the pros and cons of conclusions and strategies, improve the profit and loss management system and make relevant amendments</li> </ul>
Remark	