

Specification of Competency Standards
for the Logistics Industry
Unit of Competency

Functional Area - Planning and Design of Logistics Solutions

Title	Formulate global supply chain strategy
Code	LOSAPD702B
Range	This unit of competency is applicable to logistics service providers. Practitioners should be able to apply global supply chain management (GSCM) knowledge to develop global supply chain strategy (e.g., effective information flow, business process enhancement, and cost-effective operations) and evaluate the effectiveness of the global supply chain.
Level	7
Credit	9 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge of formulating global supply chain strategies</p> <ul style="list-style-type: none"> • Know about the principles of global supply chain management • Know about the legal requirement and obligation in supply chain • Know about the principles of product life cycle management and integrate into the global supply chain management activities • Understand the concept of strategic network optimisation, including the location, number, and size of distribution centres, facilities, and warehouse • Master the strategic partnerships with international, regional, and local suppliers, distributors, and customers • Understand the global operations strategies and requirements of the company • Understand the global operations and workflows of logistics and related industries <p>2. Analyse global supply chain strategy</p> <ul style="list-style-type: none"> • Conduct analysis on global supply chain strategy • Analyse and assess the issues of supply chain integration and e-commerce strategies, including the push-pull strategies, bullwhip effect, collaborative planning, forecasting and replenishment, etc. • Analyse the feasibility of adopting strategic partnering and outsourcing strategies, such as vendor-managed inventory (VMI) and third-party logistics • Analyse the advantages of integrating information and decision support systems in the GSCM • Analyse the efficiency and effectiveness of inventory management, logistics management, and supplier management strategy to manage demand uncertainty <p>3. Formulate global supply chain strategy</p> <ul style="list-style-type: none"> • Plan workflow and procedures for implementing global supply chain strategy • Prepare implementation plans • Define contingency plan for handling irregularity • Design procedures and policies to guide global supply chain operations and business relations • Provide solution to relevant stakeholders and supply chain for GSCM strategy implementation • Study the best suitable system to obtain data and information • Define and enhance the efficiency and effectiveness of global supply chain strategies according to published key performance indicators • Compile reports to illustrate the operations of global supply chain and its major concept and themes

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	<p>4. Manage global supply chain</p> <ul style="list-style-type: none"> • Manage information exchange and communication with strategic partners • Facilitate collaboration with supply chain organisations to determine demand at each tier of the supply chain • Manage sales of goods/services and payments with reference to legal and ethical requirements (e.g., avoidance of tax and under the table payment are unacceptable) • Implement actions to foster global supply chain culture and build trust • Identify opportunities to adjust procedures and policies to respond to the changing needs of the organisation, customers, and supply chain • Through key performance indicators, irregularity management, etc and different tools to manage and maintain performance • Review and provide feedback mechanism regularly to test, report and action taken to detect non-compliance behaviour <p>5. Critically evaluate and improve global supply chain effectiveness</p> <ul style="list-style-type: none"> • Monitor supply and demand chain management • Review the effectiveness of the global supply chain with relevant stakeholders and identify areas for improvement • Use business data and reports to compare budgets, outcomes, forecasts, and timelines to actual performance • Review technology performance and make recommendations for improvements to software and hardware with reference to budget and strategy • Use evaluation results and feedback to improve and plan future GSCM strategies
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> • Capable of formulating a global supply chain strategy; • Capable of managing a global supply chain; • Capable of assessing and critically evaluating the effectiveness of global supply chains; and • Capable of providing effective recommendations for improvement
Remark	