

Specification of Competency Standards
for the Logistics Industry
Unit of Competency

Functional Area - Sales, Marketing and Customer Services

Title	Formulate project cost management
Code	LOSASM601B
Range	This unit of competency is applicable to logistics service providers. Practitioners should be able to apply cost management knowledge to determine, monitor, and control project costs.
Level	6
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Know about project management <ul style="list-style-type: none"> • Know about the principles of project management • Know about the principles of cost control • Understand the business environment of logistics related industries • Understand the company policy and procedures • Understand the implications of time on project cost 2. Provide direction for project budget development <ul style="list-style-type: none"> • Direct project managers to determine resource requirements to develop project budget in consultation with relevant personnel • Direct project managers to conduct cost estimation in developing budgets and cost management processes for the project life cycle • Direct project managers to develop cost strategies and cost management plans for managing the project finance and the overall project budget 3. Determine project cost <ul style="list-style-type: none"> • Determine resource requirements for tasks in consultation with relevant personnel • Develop budgets with reference to project costs, and implement cost management processes • Develop a project financial management plan 4. Monitor and control project cost <ul style="list-style-type: none"> • Carry out cost management processes and procedures to monitor expenditure and costs • Develop cost management systems to compare actual expenditure against budgeted expenditure throughout the project life cycle • Apply cost analysis methods to identify cost variations, evaluate options, and provide recommendations to relevant personnel • Monitor project costs in accordance with budget project objectives throughout the project lifecycle 5. Review project cost management <ul style="list-style-type: none"> • Complete project activities to achieve satisfactory financial and physical outcomes to meet customer and company expectations • Review project outcomes and analyse available information to evaluate the effectiveness of cost management systems • Critically review issues and identify improvements to cost management • File relevant information as a source of reference for future project operations and planning

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Assessment Criteria	The integrated outcome requirements of this unit of competency are: <ul style="list-style-type: none">• Capable of developing project budget, managing project costs, and completing and reviewing project cost management;• Capable of demonstrating experience in directing cost management approaches across a range of concurrent projects;• Capable of applying knowledge of budgeting processes, tools and techniques;• Capable of applying cost management to manage project costs across the project life cycle; and• Capable of reviewing project cost management and identifying improvements to cost management
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