

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

Functional Area - Sales, Marketing and Customer Services

Title	Formulate project procurement management
Code	LOSASM602B
Range	This unit of competency is applicable to logistics service providers. Practitioners should be able to apply procurement management knowledge to identify procurement requirements, carry out procurement processes, and evaluate the effectiveness of procurement management plan and procedures.
Level	6
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> <li>1. Know about project management and procurement <ul style="list-style-type: none"> <li>• Know about the principles of project management</li> <li>• Know about the principles of procurement</li> <li>• Understand business operations in logistics related industries</li> <li>• Understand company policy and procedures</li> </ul> </li> <li>2. Determine procurement requirements <ul style="list-style-type: none"> <li>• Determine procurement requirements with participation of stakeholders as the basis for procurement planning and contracts</li> <li>• Establish procurement management plan and strategies with stakeholders to ensure procurement objectives are co-ordinated, understandable and achievable</li> </ul> </li> <li>3. Establish procurement processes <ul style="list-style-type: none"> <li>• Obtain relevant information to meet project procurement objectives</li> <li>• Establish selection processes and selection criteria in consultation with relevant personnel, and communicate the criteria to prospective suppliers</li> <li>• Ensure contract and procurement actions are in compliance relevant legislative requirements</li> <li>• Obtain approvals for project procurement processes from relevant personnel</li> </ul> </li> <li>4. Conduct contracting and procurement activities <ul style="list-style-type: none"> <li>• Determine requirements of proposals and communicate to prospective suppliers</li> <li>• Disseminate proposals to prospective contractors/suppliers</li> <li>• Evaluate responses and select preferred suppliers in accordance with agreed selection processes</li> <li>• Negotiate contract terms and conditions between customer and preferred suppliers</li> </ul> </li> <li>5. Implement procurement processes <ul style="list-style-type: none"> <li>• Implement procurement management plan and make appropriate adjustments to achieve project objectives</li> <li>• Manage progress and changes in order to complete tasks on time, resolve conflicts and achieve project objectives</li> <li>• Report procurement management problems to relevant personnel and implement remedial actions</li> </ul> </li> <li>6. Manage procurement effectively</li> </ol>

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	<ul style="list-style-type: none"> <li>• Review contracts on a regular basis to ensure variances are identified and adjustments are agreed for implementation where appropriate</li> <li>• Identify potential, perceived and actual contractual conflicts and take remedial actions to prevent disruption where appropriate</li> <li>• Devise effective mechanisms to prevent foul play or fraud</li> <li>• Ensure the deliverables are in accordance with contractual terms and conditions to meet project requirements</li> <li>• Critically evaluate the project outcomes and assess the effectiveness of contract and procurement processes and procedures on a regular basis</li> <li>• Use lessons learned for planning of future projects, and use in strategic planning process</li> </ul>
<p>Assessment Criteria</p>	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Capable of demonstrating experience in managing procurement and contracting processes in multiple complex projects;</li> <li>• Capable of applying procurement management knowledge to plan and to implement project procurement activities;</li> <li>• Capable of applying knowledge of contract management skills to manage procurement; and</li> <li>• Capable of critically evaluating the project outcomes and assessing the effectiveness of contract and procurement processes and procedures</li> </ul>
<p>Remark</p>	