

Specification of Competency Standards
for the Retail Industry
Unit of Competency

Functional Area - Supply Chain Management

Title	Improve the supply and distribution chain
Code	111321L6
Range	This unit of competency (UoC) is applicable to the supervisory and management staff in the retail industry. Practitioners have the ability to establish an appropriate supply and distribution chain for the organisation in the absence of complete or continuous data / information and continuously improve it according to the organisation's business strategies in order to promote the development of the organisation's retail business.
Level	6
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Integrate and understand the knowledge of the supply and distribution chain</p> <ul style="list-style-type: none"> • Master the organisation's operation strategies and goal, market status and competitiveness • Understand the importance of a well-designed supply and distribution chain to the retail business operation and the overall profit of the organisation • Have expert knowledge of the business partner relationship between the organisation and different suppliers • Have expert knowledge of the good performance criteria for a supply and distribution chain • Master factors affecting supply of goods, e.g. <ul style="list-style-type: none"> ○ Customers' demand for goods ○ Cost price (raw materials, manpower, freight charges, etc.) ○ Government policies ○ Seasonal or fashion effect <p>2. Improve the supply and distribution chain</p> <ul style="list-style-type: none"> • Obtain and organise detailed information of suppliers and their goods and process the data by computer database software when necessary • Pay attention to and update information of suppliers and their goods, analyse the potential effect on the retail business of the organisation • Understand whether or not the supplier's source of goods (from raw materials to the supplier) will lead to sensitive problem such as the employment of illegal workers by manufacturers, etc. • Review, compare and analyse reports on sales, customer satisfaction level, and quality of goods, etc, in order to analyse their effects on the supply and distribution chain • Formulate precise standards for quality and quantity of goods supplied • Formulate policies and procedures for supply and distribution of goods, including: <ul style="list-style-type: none"> ○ From raw material to the supplier ○ From supplier to the organisation ○ From warehouse to various stores / retail spots ○ From the organisation to the ultimate customer, etc. • Critically conduct a comparative analysis of the supply and distribution chain in operation against the good performance criteria / performance of competitors and make amendments when the standard is not reached • Accurately forecast and analyse future market supply and demand for goods in order to forecast the amount to be purchased from various suppliers in advance • Regularly review and implement improvement plans with key suppliers and supply chain service providers

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	<ul style="list-style-type: none"> • Regularly submit report to the management including: <ul style="list-style-type: none"> ○ Performance of the supply and distribution chain in operation ○ Suggestions for adding / strengthening / discontinuing suppliers ○ Make adjustments based on future demand and give Suggestions to improve the supply and distribution chain ○ Strive for additional resources / manpower required ○ Changes in operating cost and optimisation method, etc. <p>3. Exhibit professionalism</p> <ul style="list-style-type: none"> • Protect the benefits of the organisation when improving the supply and distribution chain • Prevent any abuse of power or malpractice, such as abuse / misappropriation of the organisational assets and theft when improving the supply and distribution chain
Assessment Criteria	<p>The integrated outcome requirements of this UoC are the abilities to:</p> <ul style="list-style-type: none"> • Establish an appropriate supply and distribution chain according to the business strategies and goals of the organisation; and • Continuously improve the supply and distribution chain to promote the long-term development of retail business of the organisation.
Remark	This UoC is adopted from 104992L6.