

Specification of Competency Standards
for the Logistics Industry
Unit of Competency

Functional Area - Planning and Design of Logistics Solutions

Title	Formulate fleet management
Code	LOCUPD507B
Range	This unit of competency is applicable to logistics service providers. Practitioners should be capable of formulating an effective vehicle fleet management strategy for the vehicle fleet they managed.
Level	5
Credit	9 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge of vehicle fleet management</p> <ul style="list-style-type: none"> • Understand the ways as well as the advantages and disadvantages of purchasing and leasing goods vehicles • Understand the composition and calculation of the operational costs of a vehicle fleet • Understand the operations as well as the advantages and disadvantages of contracting out and providing company-owned vehicle fleet for goods transport service • Understand the role and functions of the vehicle fleet in the company's operation • Master the arrangements for vehicle depreciation, abandonment, replacement and realisation • Understand the workflow of vehicle fleet operations <p>2. Formulate vehicle fleet management strategy</p> <ul style="list-style-type: none"> • Analyse financial and fixed assets investment risks • Analyse the operational costs of the vehicle fleet • Analyse the utilisation rate and future need of the vehicle fleet • Analyse the considerations in operating the vehicle fleet, including: <ul style="list-style-type: none"> ○ Human resources management ○ Technology: global positioning system, geographic information system, etc ○ Routing and scheduling ○ Environmental protection ○ Market image • Assess the value, depreciation and asset value of vehicles • Plan the arrangements for selling, purchasing, leasing, hiring and scraping vehicles • Plan different vehicle acquisition solutions • Assess the effects of different vehicle acquisition plans on the financial arrangement of the company • Assess the cost effectiveness of contracting out or providing the service by the company itself • Compile reports to illustrate the vehicle fleet management strategy <p>3. Conduct strategic analysis</p> <ul style="list-style-type: none"> • Conduct strategic analysis to evaluate the business environment on a regular basis • Identify goals of fleet operations • Evaluate the effectiveness of fleet management strategy • Make adjustment to ensure the effective and efficient use of fleet to achieve identified goals
Assessment Criteria	The integrated outcome requirements of this unit of competency are:

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	<ul style="list-style-type: none">• Capable of indicating the importance of vehicle fleet management on the operations of the company;• Capable of analysing and assessing the role of the vehicle fleet in the operations and development of the company;• Capable of compiling reports to illustrate the vehicle fleet management strategy; and• Capable of conducting strategic analysis
Remark	This UoC is adapted from the Logistics UoC LOCUOM513A