

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

Functional Area - Planning and Design of Logistics Solutions

Title	Formulate material logistics strategies
Code	LOCUPD605B
Range	This unit of competency is applicable to logistics service providers. Practitioners should be capable of applying relevant knowledge of material logistics to formulate material logistics strategies.
Level	6
Credit	6 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge of material logistics</p> <ul style="list-style-type: none"> <li>• Know about the principles of material logistics</li> <li>• Know about the business operations of logistics related industries</li> <li>• Understand company policy and procedures</li> </ul> <p>2. Analyse the material logistics environment</p> <ul style="list-style-type: none"> <li>• Analyse operational concepts of material and material systems, and identify key factors and issues</li> <li>• Analyse and monitor factors that may impact material logistics needs and capabilities</li> <li>• Consult and identify key stakeholders on material and material systems needs and capabilities</li> <li>• Analyse and identify legislation and organisational policy and procedures that may impact material logistics activities</li> </ul> <p>3. Develop material logistics strategies</p> <ul style="list-style-type: none"> <li>• Conduct consultation and negotiation with key stakeholders</li> <li>• Define and document strategic objectives</li> <li>• Undertake and document life cycle costing analysis of strategic options</li> </ul> <p>4. Establish priorities for material logistics strategies</p> <ul style="list-style-type: none"> <li>• Develop strategic priorities that support the organisation's material logistics objectives</li> <li>• Analyse strategic priorities to ensure that they reflect the capability requirements of key stakeholders</li> </ul> <p>5. Communicate material logistics strategies</p> <ul style="list-style-type: none"> <li>• Explain strategies to stakeholders</li> <li>• Promote strategies across the organisation through different communication channels</li> </ul> <p>6. Evaluate material logistics strategies</p> <ul style="list-style-type: none"> <li>• Critically evaluate the effectiveness of material logistics strategies on a regular basis</li> <li>• Make adjustments and document logistics strategies</li> </ul>
Assessment Criteria	<p>The integrated outcome requirements of this unit of competency are:</p> <ul style="list-style-type: none"> <li>• Capable of identifying and evaluating priorities, and adjusting them as necessary to ensure they meet objectives;</li> <li>• Capable of analysing the material logistics environment;</li> <li>• Capable of developing material logistics strategies;</li> <li>• Capable of communicating material logistics strategies; and</li> </ul>

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	<ul style="list-style-type: none"><li>• Capable of evaluating material logistics strategies</li></ul>
Remark	