

SQA Advanced Unit Specification

General information for centres

Unit title: Logistics Planning

Unit code: HP5Y 48

Superclass: BA

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Unit purpose

This Unit is designed to enable learners to develop a logistics plan as part of an organisation's planning systems and procedures.

Outcomes

On completion of the Unit the learner should be able to:

- 1 Describe an organisation structure for the logistics function.
- 2 Use forecasting techniques to support the logistics planning process.
- 3 Describe the development of a logistics plan.
- 4 Compare the use of third party distribution specialists against the use of own-account distribution.

Credit points and level

2 SQA Credits at SCQF level 8: (16 SCQF credit points at SCQF level 8*)

**SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from National 1 to Doctorates.*

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Recommended entry to the Unit

Access to this Unit is at the discretion of the centre. However, it would be beneficial if the learner had experience of logistics or distribution systems.

Learners are also expected to have competency in numeracy and communication skills to at least SCQF level 5. This may be evidenced by possession of the Core Skills Units in *Numeracy* and *Communication* or similar qualifications or experience.

Core Skills

Opportunities to develop aspects of Core Skills are highlighted in the Support Notes for this Unit specification.

There is no automatic certification of Core Skills or Core Skill components in this Unit.

Context for delivery

If this Unit is delivered as part of a Group Award, it is recommended that it should be taught and assessed within the subject area of the Group Award to which it contributes.

The Assessment Support Pack (ASP) for this Unit provides assessment and marking guidelines that exemplify the national standard for achievement. It is a valid, reliable and practicable Instrument of Assessment. Centres wishing to develop their own assessments should refer to the ASP to ensure a comparable standard. A list of existing ASPs is available to download from SQA's website (<http://www.sqa.org.uk/sqa/46233.2769.html>).

Equality and inclusion

This Unit specification has been designed to ensure that there are no unnecessary barriers to learning or assessment. The individual needs of learners should be taken into account when planning learning experiences, selecting assessment methods or considering alternative evidence.

Further advice can be found on our website www.sqa.org.uk/assessmentarrangements.

Unit specification: statement of standards

Unit title: Logistics Planning

Acceptable performance in this Unit will be the satisfactory achievement of the standards set out in this part of the Unit specification. All sections of the statement of standards are mandatory and cannot be altered without reference to SQA.

Outcome 1

Describe an organisation structure for the logistics function.

Knowledge and/or Skills

- ◆ Organisation structure for logistics
- ◆ Role of the logistics manager
- ◆ Management of conflict

Evidence Requirements

Learners will need evidence to demonstrate all aspects of their Knowledge and/or Skills in this Outcome by showing that they can:

- ◆ describe the organisational structure for logistics, where the organisation structure relates to relationships of logistics management with other functional areas, key activities and matrix structure
- ◆ explain the role of the logistics manager
- ◆ describe how conflict can be managed within an organisation

Outcome 2

Use forecasting techniques to support the logistics planning process.

Knowledge and/or Skills

- ◆ Importance of forecasting
- ◆ Requirements for forecasting
- ◆ Use of forecasting techniques to generate data

Evidence Requirements

Learners will need evidence to demonstrate all aspects of their Knowledge and/or Skills in this Outcome by showing that they can:

- ◆ outline the need for forecasting within the logistics function
- ◆ explain the requirement of forecasting within a logistics and distribution planning system
- ◆ use forecasting techniques to provide data for logistics planning

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Outcome 3

Describe the development of a logistics plan.

Knowledge and/or Skills

- ◆ Strategic planning processes
- ◆ Elements of a logistics plan
- ◆ Implementing a logistics strategy

Evidence Requirements

Learners will need evidence to demonstrate all aspects of their Knowledge and/or Skills in this Outcome by showing that they can:

- ◆ describe the strategic planning process for logistics and distribution management where strategic planning relates to relationship with other planning systems, situation audit, SWOT analysis, development of a new plan and barriers to implementation
- ◆ explain the elements of a logistics plan where the elements include channel strategy, product/market strategy, transport strategy and inventory strategy
- ◆ explain the process of logistics strategy implementation which includes references to commitment to plan and barriers to implementation

Outcome 4

Compare the use of third party distribution specialists against the use of own-account distribution.

Knowledge and/or Skills

- ◆ Types of service
- ◆ Contractual agreements
- ◆ Cost implications
- ◆ Organisation factors influencing the use of third party distribution specialists

Evidence Requirements

Learners will need evidence to demonstrate all aspects of their Knowledge and/or Skills in this Outcome by showing that they can:

- ◆ compare types of service offered by third party distribution specialists
- ◆ identify the types of contractual agreements between third party distribution specialists and their clients, where contracts include unit price, hybrid unit price, cost price and open-book
- ◆ describe the cost implications of using third party distribution specialists making reference to capital costs, economies of scale and changeover costs
- ◆ explain the organisation factors when assessing the suitability of third party distribution specialists where organisation factors include loss of control, lack of product knowledge and characteristics

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Unit specification: support notes

Unit title: Logistics Planning

Unit Support Notes are offered as guidance and are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 80 hours.

Guidance on the content and context for this Unit

This Unit is likely to form part of an SQA Advanced Supply Chain Management Group Award. It is designed to enable learners to develop a logistics plan as part of the organisation's planning systems and procedures.

It is recommended that the learner should have experience of working in a supply chain or associated function.

There may be opportunities for learners who successfully achieve this Unit to gain exemptions from a number of professional bodies. Learners should contact the relevant professional bodies to ascertain their current exemption policies.

Outcome 1 covers the organisation structure for the logistics function.

- ◆ Organisation structure for logistics
- ◆ Role of logistics manager — contribution to strategic plan; management of distribution/logistics function; staffing; procedures; management of change
- ◆ Management of conflict — interfunctional conflict, particularly that between logistics and purchasing in terms of total cost of ownership; conflict within distribution channel

Outcome 2 involves the use of forecasting techniques to support the logistics planning process.

- ◆ Importance of forecasting
- ◆ Requirements for forecasting
- ◆ Forecasting techniques — time series analysis, smoothing techniques, regression/correlation

Outcome 3 focuses on the development of a logistics plan.

- ◆ Strategic planning process — other planning systems; situation audit; SWOT analysis; barriers to implementation
- ◆ Elements of a logistics plan — channel strategy; product/market strategy; transport strategy; inventory strategy
- ◆ Implementation of logistics strategy — commitment to plan; barriers to implementation

Outcome 4 looks at the use of third party distribution specialists.

- ◆ Services offered
- ◆ Types of contractual agreements
- ◆ Cost implications of using third party distribution specialists
- ◆ Influence of organisational factors on the use of third party distribution specialists

Guidance on approaches to delivery of this Unit

This Unit may be delivered as one of the Units within the SQA Advanced Diploma Supply Chain Management Group Award.

It is anticipated that this Unit may be delivered to a variety of learner groups and, wherever possible, teaching and research should be slanted towards their individual needs. The latest materials and examples from current and business practice should be used to highlight and illustrate the differences between organisations.

In addition to the classroom explanations and discussions that this Unit provides, learners should be encouraged to make use of relevant websites to gather information for themselves. Direction may be required on the location of useful information sources; however learners should be encouraged to use their initiative to discover other various sources of information available.

Industrial visits, or preferably work placements, should be organised and guest speakers should be invited to speak to learners, especially where the learners do not have industrial experience.

Guidance on approaches to assessment of this Unit

Evidence can be generated using different types of Instruments of Assessment. The following are suggestions only. There may be other methods that would be more suitable to learners.

Centres are reminded that prior verification of centre-devised assessments would help to ensure that the national standard is being met. Where learners experience a range of assessment methods, this helps them to develop different skills that should be transferable to work or further and higher education.

To achieve this Unit, learners must produce satisfactory assessment evidence that shows they have achieved all of the Unit Outcomes.

Outcomes 1–4 may be assessed individually using short and restricted response questions which may be linked to a case study. There may be opportunities for the integration of assessment across a number of Unit Outcomes.

The forecasting techniques assessed in Outcome 2 could include time series analysis, smoothing techniques and regression/correlation.

Opportunities for e-assessment

E-assessment may be appropriate for some assessments in this Unit. By e-assessment we mean assessment which is supported by Information and Communication Technology (ICT), such as e-testing or the use of e-portfolios or social software. Centres which wish to use e-assessment must ensure that the national standard is applied to all learner evidence and that conditions of assessment as specified in the Evidence Requirements are met, regardless of the mode of gathering evidence. The most up-to-date guidance on the use of e-assessment to support SQA's qualifications is available at www.sqa.org.uk/e-assessment.

Opportunities for developing Core and other essential skills

There are no Core Skills embedded in this Unit. However, there are opportunities for developing the Written Communication component of the Core Skill of *Communication* at SCQF level 5 and the Core Skill of *Numeracy* at SCQF level 5 in this Unit.

***Communication* — Written Communication at SCQF level 5**

Outcomes 1, 2 and 4 provide learners with the opportunity to develop their written communication skills.

Opportunities will occur where learners present written responses as part of their work throughout the Unit but especially in the assessment which may be a written project or responses to questions based on a specific case study. Learners will, therefore have to analyse information and organise the content of their report/responses into a logical and effective structure.

Numeracy: Using Number at SCQF level 5

In Outcome 2 learners will be expected to use forecasting techniques to support the logistics planning process. These techniques may include time series analysis, smoothing techniques or regression/correlation. Learners are therefore applying in combination a wide range of numerical methods to solve complex problems in an everyday situation within the logistic sector.

Numeracy: Using Graphical Information at SCQF level 5

The findings from the forecasting techniques may be presented in graphical format with learners choosing the most appropriate type to convey particular information.

Administrative information

Version	Description of change	Date

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SQA acknowledges the valuable contribution that Scotland's colleges have made to the development of SQA Advanced Qualifications.

FURTHER INFORMATION: Call SQA's Customer Contact Centre on 44 (0) 141 500 5030 or 0345 279 1000. Alternatively, complete our [Centre Feedback Form](#).

General information for learners

Unit title: Logistics Planning

This section will help you decide whether this is the Unit for you by explaining what the Unit is about, what you should know or be able to do before you start, what you will need to do during the Unit and opportunities for further learning and employment.

This Unit has been designed to enable you to develop a logistics plan as part of an organisation's planning system and procedures.

There are four Outcomes in this Unit.

In Outcome 1 you will look at an organisation structure for the logistics function. This will include the role of the logistics manager and the management of conflict.

In Outcome 2 you will use forecasting techniques to support the logistics planning process. This may include the use of techniques such as time series analysis, smoothing techniques and regression/correlation.

Outcome 3 looks at the development of a logistics plan. You will consider the strategic planning process, elements of a logistics plan and the process of implementing a logistics strategy.

In Outcome 4 you will compare the use of third party distribution specialists with the use of own-account distribution. You will look at the types of service offered by these specialists along with contractual agreements, cost implications and factors influencing the use of third party distribution specialists.

Outcomes 1–4 may be assessed individually using short and restricted response questions which may be linked to a case study. There may be opportunities for the integration of assessment across a number of Unit Outcomes.

If you achieve this Unit there may be opportunities for you to gain exemption from a number of professional bodies. It will be your responsibility to ascertain from the professional body what is included in their current exemption policies.