



Higher National Unit specification

General information for centres

Unit title: International Logistics

Unit code: F26Y 35

Unit purpose: This Unit will provide the candidate with an understanding of the contribution of international logistics in providing a service for customers involved in international business and an in-depth appreciation of the individual components of an international logistics system.

It is principally aimed at candidates who aspire to work in any internationally focussed organisation where robust supply chain and logistics considerations are vital, but it is also appropriate for those involved in related major business functions such as finance, inventory management, distribution and purchasing; for candidates who have an import or export background; or for anyone with an interest in the topic.

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

- 1 Analyse the need for integration of the components of an international logistics business.
- 2 Evaluate the contribution of customer service to satisfy the needs of customers.
- 3 Evaluate the major components of an international logistics business.
- 4 Evaluate the case for in-house provision and outsourcing of the full range of international logistics services.
- 5 Evaluate the forces for change impacting on the development of international logistics businesses.

Credit points and level: 2 HN 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 Access 1 to Doctorates.*

Recommended prior knowledge and skills: Access to this Unit is at the discretion of the centre. However, it would be beneficial if the candidate has prior knowledge or study in the areas of Distribution or Retailing or relevant work experience in these areas. Prior study could be evidenced by possession Higher National Units in the following areas:

*International Trade Institutions
Organisation and Management: an Introduction
Social Economics Issues in the European Union
Sources of Export Assistance
European Business and Trade Law
International Documentation and Procedures
Global Business Organisation*

General information for centres (cont)

International Promotion

European Institutions, or any equivalent level of study

Core Skills: There are opportunities to develop the Core Skills of Communication and Problem Solving to SCQF level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

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. This Unit is included in the framework for the HNC/HND International Business and Trade. The Unit could also be taught as a freestanding Unit.

Assessment: It is possible to assess the Unit holistically with one assessment which may take the form of a report of 5,000 to 6,000 words or equivalent or a project based on case study material and candidate research. It is most likely that candidates could be assessed using an assessment for Outcomes 1 and 2 and an assessment that covers Outcomes 3, 4, and 5.

Higher National Unit specification: statement of standards

Unit title: International Logistics

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The sections of the Unit stating the Outcomes, Knowledge and/or Skills, and Evidence Requirements are mandatory.

Where evidence for Outcomes is assessed on a sample basis, the whole of the content listed in the Knowledge and/or Skills section must be taught and available for assessment. Candidates should not know in advance the items on which they will be assessed and different items should be sampled on each assessment occasion.

Outcome 1

Analyse the need for integration of the components of an international logistics business

Knowledge and/or Skills

- ◆ International logistics mix
- ◆ Systems approach
- ◆ Supply chain management
- ◆ Synergy
- ◆ Trade-off analysis
- ◆ Logistics performance

Evidence Requirements

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ analyse five elements of an international logistics mix
- ◆ explain a systems approach to managing international logistics
- ◆ explain the concept of supply chain management
- ◆ explain and give two examples of synergy
- ◆ analyse the contribution of trade-off analysis to logistics performance

Assessment Guidelines

A combined case study could be used to cover Outcomes 1 and 2. Candidates could be issued with case study material in advance of an unseen question paper, consisting of 8 to 10 restricted response questions.

It is also possible to assess the Unit holistically with one assessment which could take the form of a report of 5,000 to 6,000 words or equivalent, or a project based on case study material and candidate research.

Higher National Unit specification: statement of standards (cont)

Unit title: International Logistics

Outcome 2

Evaluate the contribution of customer service to satisfy the needs of customers

Knowledge and/or Skills

- ◆ Customer service elements
- ◆ Transactions approach
- ◆ Optimum level of customer service
- ◆ Range of services
- ◆ Added value
- ◆ Competitive advantages of customer service

Evidence Requirements

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ compare four elements of customer service appropriate to two different businesses
- ◆ explain the three-fold transactions approach to customer service
- ◆ analyse the case for offering an optimum level of customer service to customers
- ◆ explain how a range of services can add value for customers
- ◆ evaluate four areas of customer service where competitive advantage can be gained

Assessment Guidelines

A combined case study could be used to cover Outcomes 1 and 2. Candidates could be issued with case study material in advance of an unseen question paper, consisting of 8 to 10 restricted response questions.

It is also possible to assess the Unit holistically with one assessment which could take the form of a report of 5,000 to 6,000 words or equivalent, or a project based on case study material and candidate research.

Outcome 3

Evaluate the major components of an international logistics business

Knowledge and/or Skills

- ◆ Inventory policy
- ◆ Warehouse networks and location
- ◆ Warehouse operation and performance
- ◆ International transport networks
- ◆ Combined transport
- ◆ Unitisation

Higher National Unit specification: statement of standards (cont)

Unit title: International Logistics

- ◆ Packaging
- ◆ Sales Order Processing (SOP)

Evidence Requirements

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ justify an appropriate inventory policy for international freight movement
- ◆ evaluate six factors influencing warehouse location
- ◆ analyse five areas of warehouse operation likely to affect international logistics performance
- ◆ analyse the advantages and disadvantages of four international transport networks
- ◆ evaluate the use of combined transport for international freight
- ◆ evaluate the contribution of unitisation to international freight costs
- ◆ analyse the importance of packaging to international logistics productivity
- ◆ explain the necessity for incorporating electronic Sales Order Processing into an international logistics plan

Assessment Guidelines

The assessment of this Outcome can be combined with Outcomes 4 and 5, details of which are given under the Assessment Guidelines in Outcome 5.

It is also possible to assess the Unit holistically with one assessment which could take the form of a report of 5,000 to 6,000 words or equivalent, or a project based on case study material and candidate research.

Outcome 4

Evaluate the case for in-house provision and outsourcing of the full range of international logistics services

Knowledge and/or Skills

- ◆ In-house international logistics
- ◆ Outsourcing international logistics activities to a third party
- ◆ Dedicated facilities
- ◆ Shared-user facilities
- ◆ Customised logistics
- ◆ Freight Forwarders

Higher National Unit specification: statement of standards (cont)

Unit title: International Logistics

Evidence Requirements

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ evaluate the advantages and disadvantages of providing in-house international logistics provision
- ◆ evaluate the advantages and disadvantages of outsourcing international logistics activities to a third party
- ◆ evaluate the benefits of dedicated and shared-user facilities for customers
- ◆ explain the benefits of customised logistics provision to customers
- ◆ evaluate the contribution of Freight Forwarders as one-stop-logistics providers

Assessment Guidelines

The assessment of this Outcome can be combined with Outcomes 3 and 5, details of which are given under the Assessment Guidelines in Outcome 5.

It is also possible to assess the Unit holistically with one assessment which could take the form of a report of 5,000 to 6,000 words or equivalent, or a project based on case study material and candidate research.

Outcome 5

Evaluate the forces for change impacting on the development of international logistics businesses

Knowledge and/or Skills

- ◆ Information and Communication Technology (ICT)
- ◆ Security
- ◆ Environment
- ◆ Reverse logistics
- ◆ Global logistics

Evidence Requirements

Candidates will need to provide evidence to demonstrate their Knowledge and/or Skills by showing that they can:

- ◆ evaluate the need for up-to-date ICT applications in international logistics
- ◆ evaluate the impact of technological improvements on the security of international freight movements
- ◆ evaluate the effects of the environment on international logistics firms
- ◆ analyse the implications of reverse logistics for international logistics companies
- ◆ evaluate reasons why international logistics companies might develop into global logistics companies

Higher National Unit specification: statement of standards (cont)

Unit title: International Logistics

Assessment Guidelines

Outcomes 3, 4, and 5 could be assessed by a report to cover the Evidence Requirements of these Outcomes. There may be scope for the candidate to include research into how a (specific) international logistics firm or firms operate/s. The report could investigate how a specific firm can adapt to the many internal and external forces impacting on its international logistics operation.

It is also possible to assess the Unit holistically with one assessment which could take the form of a report of 5,000 to 6,000 words or equivalent, or a project based on case study material and candidate research.

Administrative Information

Unit code: F26Y 35
Unit title: International Logistics
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Version	Description of change	Date

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Higher National Unit specification: support notes

Unit title: International Logistics

This part of the Unit specification is offered as guidance. The support notes 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 forms part of the Group Award in HNC/HND International Business and Trade. This Unit may be seen in the context of the changes taking place in the logistics and distribution business and could focus on medium-sized to large-scale firms offering a full range of logistics services. Emphasis could be placed on the impact of a fully integrated logistics system on organisational performance, competitive advantage and added value to customers. In Outcomes 1 and 2 the candidate may understand the necessity to achieve logistics synergy in order to maximise customer service levels. In Outcome 2 the candidate is looking for four areas, from many possible areas, where competitive advantage can be gained by companies who, for example, invest in satellite communications to enhance order status information, or who invest in new packaging equipment to enhance quality and reduce damage in transit, etc.

The trend towards centralisation of production and logistics facilities and the move to a global market placed together with the application of information and communication technology continues to drive change within the international logistics business. In Outcome 3, when considering transport, warehousing and inventory management, relevant transport and warehousing infrastructures/networks may be clearly identified. Their interdependence will suggest a supply chain management approach.

Logistics may be seen as a strategic organisational activity and one which can positively enhance a customer's product/service thereby gaining market share. In Outcome 4 the decision whether to keep logistics in-house or to outsource may be made in the context of how customer service levels are affected by the decision.

In Outcome 5 the candidate may appreciate that change will inevitably have global implications for logistics operations in the longer term.

Guidance on the delivery and assessment of this Unit

The Unit may be delivered middle to late in the award when candidates may have knowledge and understanding of major business functions such as finance, inventory management, distribution and purchasing. Teaching and learning might include the internet, videos, case studies, visiting speakers as well as visits to warehouses.

Single Outcomes may be assessed by using a mini-case study with restricted response questions and/or extended response questions. Alternatively single Outcomes may be assessed by the use of reports based on candidate research.

It may be possible for evidence to be generated by one report or project which covers all knowledge, skills and Evidence Requirements of all Outcomes. Such holistic assessment may be managed by identifying a number of stages of development of the report or project based on the Outcomes contained in the Unit. Candidates may be expected to submit each stage by a designated date and time.

Higher National Unit specification: support notes (cont)

Unit title: International Logistics

Opportunities for developing Core Skills

There are opportunities to develop the Core Skills of Communication and Problem Solving to SCQF level 6 in this Unit, although there is no automatic certification of Core Skills or Core Skills components.

Candidates may be asked to complete a report of around 5,000 to 6,000 words or equivalent, which may be used to assess Outcomes 3, 4 and 5. This would facilitate the development of the Core Skills components Problem Solving (Critical Thinking) and Problem Solving (Planning and Organising) to SCQF level 6, as well as Communication — Written (reading) and Communication — Written (writing) to SCQF level 6.

Following research which would involve their reading and comprehending complex information on the subject of international logistics, candidates would be asked to produce well-structured written communication covering complex, relevant logistics issues. Candidates would need to plan and organise/structure the information they gathered in order to best illustrate their arguments. The report would involve a high degree of evaluation, for example, when deciding on an appropriate inventory policy as covered in Outcome 3, and where discussing the argument for global logistics as covered in Outcome 5.

In addition, throughout the Unit candidates' comprehension and critical thinking may be developed as they are asked to look at the intricacies of logistics in detail, as well as evaluating some of the different aspects of international logistics, such as evaluating the need for current ICT applications in Outcome 5.

Open learning

This Unit could be delivered by distance learning with tutor support and where open learning materials are available. However it would require tight planning and control by the centre to ensure the authenticity of candidate evidence. To keep the administrative burden to a minimum it is recommended that a single assessment such as a case study or report is used for open and distance learning.

Candidates with disabilities and/or additional support needs

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments, or considering alternative Outcomes for Units. Further advice can be found in the SQA document *Guidance on Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs* (www.sqa.org.uk).

General information for candidates

Unit title: International Logistics

This Unit will provide you with an understanding of the contribution that an integrated international logistics business can provide in terms of service for customers involved in international business and trade. It will also give you an in-depth appreciation of the individual components of an international logistics system in particular transport, warehousing and inventory management.

All businesses today seek to gain competitive advantage over their competitors to increase market share and ultimately profitability and many do this by managing international logistics more effectively. One way of increasing competitiveness is for companies to buy in services that previously they produced or carried out themselves. Outsourcing of services such as international logistics is now common in business and has allowed specialist international logistics firms to grow their businesses and become more specialised and has caused the international logistics industry as a whole to grow also.

By the end of the Unit you will have gained an insight into the factors which can contribute to more effective and efficient management of international logistics.

In Outcome 1 you will look at how the individual components of an international logistics business must integrate and explore the idea of logistics synergy. In Outcome 2 you will consider the importance of customer service in satisfying customer needs, and how this may facilitate competitive advantages for organisations. In Outcome 3, covering such features as transport, warehousing and inventory management, and transport and warehousing networks and infrastructures, you will evaluate how the major components of an international logistics business work in relation to each other and analyse the factors influencing their performance. In Outcome 4 you will explore whether in-house or outsourced provision of logistics services best enhances organisational performance and how this may affect customers. In Outcome 5 you will focus on the various forces influencing change which can impact on how international logistics businesses develop.

Over the course of the Unit, you will see that like all other industries international logistics must accept change if it is to survive and prosper. Major changes include the application of technology to help solve business problems, for example, you may be aware that it is now possible to track an individual package or truck as it makes its journey from supplier to customer and that this can be done on a worldwide scale.

Your assessment may be based on individual Outcomes, or may encompass the Unit as a whole. In the first situation, you may be issued with case study material and corresponding restricted or extended response questions, or be asked to produce reports based on your own research for each Outcome. In the latter case, you may be set a report or project which will cover all knowledge and skills and Evidence Requirements for the whole Unit.

During the course of the Unit, there may be opportunities for you to develop important Core Skills in the areas of Communication and Problem Solving.