



The Chartered Institute of
Logistics & Transport

**CILT ADVANCED DIPLOMA
IN LOGISTICS AND TRANSPORT
STANDARDS**

INTRODUCTION

This advanced course is primarily aimed at developing strategic decision making skills in logistics and transportation. Modern companies in their efforts to cope with an ever changing and challenging environment use two key processes to build their future. The first is strategic planning which enables top management to determine what business direction it wants to achieve. The second is the logistics and transportation planning which enables the company to proceed in a systematic way to identify and turn specific opportunities into profitable business. This course presents the conceptual idea of integration of logistics and transportation planning into the strategic planning process.

In the present marketing environment characterised by unparalleled technological developments and intensifying competition, there are no simple correct solutions to logistics and transportation problems. This course is therefore aimed at presenting a set of normative procedures, which may be utilised to generate a varied range of innovative strategic options and a basis to choose a rational programme for action. For the purpose of this course, understanding the process of identification is more important than any particular solution.

The focus of this course is on strategic logistics and transportation management. Issues in this area will be explored in depth and at a relatively advanced level. The student is expected to fully understand the conceptual and theoretical basis of strategy and demonstrate competence in actually utilising that understanding in the applied context.

The course contains 4 modules. In the 1st module, students will receive knowledge and information on logistics and transportation strategic management and leadership. Since the logistics and transportation industry is so unique, in terms of organization culture and professionalism, students should know how to handle them skilfully.

After finished studying the internal environment, students are expected to have a full understanding on the logistics and transportation external environment. In module 2, the course will discuss the external factors, such as government and politics, economics and finance, society and sustainability, risk and contingency planning; with the focus on logistics and transportation.

Formulating logistics and transportation strategies needs an integrative capability of both internal and external environment. In module 3, after students become familiar with the environments, formulation of different logistics and transportation strategies, such as customer services, supply chain, innovative and change; will then be covered.

The level of the course is required to be that of an honours degree and therefore a dissertation is included with the necessary preparation in research methodology.

OBJECTIVES

The course is intended for students who wish to deepen their understanding of a broad strategy course in logistics and transportation with a planning orientation. Students can learn the strategic tools, with special illustration with transport and logistics examples, so that they can integrate and apply them to their specific country environment. The main thrust of the course is one of relating logistics to business strategy. Specific learning objectives of the course are:

1. To become familiar with certain elementary analytical concepts useful to analyse logistics and transportation environmental trends, customers, organization, finance, and cost dynamics.
2. To develop an understanding of the logistics and transportation strategic planning methods including strategic management and leadership, strategic environment, and organization level planning.
3. To integrate and apply the concepts discussed onto the daily work.
4. To be aware of ethical issues, sustainability and minimizing the impact of the organization and its operations on the global environment
5. To develop skills in research methodology and writing dissertation.

COURSE CONTENT AND STRUCTURE

The course content consists of four mandatory units:

1. AD01 Strategic Management and Leadership
 1. Organizational cultural
 2. Leadership
 3. Collaboration
 4. Ethical management
2. AD02 The Strategic Environment for Logistics and Transport
 1. Society and sustainability
 2. Government and politics
 3. Economics and finances
 4. Risk and contingency planning
3. AD03 Organization Level Planning in Logistics and Transport
 1. Vision and strategy
 2. Delivering customer service
 3. Innovation and change
 4. Supply chain performance
4. AD04 Research Methodology and Dissertation
 1. Research methodology and dissertation

MANDATORY CORE UNIT – STRATEGIC MANAGEMENT AND LEADERSHIP

MANDATORY CORE UNIT – ORGANIZATIONAL CULTURE – STANDARDS AND KEY LEARNING POINTS

Summary of Standards of Knowledge and Competence

Synopsis

This core unit presents the strategic management knowledge required of managers in organizational culture. It covers aspects of the principle idea and frameworks for understanding culture, how and why cultures change, and the linkage between culture, strategy and performance with the focus on logistics and transportation. It aims to deliver the understanding and competence of those key elements of organizational culture that are fundamental to both commercial and non-commercial logistics and transportation organizations.

Outline Unit Content

1. Organizational culture
 2. Understanding organizational culture change
 3. Constructing logistics and transportation organization
 4. Managing organizational culture change
 5. Organizational culture, strategy and performance
-

Standards of Knowledge and Competence

1. *Organizational Culture*

On completion of this element – you should know:

- The definition, contents of an organizational culture
- The sources and development of organizational culture
- Logistics and transportation organization structure
- The difference among culture, subculture and multiculturalism in organizations
- The relationship between culture and ethics

On completion of this element – you should be able to:

- Explore the origins of the current interest in organizational culture
- Identify the contents of an organizational culture
- Become familiar with the processes by which organizational cultures are perpetuated
- Understand some approaches for assessing the strength of organizational cultures
- Discover the various ways in which ethical issues impinge on an organizational culture

2. *Understanding organizational culture change*

On completion of this element – you should know:

- The dynamics of cultural change
- What are the issues and models in understanding culture change
- The role of culture in an organization
- The organizational learning cycle of culture change
- Privatization and restructuring of public sector

On completion of this element – you should be able to:

- Understanding the central issues in modeling culture change
- Become familiar with the models for understanding culture change
- Consider the key common factors shared by the models
- Learn that the nature of an organization's culture is an important influence on its propensity for change
- Consider the value of the models for us in our attempts to understand the process of culture change
- Become familiar with process and reasons privatization and restructuring of public sector

3. *Logistics and transportation organization structure*

On completion of this element – you should know:

- The best practices of a standard logistics and transportation organization structure
- The uniqueness of logistics and transportation organization structure
- The important factors to be considered in a logistics and transportation organization structure
- The formulation process of a logistics and transportation organization

On completion of this element – you should be able to:

- Construct a logistics and transportation organization structure
- Understand different functions in a logistics and transportation organization
- Become familiar with the processes to undertake a logistics and transportation organization
- View different approach when constructing a logistics and transportation organization.

4. *Managing organizational culture change*

On completion of this element – you should know:

- The feasibility of managing organizational culture
- A framework for managing organizational culture
- The role of human resource management in organization culture change
- The strategies for cultural change

On completion of this element – you should be able to:

- Become familiar with a framework for managing culture
- Assess the importance of human resource management in the management of culture
- Consider various strategies for cultural change
- Comprehend the difficulties and complexities in providing general guidelines for culture management

5. *Organizational culture, strategy and performance*

On completion of this element – you should know:

- The concept of culture strategy and performance
- The principles for implementing strategy
- The process used strategy as cultural artefact
- The relationship between culture and performance

On completion of this element – you should be able to:

- Understand the relationship between culture, strategy and performance
- Comprehend how culture influences the formulation and implementation of strategy
- Examine the idea of strategy as a “cultural artefact”
- Evaluate the importance of culture as an influence on organizational performance
- Consider the difficulties and complexities of providing general guidelines for action in this field

Key Learning Points

1. Organizational culture

KEY LEARNING POINTS	COVERAGE
Organizational culture	<ul style="list-style-type: none"> ● Definition ● Reasons for current interest ● Organizational theories ● Contents of an organizational culture
Sources and development	<ul style="list-style-type: none"> ● Societal or national culture ● Factors which shape an organization's culture ● Leadership and organizational culture ● The nature of the business and the business environment
Organization structure	<ul style="list-style-type: none"> ● Level of structure ● Specific functions ● Reporting system ● Considerations
The difference among culture, subculture and multiculturalism in organizations	<ul style="list-style-type: none"> ● Definition ● Why and how they develop ● Social conditions to promote ● Different types of subculture
The relationship between culture and ethics	<ul style="list-style-type: none"> ● Ethical codes ● Values, assumptions and ethics ● Ethics, control and individuality

2. Understanding organizational culture change

KEY LEARNING POINTS	COVERAGE
The dynamics of cultural change	<ul style="list-style-type: none"> ● Scope of change ● Locus of change ● Nature of change
The issues and models in understanding culture change	<ul style="list-style-type: none"> ● Different models ● Their evaluations ● Key factors in understanding cultures change
The role of culture in an organization	<ul style="list-style-type: none"> ● Availability ● Participants' level of commitment ● Fluidity of the frame
The organizational learning cycle of culture change	<ul style="list-style-type: none"> ● Change resources ● System readiness ● Existence of coordinative and integrative mechanisms ● Its evaluation
Privatization and restructuring of public sector	<ul style="list-style-type: none"> ● Definitions ● Privatization process ● Public sector restructuring process ● Implications

3. *Logistics and transportation organization structure*

KEY LEARNING POINTS	COVERAGE
Best practices	<ul style="list-style-type: none"> ● Standard structure ● Best practices structure
Uniqueness	<ul style="list-style-type: none"> ● Special knowledge required ● Industrial environment ● Internal control
Important factors	<ul style="list-style-type: none"> ● Critical factors ● Human resources ● Customer services ● Resources
Process	<ul style="list-style-type: none"> ● Formulation process ● Customer requests ● Evaluations

4. *Managing organizational culture change*

KEY LEARNING POINTS	COVERAGE
The feasibility of managing organizational culture	<ul style="list-style-type: none"> ● Principles of cultural change ● Resistance to change
Framework for managing organizational culture	<ul style="list-style-type: none"> ● Accepted framework ● Steps in managing culture ● Problems associated with culture analysis ● Mechanisms for managing culture
The role of human resource management in organization culture change	<ul style="list-style-type: none"> ● Recruitment and selection procedures ● Induction, socialization and training ● Performance appraisal system ● Reward systems
The strategies for cultural change	<ul style="list-style-type: none"> ● Dominant symptoms of cultural stagnation ● Strategies ● implementation ● Model for the management of culture change

5. Organizational culture, strategy and performance

KEY LEARNING POINTS	COVERAGE
The concept of culture strategy and performance	<ul style="list-style-type: none"> ● Concept ● Definition ● Culture and strategy formulation
The principles for implementing strategy	<ul style="list-style-type: none"> ● Assessing cultural risk ● Level of culture compatibility ● Calculate change involved ● Contextual variables available ● Realizing strategic intent
The process used strategy as cultural artifact	<ul style="list-style-type: none"> ● Strategies plays in its role as artefact <ul style="list-style-type: none"> - focus for organizational and individual self-understanding - focus for identification, ,loyalty, and motivation - a means for comprehending social phenomena
Culture and performance	<ul style="list-style-type: none"> ● Culture strength and performance <ul style="list-style-type: none"> - involvement hypothesis - consistency hypothesis ● Culture fit, adaptation and mission ● Strategically appropriate culture

RECOMMENDED REFERENCES

1. Andrew D. Brown, *Organizational Culture*, Pitman Publishing, 1998
2. Peter J. Frost, Walter R. Nord, & Linda A. *Krefting, Managerial and Organizational Reality – Stories of Life and Work*, Prentice Hall, 2003

MANDATORY CORE UNIT – STRATEGIC MANAGEMENT AND LEADERSHIP

MANDATORY CORE UNIT – LEADERSHIP – STANDARDS AND KEY LEARNING POINTS

Summary of Standards of Knowledge and Competence

Synopsis

This core unit presents the strategic management knowledge required of managers in leading logistics and transportation organizations. It covers aspects of formal texts on management and designed to help practicing logistics and transportation managers comprehend the pressureful world they find and thereby become more adept at allocating their energies among competing and often-contradictory demands.

It also provides the skills and conceptual understanding required to orchestrate five critical logistics and transportation tasks: monitoring work flows, motivating subordinates, negotiating lateral relationships, working the hierarchy, and introducing change in structure and technology.

Outline Unit Content

1. An overview of managerial work
 2. Asserting authority
 3. Gaining power in any logistics and transportation organization
 4. Working the hierarchy
 5. Managerial personality
-

Standards of Knowledge and Competence

1. *An overview of managerial work*

On completion of this element – you should know:

- Why is management is so difficult
- The difference between rhetoric and reality
- Why relationship is so important
- The role of the manager

On completion of this element – you should be able to:

- Understand what a good manager should achieve
- Interpret rhetoric and reality
- Construct good relationship in managerial work
- The essence of managerial work
- Being a good manager

2. *Asserting authority*

On completion of this element – you should know:

- The elemental skill of leadership
- Legitimizing the leadership role
- How to handle confrontation and non-response
- Notes on Maslow and A.Herzberg

On completion of this element – you should be able to:

- Understand power structure within an organization
- Handle different events
- Enhancing order giving
- Demonstrating ability
- Practice power
- Practice power in cross cultural environment

3. *Gaining power in any logistics and transportation organization*

On completion of this element – you should know:

- What power meant
- Uniqueness of logistics and transportation organization
- The ways to get power by avoiding routinization
- How to shift the status of the department

On completion of this element – you should be able to:

- How to get power by avoiding routinization
- Identify illicit power ploys
- Understand how inter-groups struggle for power
- Access power in an organization

4. *Working the hierarchy*

On completion of this element – you should know:

- The skills of managing upward and of delegating responsibility
- The ways to persuade the boss
- How to deal with an autocrat
- When push comes to shove

On completion of this element – you should be able to:

- Accept difference in perspective
- Redirect the decision of their superiors
- Understand the rules for approaching a big decision with an autocratic boss
- How to delegate responsibility
- Deal with subordinates

5. *Managerial Personality*

On completion of this element – you should know:

- Whether there is a managerial personality
- Cultural values incorporate in managers' attitudes
- Levels of cognitive development
- The past, present and future orientation
- Interactional differences among managers

On completion of this element – you should be able to:

- Identify the predictions concerning who is likely to be successful in a challenging managerial position
- Recognize the difference in cognitive style
- Identify how personality shapes managerial behavior
- Distinguish managers and non-managers
- Determine specific interactional skills

Key Learning Points

1. An overview of managerial work

KEY LEARNING POINTS	COVERAGE
Why is management is so difficult	<ul style="list-style-type: none"> ● Reasons -Organizational setting is more recalcitrant -Managers induced or seduced -Difficult in getting help -Reality is far different from the expectations ● What a good manager should achieve ● “Professional” manager
The difference between rhetoric and reality	<ul style="list-style-type: none"> ● The “Why_s” and “What_s” professional managers bring to the job ● Manager’s job is contradictory ● Comparison between rhetoric and reality
Why relationship is so important	<ul style="list-style-type: none"> ● Management is so much action, contact, and relationship ● People in organizations ● Interpersonal processes
The role of the manager	<ul style="list-style-type: none"> ● Contingency response ● Uncertainty ● Managing action in real time

2. Asserting Authority

KEY LEARNING POINTS	COVERAGE
The elemental skill of leadership	<ul style="list-style-type: none"> ● Leadership requirement ● Handling pair and set events ● Enhancing order giving ● Leader’s position
Legitimizing the leadership role	<ul style="list-style-type: none"> ● Achieving credibility ● Manipulating social distance ● Setting consequential goals ● Practicing power ● Maintaining momentum
How to handle confrontation and non-response	<ul style="list-style-type: none"> ● Management literature ● Charisma ● Constructive persuasion
Notes on Maslow and AHerzberg	<ul style="list-style-type: none"> ● The classic view ● An alternative view ● The ideal incentive

3. *Gaining power in any organization*

KEY LEARNING POINTS	COVERAGE
What power meant	<ul style="list-style-type: none"> ● Definition ● Characteristics ● Power implication
Uniqueness	<ul style="list-style-type: none"> ● Uniqueness ● Factors to be considers ● Staff behavior ● Common practices
The ways to get power by avoiding routinization	<ul style="list-style-type: none"> ● Source of power ● Power position ● Gaining visibility ● Critical skills
How to shift the status of the department	<ul style="list-style-type: none"> ● Strategies ● Advocacy ● Illicit power ploys ● Inter-group struggles for power ● Techniques for handling lateral relations

4. *Working the hierarchy*

KEY LEARNING POINTS	COVERAGE
The skills of managing upward and of delegating responsibility	<ul style="list-style-type: none"> ● Definition ● Differences in perspectives ● Contradictions within reasonable bonds ● Upward initiations
The ways to persuade the boss	<ul style="list-style-type: none"> ● Redirect decisions ● Problems ● Constant “yesting”
How to deal with an autocrat	<ul style="list-style-type: none"> ● Rules ● Lateral groundwork ● Loyalty
When push comes to shove	<ul style="list-style-type: none"> ● Impending consolidation ● Delegating responsibility ● Dealing with subordinates ● Orders vs. inputs ● Operations ● Assigning responsibility

5. Managerial personality

KEY LEARNING POINTS	COVERAGE
Whether there is a managerial personality	<ul style="list-style-type: none"> ● Definition ● Upward-oriented ● Downward-oriented ● Straight line ● Fulfilling responsibilities
Cultural values incorporate in managers' attitudes	<ul style="list-style-type: none"> ● Optimism ● Energy and commitment ● Respect for achievement ● Responsiveness to time
Levels of cognitive development	<ul style="list-style-type: none"> ● Rigid ● Simplistic ● Adversarial ● Super-sales-oriented ● Compromising ● Creatively integrative ● Professional ability ● Managerial ability
The past, present and future orientation	<ul style="list-style-type: none"> ● Types of managerial process <ul style="list-style-type: none"> - thinking types - feeling types - intuitive types - sensation types
Interactional differences among managers	<ul style="list-style-type: none"> ● The contrasts ● Interaction skills ● Problem-solving abilities ● Problem identification ● Gaining information ● Analysis ● Decision making and implementation

RECOMMENDED REFERENCES

1. Peter S. Temes, Ed, *Teaching Leadership*, Peter Lang Publishing, Inc., New York, 1996
2. Leonard R. Sayles, *Leadership – Managing in Real Organizations*, 2nd Ed, McGraw-Hill, 1989

MANDATORY CORE UNIT – STRATEGIC MANAGEMENT AND LEADERSHIP

MANDATORY CORE UNIT –COLLABORATION– STANDARDS AND KEY LEARNING POINTS

Summary of Standards of Knowledge and Competence

Synopsis

The aim of this core unit is to provide a fascinating perspective on the problems of logistics and transportation organizations and the ways such organizations can be restructured to bring about a better integration that now seems to exist between employees' basic human needs and organizational goals.

The unit deals with the complex issue of how logistics and transportation executives get from the venerable competitive model to the hoped-for collaborative one. The phenomenon that there are significant personality and cultural predispositions for each value system is accounted for, but under certain conditions one system may be more productive than others.

Outline Unit Content

1. An overview of collaboration
 2. Organizing for competition
 3. Values in a collaborative organization
 4. Collaborative organizational structures
 5. Competitive and collaborative processes in organizations
-

Standards of Knowledge and Competence

1. *An overview of collaboration*

On completion of this element – you should know:

- What is meant by collaboration
- Forms of collaboration models
- Development of competition and the emergence of conflict
- Relationship between conflict and competition
- Importance of logistics and transportation collaborations

On completion of this element – you should be able to:

- Understand collaborative models
- Identify the essence of being an collaborative organization
- Determine the variables how hierarchical structure affect collaboration
- Understand why competition has become a primary value
- Decide which collaboration models to be used

2. *Organizing for competition*

On completion of this element – you should know:

- The impact of organizing for competition
- The importance of outsourcing
- What is individual balance and reduction of dissonance
- Relationship among hierarchy, work and alienation

On completion of this element – you should be able to:

- Handle competition within an organization
- Encourage cooperative relationship
- Develop trust
- How to handle outsourcing logistics and transportation functions
- How to make oneself see herself/himself as contributing independently
- Perform cooperative and interdependent
- Help others perform effective competitive and collaborative behavior

3. *Values in a collaborative organization*

On completion of this element – you should know:

- The value system in a collaborative organization
- The trend of globalization
- The old and new culture in value system
- What is the new values of a collaborative organization
- The operative organizational philosophies

On completion of this element – you should be able to:

- Identify the values in a collaborative organization
- Deal with globalization trend

- Understand the values that closely tied to individuals and organizations
- Use psychological resources to motivate individuals
- Implement the collaborative values within an organization

4. *Collaborative organization structure*

On completion of this element – you should know:

- The development of hierarchy
- Components of collaborative organizational structure
- Worker participation in other countries
- Alternative organizational conceptualizations

On completion of this element – you should be able to:

- Understand the emergency of hierarchy
- Use different component of components to motive individuals
- Determine the different elements in the area of participation and collaborative organization
- View collaborative organizational structure in terms of different approaches

5. *Competitive and collaborative processes in organizations*

On completion of this element – you should know:

- The process of interaction in a competitive system
- Why competition as counterfeit behavior
- The steps in planning a process
- The collaborative framework for power
- Strategies of conflict resolution

On completion of this element – you should be able to:

- Handle the process in competitive and collaborative system
- Recognize the competitive behaviors among individuals
- How to plan a process
- Detail out worker and manager goals
- Deal with interaction of hierarchy and power
- Use strategies to handle conflicts

Key Learning Points

1. An overview of collaboration

KEY LEARNING POINTS	COVERAGE
What is meant by collaboration	<ul style="list-style-type: none"> ● Definition ● Difficulties
Forms of collaboration models	<ul style="list-style-type: none"> ● M & A ● Strategic alliance ● Outsourcing ● 3PL, FPL, 5PL
Development of competition and the emergence of conflict	<ul style="list-style-type: none"> ● Roots in conflict ● Democracy, politics, and the growth of hierarchy ● Rational bureaucracy ● Human relations movement
Relationship between conflict and competition	<ul style="list-style-type: none"> ● Socialization processes ● Win-lose fashion ● Fundamental methodologies ● “Conflict as a learning experience” ● Organization process and expectations
Importance	<ul style="list-style-type: none"> ● Benefits ● Core competence ● Control ● Evaluation

2. Organizing for competition

KEY LEARNING POINTS	COVERAGE
The impact of organizing for competition	<ul style="list-style-type: none"> ● Organization actions ● Interaction of competition and hierarchy ● Trust and problem solving
The importance of outsourcing	<ul style="list-style-type: none"> ● Professional services ● Cost saving ● Streamline ● Effectiveness and efficiency ●
What is individual balance and reduction of dissonance	<ul style="list-style-type: none"> ● Social interaction process ● Theory of cooperation ● Behavior around competition ● Hierarchy of authority
Relationship among hierarchy, work and alienation	<ul style="list-style-type: none"> ● Alienation ● Investment ● Organization structure ● Conformity with distinction ● Vertical differentiation

3. Values in a collaborative organization

KEY LEARNING POINTS	COVERAGE
The value system in a collaborative organization	<ul style="list-style-type: none"> ● Independent variables ● Value development ● Explicit of values: openness, trust, concern for others, honesty, powers sharing, power expansion, collaboration
Globalization	<ul style="list-style-type: none"> ● The trend ● Global competition ● Boundaries ● Cost saving
The old and new culture in value system	<ul style="list-style-type: none"> ● Perception ● Scarcity of resources ● Variables govern individual actions ● Values necessary for a collaborative organization ● New values in postindustrial society
What is the new values of a collaborative organization	<ul style="list-style-type: none"> ● Individual perspective ● Organizational perspective
The operative organizational philosophies	<ul style="list-style-type: none"> ● power generation, functionalism, participation, consensus, support system, cooperation and cooperative creativity, feedback

4. Collaborative organizational structures

KEY LEARNING POINTS	COVERAGE
The development of hierarchy	<ul style="list-style-type: none"> ● Historical perspective ● Model for collaborative problem solving ● Classical organization structure ● Open system
Components of collaborative organizational structure	<ul style="list-style-type: none"> ● Functional differentiation ● Reward for skill acquisition and dispersal ● Performance criteria ● Worker ownership ● Organic structures ● Integration and interdependence ● Functional influence
Worker participation in other countries	<ul style="list-style-type: none"> ● The U.S. ● European countries ● Asia countries
Alternative organizational conceptualizations	<ul style="list-style-type: none"> ● Movement away from the “pyramid” ● Functional responsibility chart ● Interactive functional responsibility chat

5. *Competitive and collaborative process in organization*

KEY LEARNING POINTS	COVERAGE
The process of interaction in a competitive system	<ul style="list-style-type: none"> ● Mutually exclusive nature ● Processes
Why competition as counterfeit behavior	<ul style="list-style-type: none"> ● Hierarchical structure counterfeit ● Modification of system ● Major aim of organizations ● Dichotomous perspective
The steps in planning a process	<ul style="list-style-type: none"> ● Basic assumptions ● Outcomes ● Framework
The collaborative framework for power	<ul style="list-style-type: none"> ● Power in organizations ● Power theories ● Secrecy and power ● Interaction of hierarchy and power ● Fixed power pie
Strategies of conflict resolution	<ul style="list-style-type: none"> ● Win-lose methods ● Negotiation methods ● Problem solving

RECOMMENDED REFERENCES

1. William A. Kraus, *Collaboration in Organizations*, Library of Congress Cataloging in Publication Data, 1980
2. Luis M. Camarinha-Matos & Hamideh Afsarmanesh, *Collaborative Networked Organizations*, Kluwer Academic Publishers, 2004

MANDATORY CORE UNIT – STRATEGIC MANAGEMENT AND LEADERSHIP

MANDATORY CORE UNIT – ETHICAL MANAGEMENT – STANDARDS AND KEY LEARNING POINTS

Summary of Standards of Knowledge and Competence

Synopsis

The aim of this core unit is to present ethical management in a systematic and reasonably comprehensive way for logistics and transportation executives. It covers the techniques of moral reasoning and argumentation that are needed to analyze moral issues in logistics and transportation business. The key issues involved in a variety of moral issues that arise in international logistics and transportation business as well as the obligations of nations to other nations, people to other people geographically distant from them, and of one generation to later generations will be also addressed.

The unit is relevant for anyone working in or interested in international business, international supply chain management.

Outline Unit Content

1. Ethics and business
 2. Moral reasoning in logistics and transportation business
 3. Corporate governance and ethics
 4. Codes of ethics
 5. International business ethics
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Standards of Knowledge and Competence

1. *Ethics and business*

On completion of this element – you should know:

- The myth of amoral business
- Business value system
- Relationship of business and morality
- Differences between business ethics and ethics

On completion of this element – you should be able to:

- How to react when facing business ethics
- How to response to demands involving social values
- Understand business as a movement
- Incorporate business ethics as a part of ethics
- Give judgment on business ethics

2. *Moral reasoning in logistics and transportation business*

On completion of this element – you should know:

- Moral development
- Ethical management affects logistics and transportation decision makings
- Utility and utilitarianism
- How to make use of ethical management as strategic tools
- Moral responsibility and corporations

On completion of this element – you should be able to:

- Understand the levels of moral development
- Use different approaches to deal with logistics and transportation moral issues
- Identify the moral standard and law in logistics and transportation industry
- Determine what are moral logistics and transportation responsibilities
- Outline the moral status of corporations and formal organization
- Determine moral duty, rights, and justice

3. *Corporate governance and ethics*

On completion of this element – you should know:

- Key issues in corporate governance
- Boards and shareholders relationship to society
- Relationship between self-regulation and legislation
- Social responsibility

On completion of this element – you should be able to:

- Understand the role of boards and shareholders
- Act as a responsible stakeholder to the society
- Determine the pros and cons of self-regulation and legislation
- How to manage an effective corporate governance

4. *Codes of ethics*

On completion of this element – you should know:

- Benefits of a code
- Benefits to the stakeholders
- Procedures for implementation
- The limitations of a code

On completion of this element – you should be able to:

- Justify the existing of a code, uses and abuses
- Understand the limitation of a code
- Formulate a code
- Persuade stakeholders to accept the code
- Use proper procedure to implement

5. *International business ethics*

On completion of this element – you should know:

- Morality and the international economy system
- Multinational corporations and ethics
- Ethical guidelines for multinational operations
- International codes

On completion of this element – you should be able to:

- Understand the relationship between morality and international economy system
- Identify moral and legal constrains on international business activities
- Determine the perform standards of business ethics in different countries
- Detail out ethical guideline for multinational operations
- Understand international codes

Key Learning Points

1. Ethics and business

KEY LEARNING POINTS	COVERAGE
The myth of amoral business	<ul style="list-style-type: none"> ● Definition ● Moral, immoral, amoral ● Social audit
Business value system	<ul style="list-style-type: none"> ● Freedom ● Value of free enterprise ● State-dominated economies ● Value of fairness and of equal opportunity ● Pragmatism and efficiency
Relationship of business and morality	<ul style="list-style-type: none"> ● Foundations of property ● “Business is business” ● Dissociation of management ● Changing mandate for business
Differences between business ethics and ethics	<ul style="list-style-type: none"> ● Business ethics ● Descriptive ethics ● Normative ethics ● Meta-ethics ● Special ethics

2. Moral reasoning in logistics and transportation business

KEY LEARNING POINTS	COVERAGE
Moral development	<ul style="list-style-type: none"> ● Level of moral development <ul style="list-style-type: none"> ◆ Pre-conventional level ◆ conventional level ◆ principled level ● Subjective and objective morality
Ethical management affects decision making	<ul style="list-style-type: none"> ● Decision making process ● Ethical factors to be considered ● Balance ● Significance
Utility and utilitarianism	<ul style="list-style-type: none"> ● Definitions ● Different approaches ● Act and rule of utilitarianism ● Objections to utilitarianism ● Utilitarianism and justice ● Applying utilitarianism
Make use of strategic tools	<ul style="list-style-type: none"> ● Employee behavior ● Uniqueness of logistics and transportation business ● Applications
Moral responsibility and corporations	<ul style="list-style-type: none"> ● Excusing conditions ● Liability and accountability ● Agent and role ● Moral status

Special ethical considerations for logistics/transport organizations	<ul style="list-style-type: none"> ● Rebates ● Price fixing, price cartels ● Negotiation and sales techniques ● Equity among shippers ● National standard (e.g. disclose of information, trade secrets, antitrust) ● Smuggling ● Theft ● Shipment of contrabrand merchandise
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3. Corporate governance and ethics

KEY LEARNING POINTS	COVERAGE
Key issues in corporate governance	<ul style="list-style-type: none"> ● Boards ● Shareholders ● Stakeholders ● Board roles and responsibilities
Boards and shareholders relationship to society	<ul style="list-style-type: none"> ● Stakeholder theory ● “Sine Qua Non” of business virtue ● Integrity of common purpose ● Corporate decision making
Relationship between self-regulation and legislation	<ul style="list-style-type: none"> ● Definitions ● Criticism ● Comparison
Social responsibility	<ul style="list-style-type: none"> ● Discerning customers ● Discerning jobseekers ● Discerning investors ● Discerning employees

4. Code of ethics

KEY LEARNING POINTS	COVERAGE
Benefits of a code	<ul style="list-style-type: none"> ● Public relations ● Social controversy
Benefits to the stakeholders	<ul style="list-style-type: none"> ● Social responsibility ● Community involvement ● Laws and respect ● Ethical customs of society
Procedures for implementation	<ul style="list-style-type: none"> ● Formulation ● Commitment ● Enforcement ● Discipline
The limitations of a code	<ul style="list-style-type: none"> ● Priorities ● Dilemmas ● Action ● Moral problems

5. *International business ethics*

KEY LEARNING POINTS	COVERAGE
Morality and the international economy system	<ul style="list-style-type: none"> ● International economy system ● Ethically justification ● Shared value ● Company of integrity
Multinational corporations and ethics	<ul style="list-style-type: none"> ● Fair and unfair competition ● International citizen ● Mineral rights ● Third world impoverishment
Ethical guidelines for multinational operations	<ul style="list-style-type: none"> ● Moral norms ● Intentional direct harm ● Human rights ● Respect of law ● Immoral laws
International codes	<ul style="list-style-type: none"> ● Code of conduct on Transnational Corporations ● UN Code ● Responsible Care ● Principle of noblesse oblige ● Ethical standards

RECOMMENDED REFERENCES

1. Richard T. De George, *Business Ethics*, 4th Ed., Prentice Hall, Inc., 1995
2. Peter W.F. Davies, *Current Issues in Business Ethics*, British Library Cataloguing in Publication Data, 1997

**MANDATORY CORE UNIT –
THE STRATEGIC ENVIRONMENT FOR LOGISTICS AND TRANSPORT**

**MANDATORY CORE UNIT – SOCIETY AND SUSTAINABILITY –
STANDARDS AND KEY LEARNING POINTS**

Summary of Standards of Knowledge and Competence

Synopsis

The aim of this core unit is to help candidates to understand the basic concepts of sustainability, its application to the sustainable development to a society and the key factors affecting the decision of society sustainability planning that are of specific significance to logistics/ transport industries so that candidates can be aware of and incorporate those factors into their long term cooperate strategy formulation process.

Outline Unit Content

3. Sustainability Defined
 4. Relationship between corporation, society and sustainability
 5. Sustainable planning and key factors affecting logistics/ transport decision making
-

Standards of Knowledge and Competence

1. *Sustainability Defined*

On completion of this element – you should know:

- The definition of sustainability and sustainable development from both sociological and economic point of view
- Sustainable development regime
- Themes in sustainable development

On completion of this element – you should be able to:

- Determine the social & economic factors to be considered in sustainable development
- Determine the factors to be considered in sustainable development
- The role of policy maker in sustainable development
- Apply the common themes in the implementation of sustainable development

2. *Relationship between corporation, society and sustainability*

On completion of this element – you should know:

- The interdependence between corporation and society
- How society and sustainability affects logistics and transportation corporation decisions
- The role of logistics and transportation corporation in social sustainability
- Societal factors that affect sustainability

One completion of this element – you should be able to:

- Understand the relationship between corporation and society
- Become familiar with factors that affect corporation and sustainability
- Manipulate the factors that affect corporate sustainability
- Understand the implication and consequences of sustainability

3. *Sustainable planning and key factors affecting logistics/ transport decision making*

On completion of this element – you should know:

- Sustainable development planning process
- The key stakeholders involved in the sustainability development planning process
- The key factors affecting the decision of sustainability development which are of significance to logistics and transport sectors

On completion of this element – you should be able to:

- Understand the principle, context and policy tools of sustainable development
- Deliver strategic plans in sustainability planning
- Analyze and integrate the key factors affecting society sustainability choice and formulate long term logistics and transport strategy accordingly

Key Learning Points

1 *Sustainability Defined*

KEY LEARNING POINTS	COVERAGE
Sociology Point of View on Sustainability	<ul style="list-style-type: none"> ● Environmental discourse ● Stewardship ● Utilitarianism ● Reverence for life ● Civil rights ● Moral traditions and values ● Sustainable development ethic
Economic Point of View on Sustainability	<ul style="list-style-type: none"> ● Concepts of Social costs, total costs & beneficiary ● Effluent emissions ● Concepts of environmental externalities ● Static Vs dynamic equilibrium ● Sustainability as an economic investment
Sustainable development regime	<ul style="list-style-type: none"> ● Environment protection ● Sustainability indicators ● Sustainable development laws ● Public participation
Themes in sustainable development	<ul style="list-style-type: none"> ● Integration ● Partnerships ● Strategic direction

2 *Relationship between corporation, society and sustainability*

KEY LEARNING POINTS	COVERAGE
The interdependency	<ul style="list-style-type: none"> ● The relationship ● The mutual interdependence ● Uniqueness of logistics and transportation to society
Society and sustainability that affects logistics and transportation corporation decisions	<ul style="list-style-type: none"> ● Future economic and population growth ● Management philosophy ● Logistics and transportation factors ● Improved Forecasting
The role of logistics and transportation corporation	<ul style="list-style-type: none"> ● Contribution ● Key elements ● Social response ● Possible government reactions
Social factors that affect sustainability	Refer to section 3

3. Sustainable planning and factors affecting logistics/ transport decision making

KEY LEARNING POINTS	COVERAGE
Sustainable development planning process	<ul style="list-style-type: none"> ● Sustainable human settlements ● Urban actors' role ● Hierarchy of plans ● Sustainability at stake ● Urban planning
Key Stakeholders roles in society sustainability planning	<ul style="list-style-type: none"> ● Government e.g. policy and public resource allocation such as energy ● Corporate: corporate investment in public transport e.g. railway, express ways ● Other interests group e.g. the World Bank, UN, NGOs such as WWF, Green Peace etc
Factors affecting the decision of sustainability in logistics & transport	<ul style="list-style-type: none"> ● Future growth of population and improved forecasting ● Sustainable transport policy ● Natural, biological environments & use ● Conservation policies and legislation e.g. recycling and resource replenishment and its impact on transport and logistics planning ● Social factors ● Demographic e.g. consumer attitudes towards scarcity of resources ● Pollution ● Natural Disasters e.g. how Japan plan their public transport under the threat of earthquake

RECOMMENDED REFERENCES

1. Terri Mottershead, Ed., *Sustainable Development in Hong Kong*, Hong Kong University Press, 2004
2. William Scott and Stephen Gouth, *Key issues in sustainable development and learning*, Routledge Falmer, 2004

**MANDATORY CORE UNIT –
THE STRATEGIC ENVIRONMENT FOR LOGISTICS AND TRANSPORT**

**MANDATORY CORE UNIT – GOVERNMENT AND POLITICS –
STANDARDS AND KEY LEARNING POINTS**

Summary of Standards of Knowledge and Competence

Synopsis

The aim of this core unit is to present art and science of government to logistics and transportation executives. The content of the module covers the fundamental concepts and principles of political organization and with the major ideologies that have agitated the modern world. Since logistics and transportation executives deal with different government internationally, the political realities of modern government will also be covered. The unit investigates the principles and ideologies of government, as well as the functions, operations, policies, and problems of modern government as well as the forces which structure the principal alternatives that are available to contemporary policy makers.

Outline Unit Content

1. The forms of Government
 2. Government's role in logistics and transportation
 3. Government logistics and transportation policy formulation
 4. Public administration
 5. Foreign policy
-

Standards of Knowledge and Competence

1. *The forms of Governments*

On completion of this element – you should know:

- Classification: Government by one, few, and the many
- Institutional forms of the State
- Sources of Law

On completion of this element – you should be able to:

- Differentiate State and Government
- Determine the difference among different forms of governments
- Apply knowledge on analyzing world government and its decision making process and style and hence be able to anticipate government policy making related to logistics/ transport

2. *Government's role in logistics and transportation*

On completion of this element – you should know:

- Government roles in market regulation & control and appreciate the key rules related to transport & logistics
- Government Provision and Ownership of public logistics and transport utilities and implication to logistics/ transport corporations
- Government roles in Logistics Planning and Research and its long term implication to logistics/ transport sectors
- Government role in Specialized Logistics Planning & Provisioning

On completion of this element – you should be able to:

- Understand government roles in logistics/ transport sectors
- Access the political environment to draft cooperate level strategy accordingly
- Understand the possible future infrastructure planning
- Analyze government's logistics development planning

3 *Government logistics and transportation policy formulation*

On completion of this element – you should know:

- Government decision making process
- Logistics and transportation policy development
- Government logistics and transportation decision development
- Government logistics and transportation privatization

On completion of this element – you should be able to:

- Analyze the government decision making policy
- Become familiar with the factors that government will consider
- Identify the reasonable of government privatization decisions
- Understand government logistics and transportation investment decisions

4. *Public administration*

On completion of this element – you should know:

- The nature and scope of public administration
- Recent trends in governmental organization
- Administrative relationships
- Criticisms of the administrative process

On completion of this element – you should be able to:

- Determine how public administration affect our daily life
- Access the role of government officials
- Understand how to get through the administrative process
- Identify the influence of administrative process

5. *Foreign policy*

On completion of this element – you should know:

- The goal of foreign policy
- Factions conditioning foreign policy
- Official agencies that formulate policy
- Processes of formulating policy
- Political dynamics and foreign policy
- Foreign policy that affects logistics and transportation

On completion of this element – you should be able to:

- Analyze the relationship between foreign policy and economic interests
- Understand how foreign policy affect international business
- Determine the factors that affect policy formulation
- Evaluate strategy and tactics in foreign policy

Key Learning Points

1. *The forms of Government*

KEY LEARNING POINTS	COVERAGE
Classification: Government by one, few, and the many	<ul style="list-style-type: none"> ● Monarchy ● Tyranny ● Aristocracy ● Oligarchy ● Democracy ● Mobocracy
Institutional forms of the State	<ul style="list-style-type: none"> ● Parliamentary government ● Presidential government ● Unitary states ● Federal states
Sources of Law	<ul style="list-style-type: none"> ● International law ● Roman law ● Civil law ● Common law

Note: Focus on the implication of the legal procedure and policy making behavior of the above systems so that candidates can have an appreciation of the different style in policy making

2. *Government's role in logistics and transportation*

KEY LEARNING POINTS	COVERAGE
Regulation & Control	<ul style="list-style-type: none"> ● Domestic operating conditions e.g. speed control, safety standards ● Documentation requirements, custom clearance requirements ● National boarder control ● Labor union law and regulation
Government Provision and Ownership of public logistics and transport utilities	<ul style="list-style-type: none"> ● Postal service, Government Supplies, railways, subways systems, highways, port ● Subsidization ● State own Vs Private ● Market Liberalization Vs Regulation of public logistics and transport utilities (Motivation, Pros & Cons, strategy – e.g. outsourcing, tendering process) ● Illustrate with your own country environments
Logistics Planning and Research	<ul style="list-style-type: none"> ● Considerations e.g. population growth, industrial development, global trade ● Resources allocation ● Urban transport systems (rail, bus, subway etc) ● Technology transfer (e.g. from SPACE PROGRAM to society) ● Quality of life considerations ● Future development

Specialized Logistics Planning & Provisioning	<ul style="list-style-type: none"> ● Military logistics ● Mailing system ● National Defense ● Logistics/ transport for special interest group e.g. the handicap ● Impact of TERRORISM on logistics/ transport planning and control
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3 *Government logistics and transportation policy formulation*

● KEY LEARNING POINTS	● COVERAGE
Government decision making process	<ul style="list-style-type: none"> ● Procedure ● Considerations ● Social goods ● Consequence
Policy development	<ul style="list-style-type: none"> ● Procedure ● Flexibility ● Mass society ● Efficiency ● Future
Logistics and transportation privatization	<ul style="list-style-type: none"> ● Considerations ● Legal framework ● Conflicts and balance ● Interest groups
Government logistics and transportation investment	<ul style="list-style-type: none"> ● Size and scale ● Social goods ● Utilization ● Future development considerations

4 *Public administration*

KEY LEARNING POINTS	COVERAGE
The nature and scope of public administration	<ul style="list-style-type: none"> ● Definition ● Civilian employees ● Merit system ● Protection of society ● Promotional activities ● Proprietary activity ● Regulation of particular activities
Recent trends in governmental organization	<ul style="list-style-type: none"> ● Governmental reorganization ● Institutionalized responsibilities ● Rise of city-manager ● Prospects for the improvement of governmental administration
Administrative relationships	<ul style="list-style-type: none"> ● Cooperate with enthusiasm ● Good human relations ● Functional unity of organization ● Span of control
Criticisms of the administrative process	<ul style="list-style-type: none"> ● Supremacy of law ● Absence of uniform rules

	<ul style="list-style-type: none"> ● Combination of legislative, executive and judicial functions ● Government of laws and not of man ● Procedural formality
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Note: As public administration scope and involvement varies from forms of government and institutional constituency, trainers are recommended to select focus and examples according to their own country environments

5. Foreign policy

KEY LEARNING POINTS	COVERAGE
The goal of foreign policy	<ul style="list-style-type: none"> ● Integrity of the State ● National of security ● Economic interests ● National prestige
Factions conditioning foreign policy	<ul style="list-style-type: none"> ● Geographic-strategic ● Population ● Economic resources ● ideological
Official agencies that formulate policy & policy formulation process	<ul style="list-style-type: none"> ● The executive and the administration ● Minister of foreign affairs ● The legislature ● The judiciary ● E.g. United Nations, the World Court
Foreign policy related to logistics and transportation	<ul style="list-style-type: none"> ● Regional unions rules and regulations e.g. APEC, EU ● INCOTERMS ● INCO Terms ● Tourism Policy ● Immigration Policy ● Terrorism Policy – access to facilities, security checking, custom notification etc.

RECOMMENDED REFERENCES

1. Steve Tsang, Ed., *Government and Politics*, Hong Kong University Press, 1995
2. Verinder Grover, Ed., *Government and politics of Asian countries*, Deep & Deep Publications, 2000
3. Jim Tompkins, *No Boundaries*, Tompkins Press.

**MANDATORY CORE UNIT –
THE STRATEGIC ENVIRONMENT FOR LOGISTICS AND TRANSPORT**

**MANDATORY CORE UNIT – ECONOMICS AND FINANCE –
STANDARDS AND KEY LEARNING POINTS**

Summary of Standards of Knowledge and Competence

Synopsis

This core unit addresses the issues surrounding some basic concepts of economics and finance in logistics and transportation functions. It covers the recent changes in economic affairs and its approach to both economic theory and economic problems. It also reviews the impact of financial factors in logistics and transportation functions, such as its fundamental concepts in transport economics.

Theory and practice of economics and finance are dynamic, and as new development occur, they should be incorporated into unit such as this one.

Outline Unit Content

1. Preliminary ideas of economics
 2. The tools of economic analysis
 3. Market regulation models
 4. Financial management
 5. Financial forecasting
 6. Basics of transport economics
-

Standards of Knowledge and Competence

1. *Preliminary ideas of economics*

On completion of this element – you should know:

- Scope of economics
- Scarcity and choice
- Barriers
- Economics as a science

On completion of this element – you should be able to:

- Understand the concept of economic
- How to make a reasonable choice
- Determine the limitations in economics
- Access economics as a tools

2. *The tools of economic analysis*

On completion of this element – you should know:

- What is meant by market
- Demand and supply
- Concept of margin
- Perfect and imperfect competition

On completion of this element – you should be able to:

- Identify suitable markets
- Determine pricing structure
- Understand equilibrium distribution of expenditure
- Calculate marginal rates

3. *Market regulation models*

On completion of this element – you should know:

- Different market competition models and their impacts on market behavior and efficiency
- The ownership of wealth
- Division labor
- Economic tools

On completion of this element – you should be able to:

- Understand different market structures
- Determine what to produce to satisfy customer
- Identify the wealth of individual and the wealth of community
- Implement division labor
- Use different economic tools to compete

4. *Financial management*

On completion of this element – you should know:

- Financial manager's responsibility
- Financial market, institutions, and interest rate
- Risk and rates of return
- Time value of money

On completion of this element – you should be able to:

- Identify key factor of a financial manager
- Interpret the co-relationship among financial market, institutions and interest rate
- Prepare risk reduced implementation strategies
- Determine interest rate

5. *Financial forecasting*

On completion of this element – you should know:

- Analysis of financial statements
- Financial forecasting
- Requirements
- Currency exchange rate

On completion of this element – you should be able to:

- Predict the development financial market
- Understand the internal financial strength and weakness
- Identify the techniques used
- How to project financial statement
- Determine capital requirement

6. *Basics of transport economics*

On completion of this element – you should know:

- Concept of Utility
- Functions and Impacts of Transport
- Nature of Transport Cost structure
- Pricing strategy
- "No Waste" Theory

On completion of this element – you should be able to:

- Develop cost structure
- Adopt low cost strategies
- Analyze logistics/ logistics costs
- Apply "No waste" theory to organization management

Key Learning Points

1. Preliminary ideas of economic

KEY LEARNING POINTS	COVERAGE
Scope of economics	<ul style="list-style-type: none"> ● Definitions ● Distribution of wealth ● Welfare ● Standard living
Scarcity and choice	<ul style="list-style-type: none"> ● Scarcity ● Choice ● Economics systems ● Disposal of scare goods
Barriers	<ul style="list-style-type: none"> ● Different aspects ● Laissez-faire ● Full-employment ● Intermingling of economics and politics
Economics as a science	<ul style="list-style-type: none"> ● Assumptions ● Traditional method ● Deductive method ● Inductive method ● Behavior of human beings

2. The tools of economic analysis

KEY LEARNING POINTS	COVERAGE
What is meant by market	<ul style="list-style-type: none"> ● Perfect market ● Imperfect market ● Types of markets
Demand and supply	<ul style="list-style-type: none"> ● Definitions ● Demand and supply schedules ● Elasticity ● Price mechanism
Concept of margin	<ul style="list-style-type: none"> ● Utility ● Diminishing marginal utility ● Consumer's surplus ● Equilibrium distribution of expenditure ● Value
Perfect and imperfect competition	<ul style="list-style-type: none"> ● Definitions ● Applications ● Different types ● Monopoly ● Oligopoly

3. Market regulation models

KEY LEARNING POINTS	COVERAGE
Market structures and resulting impacts on market performance	<ul style="list-style-type: none"> ● Monopoly ● Oligopoly ● Pure competition ● Differentiated competition
The ownership of wealth	<ul style="list-style-type: none"> ● Definition ● Personal wealth ● Business wealth ● Social wealth ● Wealth of individual ● Wealth of community
Division of labor	<ul style="list-style-type: none"> ● Definition ● Output ● Reasons ● Disadvantages ● Necessitates exchanges
Economic tools	<ul style="list-style-type: none"> ● Pricing strategies ● Low cost structure ● Market accessibility ● Demographic analysis

4. Financial management

KEY LEARNING POINTS	COVERAGE
Financial manager's responsibility	<ul style="list-style-type: none"> ● Forecasting ● Planning ● Investment and financing decisions ● Coordination and control ● Interaction with capital markets
Financial market, institutions, and interest rate	<ul style="list-style-type: none"> ● Definitions ● Cost of money ● Interest rate levels ● Determinants of market interest rates ● Stock prices ● Interest rate and business decisions
Risk and rates of return	<ul style="list-style-type: none"> ● Definitions ● Measuring risk ● Expected rate of return ● Portfolio risk and capital asset pricing model ● Relationship between risk and rates of return
Time value of money	<ul style="list-style-type: none"> ● Future value ● Present value ● Annuity ● Perpetuities ● Amortized loans

5. Financial forecasting

KEY LEARNING POINTS	COVERAGE
Analysis of financial statements	<ul style="list-style-type: none"> ● Income statement ● Balance sheet ● Cash flow cycle ● Retained earnings ● Earning and dividends ● Ratio analysis
Financial forecasting	<ul style="list-style-type: none"> ● Sales forecasting ● Sales equipment ● Pro forma financial statement
Requirements	<ul style="list-style-type: none"> ● Percentage of sales method ● Changes in ratios ● Modification ● Computerized financial planning models
Currency exchange rate	<ul style="list-style-type: none"> ● Fixed ● Floated ● Strengthened ● Weakened ● Appreciated ● Depreciated

6. Basics of transport economics

KEY LEARNING POINTS	COVERAGE
Utility	<ul style="list-style-type: none"> ● Time and space
Functions and Impacts of Transport	<ul style="list-style-type: none"> ● Productivity ● Land values ● Mobility ● National defense
Transport Cost structure	<ul style="list-style-type: none"> ● High fixed costs ● Low marginal costs ● Government investment in infrastructure and ownership
Pricing	<ul style="list-style-type: none"> ● Value Vs Cost of service
"No Waste" Theory	<ul style="list-style-type: none"> ● Definition In practice ● Evaluation

RECOMMENDED REFERENCES

1. Dan Moynihan & Brian Titley, *Economics: a complete course*, Oxford University Press, 2000
2. Zvi Bodie & Robert C. Merton, *Finance*, Prentice Hall, 2000
3. John J. Coyle, Edward Bardi, Robert Novack, *Transportation*, Southwestern/.

**MANDATORY CORE UNIT –
THE STRATEGIC ENVIRONMENT FOR LOGISTICS AND TRANSPORT**

**MANDATORY CORE UNIT – RISK AND CONTINGENCY PLANNING –
STANDARDS AND KEY LEARNING POINTS**

Summary of Standards of Knowledge and Competence

Synopsis

This core unit covers the decision-making process for logistics and transportation with the potential realization of unwanted consequences from impending events. It also covers logistics and transportation elements of critical dependence of modern organizations to contingency planning, such as artificial intelligence, management information system, sophisticated communication networks, and computerized process control systems.

Outline Unit Content

1. Scope of risk management
 2. Business risk model
 3. Logistics and transportation risk control
 4. Logistics and transportation contingency plan and reaction
 5. Implementation strategy
-

Standards of Knowledge and Competence

1. *Scope of risk management*

On completion of this element – you should know:

- What is meant by risk management
- New scope of management
- The ‘five tools’ to deal with risk management
- Importance and complexity of risk management

On completion of this element – you should be able to:

- Identify risk in organization
- Deal with the risk properly
- Understand the new trends of risk
- Determine the factors of risk
- Forecast possible risk to be occurred

2. *Business risk model*

On completion of this element – you should know:

- Different types of risk
- Environment risk
- Process risk
- Information for decision risk

On completion of this element – you should be able to:

- Categorize different types of risk
- Make assumption and prevention
- Identify different risk when making decisions
- Understand the difference between risk and possibility

3. *Logistics and transportation risk control*

On completion of this element – you should know:

- Old paradigm versus new paradigm
- Access logistics and transportation risks
- Integrated approach
- Strategic control
- Management control
- Business process control

On completion of this element – you should be able to:

- Identify, source and measure the root cause of logistics and transportation business risk
- Use proper procedures to control risk
- Use business process and objectives to define business control requirements
- Determine the factors in different control methods

4. *Logistics and transportation contingency plan and reaction*

On completion of this element – you should know:

- Disaster life cycle
- Defining the problem
- Establish logistics and transportation contingency plan
- What are the appropriation reactions

On completion of this element – you should be able to:

- Understand the different phases of a disaster
- Identify the real problems
- Plan efficient and effective logistics and transportation policy and strategy to tackle the problems
- Use proper reactions to tack the problems

5. *Implementation strategy*

On completion of this element – you should know:

- The roles of different personnel play within and outside the organization
- Plan development
- Obtain approval
- Non-computerized business functions

On completion of this element – you should be able to:

- Assign different duties to different person when implementing strategies
- Develop the plan
- Understand the value of outside specialists
- Plan proper procedures to obtain department manger's approval

Key Learning Points

1. *Scope of risk management*

KEY LEARNING POINTS	COVERAGE
What is meant by risk management	<ul style="list-style-type: none"> ● Definition ● Discipline and specialists ● Potential realization ● Unwanted consequences
New scope of management	<ul style="list-style-type: none"> ● Legal, regulatory and compliance ● Ethics and integrity ● Insurance and security ● Quality control and incident response ● Customer / supplier
The ‘five tools’ to deal with risk management	<ul style="list-style-type: none"> ● Avoidance ● Reduction ● Spread ● Prevention ● Transfer
Importance and complexity of risk management	<ul style="list-style-type: none"> ● Critical business processes ● Key risk the business faces ● Acceptable level ● Inspect in the quality ● Detect and correct

2. *Business risk model*

KEY LEARNING POINTS	COVERAGE
Different types of risk	<ul style="list-style-type: none"> ● The 78-risk model ● Similarity and difference of different risk
Environment risk	<ul style="list-style-type: none"> ● Competitor risk ● Political risk ● Shareholder relationship risk ● Financial market risk ● Legal and regulatory risk ● Industry risk
Process risk	<ul style="list-style-type: none"> ● Operation risk ● Empowerment risk ● Integrity risk ● Information process risk ● Financial risk
Information for decision risk	<ul style="list-style-type: none"> ● Information operation risk ● Information financial risk ● Strategic risk

3. Logistics and transportation risk control

KEY LEARNING POINTS	COVERAGE
Old paradigm versus new paradigm	<ul style="list-style-type: none"> ● Risk assessment ● Ad hoc activity ● Internal audit ● Anticipation and prevention
Access logistics and transportation risk	<p>Key limiting factors such as:</p> <ul style="list-style-type: none"> ● Traditional Responsibilities: bill of landing, INCO Terms, precedent of handling of claims Force Majeure (Act of God, war, nature) etc ● Terrorism and constrains of movement of certain goods ● Smuggling ● National/ International agreements to authority e.g. air space, ocean space, access to ports etc ● Rules on specialized goods e.g. drugs, hazardous goods, live animals ● Specialty insurance (Lloyds)
Integrated approach	<ul style="list-style-type: none"> ● Assurance ● Identification ● Sourcing ● Measurement ● Performance gap
Strategic control	<ul style="list-style-type: none"> ● Monitor environment ● Assess strategic implications ● Formulate strategies ● Continuous improvement
Management control	<ul style="list-style-type: none"> ● Communication ● Clear boundaries ● Establish accountability ● Effective process
Business process control	<ul style="list-style-type: none"> ● Asset protection ● Effective and efficiently performance ● Reliable and relevant decisions

4. Logistics and transportation contingency plan and reaction

KEY LEARNING POINTS	COVERAGE
Disaster life cycle	<ul style="list-style-type: none"> ● Prevention ● Organized response ● Protect cash flow ● Restore facilities
Defining the problem	<ul style="list-style-type: none"> ● Areas of exposure ● Opportunities ● Audit concerns ● Cost-effective solutions
Logistics and transportation plan	<ul style="list-style-type: none"> ● Factors ● Process ● Formulation ● Evaluation
Appropriate reaction	<ul style="list-style-type: none"> ● Game theory ● Alternatives ● Calculation ● Evaluation

5. Implementation strategy

KEY LEARNING POINTS	COVERAGE
The roles of different personnel play within and outside the organization	<ul style="list-style-type: none"> ● Senior management ● Steering committee ● Department managers ● First-line supervisors ● Outside specialists
Plan development	<ul style="list-style-type: none"> ● Requirements ● Key tasks ● Interim processing guidelines ● Computer processing alternatives ● Cost and corporate benefits
Obtain approval	<ul style="list-style-type: none"> ● Low probability factor ● Low cost solutions ● Present findings
Non-computerized business functions	<ul style="list-style-type: none"> ● Standard operation procedures ● Vital information ● Alternative sources

RECOMMENDED REFERENCES

1. Kenneth N. Myers, *Total Contingency Planning for Disasters*, John Wiley & Sons, Inc., 1993
2. Gerald Mars and David Weir, *Risk Management*, Ashgate/Dartmouth, 2000

**MANDATORY CORE UNIT –
ORGANIZATION LEVEL PLANNING IN LOGISTICS AND TRANSPORT**

**MANDATORY CORE UNIT – VISION AND STRATEGY –
STANDARDS AND KEY LEARNING POINTS**

Summary of Standards of Knowledge and Competence

Synopsis

This core unit provides the fundamental knowledge of strategic management logistics and transportation. It covers visions, corporate strategy, business policy, strategic management, organizational policy and corporate policy with the focus on logistics and transportation. The unit applies concepts and theories, which contributes in stimulating a deep understanding of logistics and transportation strategic problems and strategic management.

Outline Unit Content

1. Vision
 2. Logistics and transportation strategy and strategic decisions
 3. Logistics and transportation strategic position
 4. Logistics and transportation strategy formulation
 5. Implementation of Logistics and transportation strategies
-

Standards of Knowledge and Competence

1. *Vision*

On completion of this element – you should know:

- What is meant by vision
- Difference between mission and vision
- Corporate parent
- Communication change

On completion of this element – you should be able to:

- Understand what is meant by vision
- How to construct a vision
- Determine the elements of a vision
- Explain how vision influence a corporation

2. *Logistics and transportation strategy and strategic decision*

On completion of this element – you should know:

- Characteristics of logistics and transportation strategic decisions
- Logistics and transportation strategic management
- How to deal with union, local company laws and regulations strategically
- Logistics and transportation strategic development process

On completion of this element – you should be able to:

- Describe the characteristics of strategic decisions
- Define what is meant by strategy and strategic management
- Explain how strategic priorities vary by level: corporate, business and operations
- Deal with union strategically
- Understand what distinguishes strategic management from operational management
- Comply with local laws and regulation with flexible movement
- Understand which elements of the strategy model are likely to be most important in different contexts

3. *Logistics and transportation strategic position*

On completion of this element – you should know:

- The environment
- Market segments
- Strategic capability
- Competences and core competences
- Expectations and purposes

On completion of this element – you should be able to:

- Describe the forces in the macro-environment of an organization using the PESTAL framework
- Identify key structural drivers of change and the differential impact on organization
- Understand the importance of meaning and importance of critical success factors
- Understand the importance of competences and the meaning of core competences
- Explain how culture can be characterized and the impact on strategy

4. *Logistics and transportation strategy formulation*

On completion of this element – you should know:

- Corporate-level strategy
- Business-level strategy
- Direction of strategy development
- Success criteria

On completion of this element – you should be able to:

- Explain different rationales of corporate parents
- Identify the importance of the compatibility of the corporate parenting rationale
- Determine the extent to which competitive advantage is sustainable
- Manage successful alliances
- Evaluate different strategic choices

5. *Implementation of logistics and transportation strategies*

On completion of this element – you should know:

- Organizing for success
- Enabling success
- Diagnosing the logistics and transportation change
- Change management
- Levers for managing logistics and transportation strategic change

On completion of this element – you should be able to:

- Compare and contrast different configurations of global companies
- Outline common dilemmas about organizing for success
- Explain how different strategies will need to be funded in different ways
- Understand the issues about managing strategies to create financial value
- Manage facilitate changes

Key Learning Points

1. Vision

KEY LEARNING POINTS	COVERAGE
What is meant by vision	<ul style="list-style-type: none"> ● Strategic intent ● Organization ● Aspiration
Difference between mission and vision	<ul style="list-style-type: none"> ● Purpose ● Values and expectations ● Analytic design
Corporate parent	<ul style="list-style-type: none"> ● Efficiency / leverage ● Mitigating risk ● Mage / networks ● Visionary capacity
Communication change	<ul style="list-style-type: none"> ● Type of media ● Changes ● Involvement of members ● Feedback ● Counter-communication

2. Logistics and transportation strategy and strategic decision

KEY LEARNING POINTS	COVERAGE
logistics and transportation characteristics of strategic decisions	<ul style="list-style-type: none"> ● Strategic fit ● Stretch ● Environment ● Goal ● Objective
logistics and transportation strategic management	<ul style="list-style-type: none"> ● Elements ● Process ● Characteristics ● Considerations
Deal with unions and local laws	<ul style="list-style-type: none"> ● Identification ● Power of union ● Union and logistics and transportation ● Legal factors ● Flexibility
Logistics and transportation strategic development process	<ul style="list-style-type: none"> ● Strategic lens ● Logistics and transportation planning systems ● Strategic leadership in logistics and transportation ● Logical incrementalism ● Learning organization

3. Logistics and transportation strategic position

KEY LEARNING POINTS	COVERAGE
The environment	<ul style="list-style-type: none"> ● Macro-environment ● PESTAL ● Industries and sectors ● Sources of competition ● Organizational fields
Market segments	<ul style="list-style-type: none"> ● Consumer markets ● Industrial markets ● Customer value ● Opportunities and threats ● SWOT Analysis
Strategic capability	<ul style="list-style-type: none"> ● Roots ● Critical success factors ● Resources
Competences and core competences	<ul style="list-style-type: none"> ● Definitions ● Linkages ● Value chain ● Support activities ● Value system
Expectations and purposes	<ul style="list-style-type: none"> ● Corporate governance ● Shareholders ● Rights of creditors and lenders ● Customers and clients ● Ownership

4. Logistics and transportation strategy formulation

KEY LEARNING POINTS	COVERAGE
Corporate-level strategy	<ul style="list-style-type: none"> ● Corporate parent ● Corporate rationale ● Corporate portfolio ● Corporate diversity ● Corporate control
Business-level strategy	<ul style="list-style-type: none"> ● Influencing forces ● Bases of competitive advantage ● Sustaining competitive advantage ● Competition and collaboration ● Hypercompetitive conditions
Direction of strategy development	<ul style="list-style-type: none"> ● Protect and build on current position ● Product development ● Market development ● International development ● External development ● Methods of strategy development
Success criteria	<ul style="list-style-type: none"> ● Suitability ● Acceptability ● Feasibility

5. Implementation of logistics and transportation strategies

KEY LEARNING POINTS	COVERAGE
Organizing for success	<ul style="list-style-type: none"> ● Structural types ● Processes ● Relationships and boundaries ● Configurations
Enabling success	<ul style="list-style-type: none"> ● Managing people ● Managing information ● Managing finance ● Managing technology ● Integrating resources
Diagnosing the logistics and transportation change situation	<ul style="list-style-type: none"> ● Types of strategic changes ● The importance of context ● Organizational culture as context ● Forefield analysis
Change management	<ul style="list-style-type: none"> ● Styles ● Education and communication ● Collaboration ● Change agent ● leadership
Leverage for managing logistics and transportation strategic change	<ul style="list-style-type: none"> ● Structure and control system ● Organizational routines ● Symbolic processes ● Power and political processes ● Communicating change

RECOMMENDED REFERENCES

1. Gerry Johnson & Kevan Scholes, *Exploring Corporate Strategy*, 6th ed., Prentice Hall, 2002
2. Arthur A. Thompson, Jr. & A.J. Strickland III, *Strategic Management*, Irwin, 13th Ed., 2003
3. Douglas Lamabert, James Stock, *Strategic Logistics management*, Richard D. Irwin

**MANDATORY CORE UNIT –
ORGANIZATION LEVEL PLANNING IN LOGISTICS AND TRANSPORT**

**MANDATORY CORE UNIT – DELIVERING CUSTOMER SERVICE –
STANDARDS AND KEY LEARNING POINTS**

Summary of Standards of Knowledge and Competence

Synopsis

This core unit addresses the need to accommodate customers in logistics and transportation, whether those customers are end users, intermediate, or even internal. It also covers foundation for customer accommodation with its fundamental focus on logistics and transportation customer needs. Organizations build their platform for accommodation on three levels of increasing commitment; they are customer service, customer satisfaction, and customer success. This unit will explain the factors of each level.

Outline Unit Content

1. Customer-focused marketing
 2. Logistics and transportation customer service
 3. Logistics and transportation customer satisfaction
 4. Customer success
-

Standards of Knowledge and Competence

1. *Customer-focused marketing*

On completion of this element – you should know:

- Difference between transactional and relationship marketing
- Lever of service output provided to customer
- Primary service outputs which are important to logistics management
- One-to-one marketing

On completion of this element – you should be able to:

- Know how logistical performance in supply chain management
- Use appropriate marketing strategies to approach different customers
- How to implement one-to-one marketing program
- Understand the relationship between profitability and sales volume.

2. *Logistics and transportation Customer service*

On completion of this element – you should know:

- Availability in logistics customer service
- Flexibility as operational performance
- Perfect order
- Basic service perform
- Outsourcing

On completion of this element – you should be able to:

- Monitor a firm's performance availability
- Determine the factors of customer services in supply chain management
- Figure out the requirements of customers in logistics services
- How to perform a perfect order
- Use outsourcing to satisfy customer

3. *Logistics and transportation customer satisfaction*

On completion of this element – you should know:

- What is customer expectations
- Model of customer satisfaction
- How IT can increase customer satisfaction
- The limitations

On completion of this element – you should be able to:

- Determine customer expectations
- How to satisfy customers
- Plan how to increase customer expectation
- Understand the limitations of customer satisfaction

4. *Customer success*

On completion of this element – you should know:

- Customer-focused organization
- Achieving customer success
- Value-added services
- Develop customer success

On completion of this element – you should be able to:

- Construct customer-focused marketing strategy
- Access the ways to achieve customer success
- Provide value-added service to customer
- How to develop business success based on logistical competency

Key Learning Points

1. Customer-focused marketing

KEY LEARNING POINTS	COVERAGE
Difference between transactional and relationship marketing	<ul style="list-style-type: none"> ● Definitions ● Differentiated ● Undifferentiated ● Niche
Lever of service output provided to customer	<ul style="list-style-type: none"> ● Spatial convenience ● Lot size ● Waiting time ● Product variety
Primary service outputs which are important to logistics management	<ul style="list-style-type: none"> ● After-sales support ● Immediate availability ● Customer sensitivity
One-to-one marketing	<ul style="list-style-type: none"> ● Identification ● Differentiation ● Interaction ● Customization

2. Logistics and transportation customer service

KEY LEARNING POINTS	COVERAGE
Availability in logistics customer service	<ul style="list-style-type: none"> ● Stock-out frequency ● Fill rate ● Orders shipped complete
Flexibility as operational performance	<ul style="list-style-type: none"> ● Speed ● Consistency ● Flexibility ● Malfunction recovery
Perfect order	<ul style="list-style-type: none"> ● Reflection of customer's point ● Service promise ● Control ● Output guaranteed
Basic service perform	<ul style="list-style-type: none"> ● Commitment level ● Industry acceptable practice ● Availability ● Operational performance ● Reliability
Outsourcing	<ul style="list-style-type: none"> ● Justification ● Process ● Control ● Evaluation

3. Logistics and transportation customer satisfaction

KEY LEARNING POINTS	COVERAGE
What is customer expectations	<ul style="list-style-type: none"> ● Customer expectations ● Expectancy disconfirmation ● Service quality ● Customer satisfaction
Model of customer satisfaction	<ul style="list-style-type: none"> ● Knowledge ● Standards ● Performance ● Communications ● Perception ● Satisfaction / quality
How IT can increase customer satisfaction	<ul style="list-style-type: none"> ● Most undated logistics and transportation IT systems ● JIT / ERP / DRP / MRP / RFID ● IT integrated services
The limitations	<ul style="list-style-type: none"> ● Interpretation of satisfaction ● Loyal customers ● Individual customer perception ● Customer requirement

4. Customer success

KEY LEARNING POINTS	COVERAGE
Customer-focused organization	<ul style="list-style-type: none"> ● Performance capabilities ● Evolution of management thought ● Internal standards ● Customer satisfaction platform
Achieving customer success	<ul style="list-style-type: none"> ● Long-term business relationship ● Customer success philosophy ● Next-destination customers ● Collaboration between suppliers and customers
Value-added services	<ul style="list-style-type: none"> ● Tailored logistics ● Value-added activities ● Customization activities
Develop customer success	<ul style="list-style-type: none"> ● Cost effectiveness ● Market access ● Market extension ● Market creation

RECOMMENDED REFERENCES

1. Robert W. Lucas, *Customer Services: Building successful skills for the twenty-first century*, McGraw-Hill, 2005
2. Richard Metters, Kathryn King-Metters, & Madeleine Pullman, *Successful service operations management*, Thomson/South-Western, 2003

**MANDATORY CORE UNIT –
ORGANIZATION LEVEL PLANNING IN LOGISTICS AND TRANSPORT**

**MANDATORY CORE UNIT – INNOVATION AND CHANGE –
STANDARDS AND KEY LEARNING POINTS**

Summary of Standards of Knowledge and Competence

Synopsis

This core unit provides a framework for appreciating the strategic importance of innovation and change at work. It also covers some specific tools on promoting creativity and innovation in a corporation level and measures to overcome resistance to change will also be discussed. Specific examples of how innovation and change affect the logistics/ transport industry will be quoted.

Outline Unit Content

1. Innovation and Change as a strategic tool
 2. Enhancing creativity at work
 3. Group processes and innovation
 4. Organization development
 5. Resistance to change
-

Standards of Knowledge and Competence

1. Innovation and change as a strategic tool

On completion of this element – you should know:

- The strategic importance of innovation and change
- Cases where innovation and change transforms logistics industry

On completion of this element – you should be able to:

- **Appreciate the strategic importance of innovation and change in organization both at society and firm level**
- **Identify where innovation opportunity are and apply the concept at firm level**

2. *Enhancing creativity at work*

On completion of this element – you should know:

- What is meant by creativity
- Person-based measures, product based measures, and process-based measure
- Ideal elicitation techniques
- Synectics and other idea generation techniques

On completion of this element – you should be able to:

- Understand your potential of creative ability
- How to be a creative thinker
- Use different skills to mobilize people to become more creative
- Plan creative training program

3. *Group processes and innovation*

On completion of this element – you should know:

- Social influence in groups
- Process of group decision making
- Social identity and innovation
- Work group innovation

On completion of this element – you should be able to:

- Understand the way in which the psychological processes operating within and between groups can contribute positively and negatively to innovation change
- Able to handle the processes of social influence and decision making
- Disciplines regarding factors that inhibit innovation in work group
- How to build innovative teams in organizations
- Strengthen group identity

4. *Organization development*

On completion of this element – you should know:

- Characteristics of organization development
- Organization development process
- Organization development intervention
- Change agents

On completion of this element – you should be able to:

- Understand how organization development is dominated by professional practice
- Use organization development as a conglomeration method and technique to affect change in organization
- Determine organization development process, models of organization changes
- Use organization development to facilitate necessary changes

5. *Resistance to change*

On completion of this element – you should know:

- Overcoming resistance
- Cause of resistance
- Manifestations of resistance
- Perspectives on resistance

On completion of this element – you should be able to:

- Understand the reasons of resistance to change
- Determine the factors why people resist to change
- Understand resistance can be a highly productive counter-balance against poorly planned organization change imposed
- Plan change smoothly

Key Learning Points

1 *Innovation and Change as a strategic tool*

KEY LEARNING POINTS	COVERAGE
Innovation and change as a strategic tool	<ul style="list-style-type: none"> ● Illustrate with examples on how innovation can change an industry ● Supply Chain (SCM) as change agent e.g. how Dell use SCM to create a new business model, how Just In Time (JIT) change logistics flow and process
Innovation and Change at macro level	<ul style="list-style-type: none"> ● Public involvement in driving innovation and change and impact on logistics and transport ● E.g. military investment in aircraft design and in computing technology, technology transfer and other scientific research ● Awareness of possible opportunity
Innovation and change at micro level	<ul style="list-style-type: none"> ● Partnership: Roles of leaders: gov't or industrial organization e.g. EPC Global in RFID technology and Walmart as a business leader ● Application at firm's level: process re-engineering, SCM as a value adding activity

2 *Enhancing creativity at work*

KEY LEARNING POINTS	COVERAGE
What is meant by creativity	<ul style="list-style-type: none"> ● Definition ● Person, process and product ● Degree of consensus ● Novelty
Person-based measures, product-based measures, and process-based measure	<ul style="list-style-type: none"> ● Personality measure ● Creative ability ● Product-based measure ● Process-based measure
Ideal elicitation techniques	<ul style="list-style-type: none"> ● Brainstorming ● Scenario building ● Related knowledge ● Experience <p style="text-align: center;">◆</p>
Synectics and other idea generation techniques	<ul style="list-style-type: none"> ● Notion of making the strange familiar ● Development of synectics ● Checklists ● Attribute listing ● Forced relationships

3 *Group processes and innovation*

KEY LEARNING POINTS	COVERAGE
Social influence in groups	<ul style="list-style-type: none"> ● Control condition ● Conformity and innovation ● Minority influence
Process of group decision making	<ul style="list-style-type: none"> ● Group polarization ● Innovation decisions ● Group composition ● Fait accompli ● Groupthink
Social identity and innovation	<ul style="list-style-type: none"> ● In-groups ● Out-groups ● Social identity
Work group innovation	<ul style="list-style-type: none"> ● Leadership ● Group composition ● Group structure ● Group climate ● Group longevity

4 *Organization development*

KEY LEARNING POINTS	COVERAGE
Characteristics of organization development	<ul style="list-style-type: none"> ● Planned intervention ● Organization-wide program ● Knowledge-base action ● Pragmatic improvement of organizational capabilities
Organization development process	<ul style="list-style-type: none"> ● Entry ● Diagnosis ● Planning ● Action ● Stabilization and evaluation ● Termination
Organization development intervention	<ul style="list-style-type: none"> ● Survey feedback ● Quality circles ● Process consultation ● Team building
Change agent	<ul style="list-style-type: none"> ● Knowledge ● Commitment ● Networking ● Elicitation skills ● Evaluation and integration ● Diagnostic and prognostic skills

5 Resistance to change

KEY LEARNING POINTS	COVERAGE
Overcoming resistance	<ul style="list-style-type: none"> ● Communication ● Participation ● Facilitation ● Negotiation ● Manipulation ● Coercion
Cause of resistance	<ul style="list-style-type: none"> ● Individual level ● Group level ● Organizational level
Manifestations of resistance	<ul style="list-style-type: none"> ● Unitary behavior ● Covert-overt ● Individual-organization level ● Types of resistance ● Goal-directed behavior
Perspectives on resistance	<ul style="list-style-type: none"> ● Unavoidable behavioral response ● Natural behavior response ● Politically motivated campaign ● Constructive counter-balance

RECOMMENDED REFERENCES

1. Jean Rudduck, *Innovation and change: Developing involvement and understanding*, [England] Open University Press, 1991
2. Terrence E. Brown & Jan Ulijn, Ed., *Innovation, entrepreneurship and culture: The interaction between technology, progress and economic growth*, Edward Elgar, 2004

**MANDATORY CORE UNIT –
ORGANIZATION LEVEL PLANNING IN LOGISTICS AND TRANSPORT**

**MANDATORY CORE UNIT – SUPPLY CHAIN PERFORMANCE –
STANDARDS AND KEY LEARNING POINTS**

Summary of Standards of Knowledge and Competence

Synopsis

This core unit provides the mission, business processes, and strategies needed to achieve integrated supply chain performance. It covers a comprehensive description of existing logistical practices in a global society, ways and means to apply supply chain performance principles to achieve competitive advantage; and a conceptual approach for integrating supply chain performance as a core competency in enterprise strategy.

Outline Unit Content

6. Issues in supply chain performance
7. Market distribution, procurement and manufacturing strategies
8. Operational integration
9. Technology structure
- 10.

Where relevant, the knowledge and ability statements within the elements of this unit are to be interpreted in context of logistics and transport.

Standards of Knowledge and Competence

1. *Issues in supply chain performance*

On completion of this element – you should know:

- Integrated management
- Implementation challenges
- Limited success
- Social challenges

On completion of this element – you should be able to:

- Compare the concept the a modern supply china with more traditional distribution channels
- Identify the specific roles of logistics play in supply chain operations
- Describe integrative management
- Understand the importance of integrated service provider
- Determine the factors of supply chain collaborations

2. *Market distribution, procurement and manufacturing strategies*

On completion of this element – you should know:

- Marketing distribution in the supply chain
- Pricing and logistics
- Procurement and manufacturing strategies
- Logistical interface

On completion of this element – you should be able to:

- Plan market distribution, procurement and manufacturing strategies
- Determine process to overcome the problems
- Evaluate the risk related to inventory compare among manufacturers, wholesalers, and retailers
- Understand how strategic procurement contribute to the quality of products produced by a manufacturing organization
- Explain how constraints in manufacturing are interrelated with a company's decision regarding volume and variety

3. *Operation integration*

On completion of this element – you should know:

- Integration creates value
- Integration objectives
- Enterprise integration
- Domestic supply chain integration
- Global supply chain integration

On completion of this element – you should be able to:

- Compare and contrast economic, market, and relevancy value
- Understand why variance reduction is important to logistical integration
- Plan a proper reward system
- Identify the factors that create power in supply chain collaboration
- Determine the relationship between logistical capabilities and competencies of evolution of logistical work
- Identify the logistics ramifications of each stage of international development

4. *Technology structure*

On completion of this element – you should know:

- Information system integration
- Accessing supply chain applications
- Enterprise Resource Planning system
- Advanced planning and scheduling

On completion of this element – you should be able to:

- Determine the role of ERP systems and planning system in enhancing firm performance and competitiveness
- How to remain competitive in the exchange of logistics information
- Identify the role of planning / coordination and operations in improving firm competitiveness
- Understand the driver and the role of inventory deployment and management system
- Identify the major forecast components
- Compare basic logistic differentiator of time series and causal forecast techniques.

Key Learning Points

1. *Issues in supply chain performance*

KEY LEARNING POINTS	COVERAGE
Integrated management	<ul style="list-style-type: none"> ● Collaboration ● Enterprise extension ● Integrated service providers
Implementation challenges	<ul style="list-style-type: none"> ● Leadership ● Loyalty and confidentiality ● Measurement ● Risk / reward sharing
Limited success	<ul style="list-style-type: none"> ● Reality of supply chain ● Assumptive and policy framework ● End-to-end supply chain arrangements
Social challenges	<ul style="list-style-type: none"> ● Antitrust concern ● Consumer value concern

2. *Market distribution, procurement and manufacturing strategies*

KEY LEARNING POINTS	COVERAGE
Marketing distribution in the supply chain	<ul style="list-style-type: none"> ● Marketing functions ● Specialization ● Assortment ● Channel separation
Pricing and logistics	<ul style="list-style-type: none"> ● Pricing fundamentals ● Pricing issues ● Menu pricing
Procurement and manufacturing strategies	<ul style="list-style-type: none"> ● Dimensions of product quality ● Total quality management ● Quality standard ● Procurement strategies ● Purchase requirement segmentation ● E-commerce and procurement ● Manufacturing strategy
Logistical interface	<ul style="list-style-type: none"> ● Just-in-time ● Requirements planning ● Design for logistics

3. Operation integration

KEY LEARNING POINTS	COVERAGE
Integration creates value	<ul style="list-style-type: none"> ● Economic value ● Market value ● Relevancy
Integration objectives	<ul style="list-style-type: none"> ● Responsiveness ● Variance reduction ● Inventory reduction ● Shipment consolidation ● Quality ● Life cycle support
Enterprise integration	<ul style="list-style-type: none"> ● Internal integration barriers ● Great divide
Domestic supply chain integration	<ul style="list-style-type: none"> ● Supply chain competitiveness ● Risk, power and leadership ● Supply chain integrative framework ● Integration and logistical competency
Global supply chain integration	<ul style="list-style-type: none"> ● Logistics in a global economy ● States of international development ● Managing global supply chain

4. Technology structure

KEY LEARNING POINTS	COVERAGE
Information system integration	<ul style="list-style-type: none"> ● Legacy systems ● Communication systems ● Execution systems ● Planning system
Accessing supply chain applications	<ul style="list-style-type: none"> ● EDI ● Internet ● Extensible markup language ● Satellite technology ● Radio frequency exchange ● Image processing ● Bar coding and scanning
Enterprise Resource Planning system	<ul style="list-style-type: none"> ● Rationale for implementation ● System design ● Supply chain system design ● Enterprise execution system
Advanced planning and scheduling	<ul style="list-style-type: none"> ● Rationale ● Supply chain APS applications ● APS system design ● Forecasting ● APS benefits and considerations

RECOMMENDED REFERENCES

1. James R. Stock & Douglas M. Lambert, *Strategic Logistics Management*, 4th ed., McGraw-Hill, 2001
2. Donald J. Bowersox, David J. Closs, and M. Bixby Cooper, *Supply Chain Logistics Management*, McGraw Hill, 2003

MANDATORY CORE UNIT – RESEARCH MEHTODLOLGY AND DISSERTATION

MANDATORY CORE UNIT – RESEARCH METHODOLOGY AND DISSERTATION– STANDARDS AND KEY LEARNING POINTS

Summary of Standards of Knowledge and Competence

Synopsis

This core unit covers the format structure of research methodology, as well as the guidelines of the research process for a research project, such as dissertation. Procedures for efficient reading and fro putting information together, as well as research and dissertation presentation of writing formats will also be covered. It also provides a clear guide on how to undertake research as well as highlighting the realities of undertaking research.

Outline Unit Content

1. Nature of business and management research
 2. Research approach
 3. Samples and data
 4. Steps in writing a dissertation
 5. Writing the dissertation
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Standards of Knowledge and Competence

1. *Nature of business and management research*

On completion of this element – you should know:

- Nature of research
- Business and management research
- Research process

On completion of this element – you should be able to:

- Outline the purpose and distinct focus of management research
- Place research project on a basic-applied research continuum according to its purpose and context
- Understand the stages need to be complete

2. *Research approach*

On completion of this element – you should know:

- Need for a clear research strategy
- Using multi-methods
- The credibility of research findings
- The ethics of research design

On completion of this element – you should be able to:

- Outline the key assumptions of the positivist, interpretivist and realist research philosophies
- Distinguish between two main approaches to research: deductive and inductive
- Identify the main research strategies and explain why these should not be thought of as mutually exclusive
- Explain the benefits of adopting a multi-method approach to the conduct of research
- Explain the concepts of validity and reliability and identify the main threats to validity and reliability
- Understand some of the main ethical issues implied by the choice of research strategy

3. *Sample and data*

On completion of this element – you should know:

- Selecting samples
- Collecting primary and secondary data
- Analyzing quantitative data
- Analyzing qualitative data

On completion of this element – you should be able to:

- Select appropriate sampling techniques for a variety of research scenarios
- Apply the knowledge, skills and understanding gained to the research project
- Identify the full variety of secondary data that are available
- Identify participant observation and structured observation
- Recognize different types of data and understand the implications of data type for subsequent analyses
- Evaluate the nature and value of quantitative and qualitative data

4. *Steps to writing a dissertation*

On completion of this element – you should know:

- Selecting a topic
- Locating appropriate source materials
- Preparing a working bibliography
- Narrowing the topic
- Writing a proper dissertation statement and developing an outline

On completion of this element – you should be able to:

- Select a proper topic and narrow it down
- Survey available material on the chosen topic
- Locate information pertaining to the topic
- Develop a dissertation and preliminary sketch in the form of an outline
- Work out hypothetical proposition

5. *Writing a dissertation*

On completion of this element – you should know:

- The contents
- The first draft
- Revisions
- Editing
- Documentation
- Proofreading

On completion of this element – you should be able to:

- Understand the typical format of a dissertation
- Work systematically through the outline to keep order
- Use proper way to start writing a dissertation
- Avoid certain mistakes

Key Learning Points

1. Nature of business and management research

KEY LEARNING POINTS	COVERAGE
Nature of research	<ul style="list-style-type: none"> ● Systematic data collection ● Systematic interpretation ● Clear purpose
Business and management research	<ul style="list-style-type: none"> ● Their differences ● Transdisciplinary nature ● Virtuous circle ● Double hurdle
Research process	<ul style="list-style-type: none"> ● The steps ● Forward planning ● Reflection and revision

2. Research approach

KEY LEARNING POINTS	COVERAGE
Need for a clear research strategy	<ul style="list-style-type: none"> ● Different research strategies <ul style="list-style-type: none"> ◆ Experiment ◆ Survey ◆ Case study ◆ Grounded theory ◆ Ethnography ◆ Action research ◆ Cross-sectional and longitudinal studies ◆ Exploratory, descriptive and explanatory studies
Using multi-methods	<ul style="list-style-type: none"> ● Mixed and matched ● Multi-methods ● Triangulation ● Survey and case study methods
The credibility of research findings	<ul style="list-style-type: none"> ● Reliability ● Threats to reliability ● Validity ● Threats to validity ● Generalisability ● Logic lead and false assumptions
The ethics of research design	<ul style="list-style-type: none"> ● Ethical considerations ● Data collection challenges ● Participant observer

3. *Sample and data*

KEY LEARNING POINTS	COVERAGE
Selecting samples	<ul style="list-style-type: none"> ● Simple random ● Systematic ● Stratified random ● Cluster ● Multi-stage
Collecting primary and secondary data	<ul style="list-style-type: none"> ● Participant observation ● Semi-structured and in-depth interview ● Questionnaires ● Types of secondary data ● Evaluating secondary data sources
Analyzing quantitative data	<ul style="list-style-type: none"> ● Preparing ● Exploring ● Describing ● Examining relationship, differences and trends using statistics
Analyzing qualitative data	<ul style="list-style-type: none"> ● Strategies ● Deductively based analytical strategies and procedures ● Quantifying qualitative data ● Use computer for qualitative analysis

4. *Steps to writing a dissertation*

KEY LEARNING POINTS	COVERAGE
Selecting a topic	<ul style="list-style-type: none"> ● Find a subject ● Accessible information ● Intended audience ● Add to existing knowledge
Locating appropriate source materials	<ul style="list-style-type: none"> ● Acquaintance with the subject ● Survey of available material ● Evaluate the amount of time and effort
Preparing a working bibliography	<ul style="list-style-type: none"> ● Sources of information ● Primary information ● Secondary information ● Working bibliography
Narrowing the topic	<ul style="list-style-type: none"> ● General subject ● Limited subjected area ● Tentative subject area
Writing a proper dissertation statement and developing an outline	<ul style="list-style-type: none"> ● Preliminary sketch ● Principal features ● Structures ● Concepts ● Purpose

5. Writing a dissertation

KEY LEARNING POINTS	COVERAGE
The contents	<ul style="list-style-type: none"> ● Introduction ● Literature review ● Methodology ● Data and findings ● Analysis and discussion ● Conclusions
The first draft	<ul style="list-style-type: none"> ● Well-rounded, organized paper ● Writing techniques ● Aspired subject ● Expressive and creative
Revisions	<ul style="list-style-type: none"> ● Guarded check ● Writing manuscript ● Select words ● Express rather than impress
Editing	<ul style="list-style-type: none"> ● Re-organization ● Surface errors ● Effective substitution of words ● Error correction capabilities
Documentation	<ul style="list-style-type: none"> ● Acknowledgement ● Presentation ● Different styles
Proofreading	<ul style="list-style-type: none"> ● Thorough proofreading ● Slipups ● Typographical errors ● Omissions ● Misspellings ● Proofreading marks

RECOMMENDED REFERENCES

1. Clive Seals, *Social research methods*, Routledge, 2004
2. Brian Allison and Phil Race, *The student's guide to preparing dissertations and theses*, Routledge Flamer, 2004