

**Domain****FREIGHT OPERATIONS****Title:****Demonstrate understanding of basic  
freight logistic principles****Level: 3****Credits: 8****Purpose**

This unit standard is intended for those who demonstrate understanding of basic freight logistic principles. People credited with this unit standard are able to describe a logistics system, the management thereof, as well as the logistical activities required, explain the functions of different stakeholders in the supply chain, describe the principles of supply and demand, demonstrate an understanding of the impact of logistics on business and demonstrate an understanding of the distribution channel.

This unit standard is intended for those who work in the freight operations industry.

**Special Notes**

1. Entry information:  
Prerequisite:
  - *None*
2. Assessment evidence may be collected from a real or a simulated workplace in which freight operations are carried out.
3. To demonstrate competence, minimum evidence of the ability to define a logistics system, the management thereof, as well as the logistical activities required. To identify and explain the functions of different stakeholders in the supply chain. Describe the principles of supply and demand and demonstrate an understanding of the impact of logistics on business and an explaining the distribution channel.
4. Regulations and legislation relevant to this unit standard include the following:
  - Labour Act, No. 11, 2007.
  - Regulations relating to the health & safety of employees at work under Schedule 1 (2) of the Labour Act No.11 of 2007
  - And all subsequent amendments
5. Performance of all elements in this unit standard must comply with industry standards.

**Quality Assurance Requirements**

This unit standard and others within this subfield may be awarded by institutions which meet the accreditation requirements set by the Namibia Qualifications Authority and the Namibia Training Authority and which comply with the national assessment and moderation requirements. Details of specific accreditation requirements and the national assessment arrangements are available from the Namibia Qualifications Authority and the Namibia Training Authority on [www.nta.com.na](http://www.nta.com.na).

## **Elements and Performance Criteria**

### **Element 1: Describe a logistics system, the management thereof, and the logistical activities required**

#### **Performance Criteria**

- 1.1 The importance of effective and efficient logistics management within the macro and micro-business environment and the impact of logistics on a countries' economy, as well as the bottom-line profitability of an organisation is explained.
- 1.2 The desired logistical outputs of an organisations' logistical system is explained in accordance with the organisation's mission, vision and objectives.
- 1.3 The logistical activities within an organisation is described according to the organisational structure and operations.
- 1.4 The areas where logistics performance can be improved are identified.
- 1.5 Proposals for improvements in logistics performance is reflecting an understanding of integrated logistics management as well as a holistic perception of logistic activities.

### **Element 2: Explain the functions of different stakeholders in the supply chain**

#### **Range**

Stakeholder may be but are not limited to stevedores, ground handling agents, and transporters.

Area of specialisation may include, but are not limited to stevedoring; airfreight; warehousing and distribution; pipeline; ports and courier bulk operations.

#### **Performance Criteria**

- 2.1 The different stakeholders in freight handling are identified and their key functions are described in terms of the specific area of specialisation.
- 2.2 Freight handling infrastructure for each area of specialisation is described according to freight handling requirements.

### **Element 3: Describe the principles of supply and demand**

#### **Performance Criteria**

- 3.1 The basic principles of supply and demand are explained according to international definitions.
- 3.2 Key drivers of demand are explained.
- 3.3 The key parties impacting supply and demand are identified from a list of parties.

- 3.4 The importance of demand planning for operations is explained considering the consequences of not doing demand planning and alignment.

#### **Element 4: Demonstrate an understanding of the impact of logistics on a business**

##### **Range**

Customer value formulae may include but not limited to quality, customer service, cycle time and cost.

Key drivers may include but not limited to service level agreements, standard operating procedures and contingency plans.

##### **Performance Criteria**

- 4.1 The customer value formulae are applied in order to demonstrate the impact of a change in the variables on total logistics cost.
- 4.2 Customer differentiation is explained.
- 4.3 Key drivers of enhanced customer relations are identified and explained according to customer requirements.

#### **Element 5: Demonstrate an understanding of the distribution channel**

##### **Performance Criteria**

- 5.1 The distribution channel is defined through its key players and/or composition elements.
- 5.2 The importance of the distribution channel is explained.
- 5.3 The efficiency of a different distribution channels is explained.

#### **Registration Data**

<b>Subfield:</b>	Transport, Operations and Logistics
<b>Date first registered:</b>	07 October 2020
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