

**SME Development Fund  
Final Report of Approved Project**

Project Title : Enhance competitiveness of logistics SMEs service  
(Reference No.) providers in value-added services through the  
development of a training programme (D09 002 003)

Period covered : From 15/03/10 to 14/03/11  
(dd/mm/yy) (dd/mm/yy)

## 1. Project Details

Please mark with "\*" if any of the following project details is different from that in the project proposal appended to the project agreement.

### Project Reference and Title

Enhance competitiveness of logistics SMEs service providers in value-added services through the development of a training programme (D09 002 003)

### Project Summary (in not more than 150 words)

This project is to design and launch a training programme which is able to provide knowledge and operational guidelines concerning logistics value-added services (VAS) to SMEs logistics service providers for enhancing the operational efficiency in different scopes of specific services. A survey is conducted through questionnaires before the training programme, in order to identify interested topics. A press conference is launched to disseminate the information on value-added services to the public. An on-line training platform and face-to-face training workshops are launched to provide hands-on practices of different emerging logistics VAS topics including vendor managed inventory (VMI), product integration, logistics needs analysis, sourcing & vendor management, and call center & order processing to operational staff members in the logistics industry.

### Project Objective(s) (in not more than 80 words)

This project is concerned with the design and launch of both online and face-to-face training programme which is able to enhance the knowledge level and provide relevant operational guidelines in specific logistics value-added services to SMEs logistics service providers for enhancing their operational efficiency in different logistics scopes.

### Recipient/Collaborating/Implementation Organisation

Recipient Organisation : The Hong Kong Polytechnic University

Collaborating Organisation(s) : Hong Kong Logistics Association

Implementation Agent(s) : N.A.

### Key Personnel

	<u>Name</u>	<u>Company/Organisation</u>	<u>Tel No. &amp; Fax No.</u>
Project Co-ordinator	: King Lun CHOY	The Hong Kong Polytechnic University	2766 6597 2362 5267
Deputy Project Co-ordinator	: Stephen King Che CHAN	Hong Kong Logistics Association	2777 9656 3421 2477

### Project Period

	<u>Commencement Date</u> (day/month/year)	<u>Completion Date</u> (day/month/year)	<u>Project Duration</u> (No. of months)
As stated in project agreement	15/03/2010	14/03/2011	12
Revised (if applicable)			

## **Methodology Employed**

### **Stage 1: Formation of Project Team**

Professors from the Department of Industrial and Systems Engineering of The Hong Kong Polytechnic University (ISE-PolyU) specialised in logistics research and development as well as the related training, activities and, senior members from Hong Kong Logistics Association(HKLA), well-known industrial Leaders/experts in Hong Kong formed a steering committee to provide direction and monitor the whole process of good quality. Key project team members, i.e. the project associate were recruited immediately after approval is received for the project, to ensure a quick start of the project.

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### **Stage 2: The background study**

In this stage, the applicant formed an implementation team with its exclusive knowledge in the areas of logistics value-added services. A literature review study and site visits are conducted in order to clearly define the theme scopes and content of value-added service within the courses. The scopes of review study regarding logistics, value-added services, and logistics information technology operations were undertaken by the project team member in order to identify the concerns that can be addressed in the phase of this project. Site visits at several specific logistics service companies were also conducted in order to get the better understanding about the real practices of logistics value-added services. After the site visit, the best practise and approach are recorded as useful materials for the content of workshop and training.

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### **Stage 3: Production of a web-based training platform**

In this stage, the project team utilized their resource including sophisticated hardware mainframe and software programme language to develop a web-based training system. The coding of the web-based training system and development is done by outsourcing through a standard university tendering process. During the course of the implementation, the project team members also monitored the development progress, ensuring that the requirements of the logistics industry are well catered. The trial run of the web-based training system was conducted by the project team. The project team members invited a number of logistics service providers to test the web-based training system. The feedback was collected from system users in order to further improve the capability of the proposed web-based training system.

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### **Stage 4: Production of training workshop materials**

Twenty (20) training workshops, with duration three (3) hours for each workshop, consist of different scopes of logistics value-added services were compiled after the topics have been determined. In order to ensure the quality of these workshops, each of them were divided into two sessions. Participants are expected to learn and adopt through both theories from facilitators in the first session (approximately one hour) and hands-on practices in the second session (approximately two hours). Relevant training materials and notes according to each theme of workshop were prepared.

Operational staff members in the logistics industry, which is the target participants of the training workshops, were invited to join the workshops in a first-come-first-serve base.

In order to limit the scope, five topics were proposed by the professionals from the logistics industry, which we believe are the most important topics for the development of logistics industry in Hong Kong at the present moment. These topics are: (1) logistics needs analysis; (2) product integration; (3) sourcing & vendor management; (4) call centre & order processing; and (5) vendor managed inventory (VMI). A survey was conducted to the target audiences using questionnaires so as to draw a conclusion on the actual topics (among these five) to be launched in these workshops. In addition, these topics may be repeated several times according to the demand shown in the survey.

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## 2. Summary of Project Results

### Project Deliverables

Please list out the targeted project deliverables as stated in the project proposal appended to the project agreement and provide details of actual result achieved, including beneficiaries, for each of them.

#### 1. Conduct of Survey

A questionnaire was designed to collect opinions from logistics SMEs in order to identify their interested logistics value-added services topics for establishing our project scope. The questionnaire was conducted by visiting logistics-related companies to understand their needs and distributing through the network of the SMEs' database collected in previous SME Logistics Best Practices project (D08 001 007), Hong Kong Logistics Association and The Institute of Purchasing & Supply of Hong Kong. Eventually, a total of 113 questionnaires were collected. After analyzing the data obtained and consulting with members of the steering committee, five logistics value-added services topics including: (1) logistics needs analysis; (2) product integration; (3) sourcing & vendor management; (4) call centre & order processing; and (5) vendor managed inventory (VMI) were confirmed.

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#### 2. Press Conference

A press conference was launched as follows:

- ◆ Date: December 29, 2010
- ◆ Time: 14:00-14:30
- ◆ Location: Senate room M1603, The Hong Kong Polytechnic University

Information on logistics value-added services was disseminated in the press conference. About 85 participants attended the press conference. The press conference was reported in The Epoch Times on Dec 30, 2010 and in Ming Pao on Jan 7, 2011.

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#### 3. Face-to-Face Training Workshops

Twenty training workshops were launched under the five topics of logistics value-added services as follows:

##### (i) Topic: Sourcing and Vendor Management

###### Workshop 1

- ◆ Date: Dec 29, 2010
- ◆ Time: 14:30-17:30
- ◆ Location: Senate Room M1603, The Hong Kong Polytechnic University
- ◆ Number of participants: 85

###### Workshop 2

- ◆ Date: Jan 4, 2011
- ◆ Time: 14:30-17:30
- ◆ Location: Room CF401, The Hong Kong Polytechnic University
- ◆ Number of participants: 29

###### Workshop 3

- ◆ Date: Jan 17, 2011
- ◆ Time: 10:00-13:00
- ◆ Location: Room CF401, The Hong Kong Polytechnic University
- ◆ Number of participants: 34

###### Workshop 4

- ◆ Date: Jan 17, 2011
  - ◆ Time: 14:30-17:30
  - ◆ Location: Room CF401, The Hong Kong Polytechnic University
  - ◆ Number of participants: 43
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**(ii) Topic: Vendor Managed Inventory**

**Workshop 5**

- ◆ Date: Jan 13, 2011
- ◆ Time: 10:00-13:00
- ◆ Location: Room DE402, The Hong Kong Polytechnic University
- ◆ Number of participants: 41

**Workshop 6**

- ◆ Date: Jan 13, 2011
- ◆ Time: 14:30-17:30
- ◆ Location: Room CF401, The Hong Kong Polytechnic University
- ◆ Number of participants: 25

**Workshop 7**

- ◆ Date: Jan 14, 2011
- ◆ Time: 10:00-13:00
- ◆ Location: Room CF401, The Hong Kong Polytechnic University
- ◆ Number of participants: 29

**Workshop 8**

- ◆ Date: Jan 14, 2011
- ◆ Time: 14:30-17:30
- ◆ Location: Room CF401, The Hong Kong Polytechnic University
- ◆ Number of participants: 27

**(iii) Topic: Logistics Needs Analysis**

**Workshop 9**

- ◆ Date: Jan 24, 2011
- ◆ Time: 10:00-13:00
- ◆ Location: Room CF401, The Hong Kong Polytechnic University
- ◆ Number of participants: 37

**Workshop 10**

- ◆ Date: Jan 24, 2011
- ◆ Time: 14:30-17:30
- ◆ Location: Room CF401, The Hong Kong Polytechnic University
- ◆ Number of participants: 34

**Workshop 11**

- ◆ Date: Jan 25, 2011
- ◆ Time: 10:00-13:00
- ◆ Location: Room CF401, The Hong Kong Polytechnic University
- ◆ Number of participants: 26

**Workshop 12**

- ◆ Date: Jan 25, 2011
- ◆ Time: 14:30-17:30
- ◆ Location: Room CF401, The Hong Kong Polytechnic University
- ◆ Number of participants: 31

**(iv) Topic: Call Center and Order Processing**

**Workshop 13**

- ◆ Date: Feb 17, 2011
- ◆ Time: 10:00-13:00
- ◆ Location: Room P309, The Hong Kong Polytechnic University
- ◆ Number of participants: 25

**Workshop 14**

- ◆ Date: Feb 17, 2011
- ◆ Time: 14:30-17:30
- ◆ Location: Room P308, The Hong Kong Polytechnic University
- ◆ Number of participants: 30

#### **Workshop 15**

- Date: Feb 18, 2011
- Time: 10:00-13:00
- Location: Room Y408, The Hong Kong Polytechnic University
- Number of participants: 25

#### **Workshop 16**

- Date: Feb 18, 2011
- Time: 14:30-17:30
- Location: Room Y408, The Hong Kong Polytechnic University
- Number of participants: 25

#### **(v) Topic: Product Integration**

#### **Workshop 17**

- Date: Feb 25, 2011
- Time: 10:00-13:00
- Location: Room Y408, The Hong Kong Polytechnic University
- Number of participants: 25

#### **Workshop 18**

- Date: Feb 25, 2011
- Time: 14:30-17:30
- Location: Room Y408, The Hong Kong Polytechnic University
- Number of participants: 35

#### **Workshop 19**

- Date: Feb 28, 2011
- Time: 10:00-13:00
- Location: Room DE309, The Hong Kong Polytechnic University
- Number of participants: 28

#### **Workshop 20**

- Date: Feb 28, 2011
- Time: 14:30-17:30
- Location: Room CF401, The Hong Kong Polytechnic University
- Number of participants: 25

Interactive demonstrations and group discussions of different logistics value-added services topics were provided in training workshops in order to help logistics SMEs enhance their operational efficiency in different logistics activities and exchange ideas with guest speakers and other participants. Training manuals were distributed to the participants of training workshops. Over 650 operational and management level staff of SMEs logistics service providers has participated in the twenty face-to-face training workshops.

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#### **4. A set of Teaching Materials**

A set of teaching materials used for the training workshops were distributed to the participants. In addition, they are available on the project website. The links for downloading the teaching materials of five logistics value-added services topics are as follows:

Sourcing and vendor management: <http://www.logisticsvas.com/show.php?contentid=293>

Vendor managed inventory: <http://www.logisticsvas.com/show.php?contentid=289>

Logistics needs analysis: <http://www.logisticsvas.com/show.php?contentid=290>

Call center and order processing: <http://www.logisticsvas.com/show.php?contentid=294>

Product integration: <http://www.logisticsvas.com/show.php?contentid=291>

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#### **5. Web-based Training Platform**

A web-based training platform was setup for disseminating the teaching materials and assessment of value-added services through the Internet. Interactive training system including mini-games was developed in the platform to illustrate the concepts for five logistics value-added service topics. In addition, an online test system in the form of multiple choice format was provided to evaluate the understanding of system users on the five topics. The web-based training platform was attached on the project website, which enables logistics SMEs to have access to the training materials easily. A set of Content Management Systems was developed in order to update the training website information easily. The website's link is: <http://www.logisticsvas.com>  
The web-based training platform's link is: <http://www.logisticsvas.com/list.php?catid=327>

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### Marketing/Dissemination Activities (in chronological order)

Please provide details of all completed and on-going promotional and/or dissemination activities for each of the project deliverables. Such activities may include advertisements, seminars, workshops, etc.

<u>Date/ Period</u>	<u>Description</u>	<u>No. of beneficiaries (Please specify whether they are SMEs or not)</u>
<b>Conduct of Survey:</b>		
15-03-2010 – 14-05-2010	Questionnaires were conducted by visiting logistics-related companies	Estimated SME - 50
16-04-2010	Questionnaires were conducted by network of SMEs' database collected in previous SME Logistics Best Practices project (D08 001 007)	Estimated SME - 1100
20-04-2010	Questionnaires were conducted by network of Hong Kong Logistics Association (HKLA)	Estimated SME - 650
23-04-2010	Questionnaires were conducted by network of The Institute of Purchasing & Supply of Hong Kong (IPSHK)	Estimated SME - 250
<b>Press Conference:</b>		
14-12-2010	Promotion by HKLA for Press Conference on 29 Dec 2010	Estimated SME - 650
14-12-2010	Promotion by IPSHK for Press Conference on 29 Dec 2010	Estimated SME - 250
15-12-2010	Promotion by SMEs' database collected in previous SME Logistics Best Practices project (D08 001 007) for Press Conference on 29 Dec 2010	Estimated SME - 1100
16-12-2010	Promotion by Tradelink for Press Conference on 29 Dec 2010	Estimated SME - 10000
19-12-2010	Promotion by ISE network (Master Program) for Press Conference on 29 Dec 2010	Estimated SME - 200
29-12-2010	Press Conference	Estimated SME - 85
30-12-2010	The Epoch Times newspaper press report of the press conference	Estimated SME - 5000/Non SME -500
07-01-2011	MingPao newspaper press report of the press conference	Estimated SME - 8800/Non SME -880
<b>Face-to-face training workshops:</b>		
<b>(i) Sourcing and Vendor Management</b>		
21-12-2010	Promotion by HKLA for Sourcing and Vendor Management Workshop on 04 Jan 2011	Estimated SME - 650
21-12-2010	Promotion by IPSHK for Sourcing and Vendor Management Workshop on 04 Jan 2011	Estimated SME - 250
23-12-2010	Promotion by SMEs' database collected in previous SME Logistics Best Practices project (D08 001 007) for Sourcing and Vendor Management Workshop on 04 Jan 2011	Estimated SME - 1100
23-12-2010	Promotion by Tradelink for Sourcing and Vendor Management Workshop on 04 Jan 2011	Estimated SME - 10000



23-12-2010	Promotion by MingPao newspaper press report for Sourcing and Vendor Management Workshop on 29 Dec 2010	Estimated SME - 8800/Non SME - 880
29-12-2010	Sourcing and Vendor Management Workshop (First workshop)	Estimated SME - 85
04-01-2011	Sourcing and Vendor Management Workshop (Second workshop)	Estimated SME - 29
06-01-2011	Promotion by HKLA for Sourcing and Vendor Management Workshops on 17 Jan 2011	Estimated SME - 650
06-01-2011	Promotion by IPSHK for Sourcing and Vendor Management Workshops on 17 Jan 2011	Estimated SME - 250
07-01-2011	Promotion by SMEs' database collected in previous SME Logistics Best Practices project (D08 001 007) for Sourcing and Vendor Management Workshops on 17 Jan 2011	Estimated SME - 1100
07-01-2011	Promotion by Tradelink for Sourcing and Vendor Management Workshops on 17 Jan 2011	Estimated SME - 10000
17-01-2011	Sourcing and Vendor Management Workshops (Third and fourth workshops)	Estimated SME - 77
<b>(ii) Vendor Managed Inventory</b>		
07-01-2011	Promotion by HKLA for Vendor Managed Inventory Workshops on 13-14, Jan 2011	Estimated SME - 650
07-01-2011	Promotion by IPSHK for Vendor Managed Inventory Workshops on 13-14, Jan 2011	Estimated SME - 250
10-01-2011	Promotion by SMEs' database collected in previous SME Logistics Best Practices project (D08 001 007) for Vendor Managed Inventory Workshops on 13-14, Jan 2011	Estimated SME - 1100
10-01-2011	Promotion by Tradelink for Vendor Managed Inventory Workshops on 13-14, Jan 2011	Estimated SME - 10000
13-01-2011	Vendor Managed Inventory Workshops (First and second workshops)	Estimated SME - 66
14-01-2011	Vendor Managed Inventory Workshops (Third and fourth workshops)	Estimated SME - 56
<b>(iii) Logistics Needs Analysis</b>		
13-01-2011	Promotion by HKLA for Logistics Needs Analysis Workshops on 24-25, Jan 2011	Estimated SME - 650
13-01-2011	Promotion by IPSHK for Logistics Needs Analysis Workshops on 24-25, Jan 2011	Estimated SME - 250
13-01-2011	Promotion by SMEs' database collected in previous SME Logistics Best Practices project (D08 001 007) for Logistics Needs Analysis Workshops on 24-25, Jan 2011	Estimated SME - 1100
14-01-2011	Promotion by Tradelink for Logistics Needs Analysis Workshops on 24-25, Jan 2011	Estimated SME - 10000
24-01-2011	Logistics Needs Analysis Workshops (First and second workshops)	Estimated SME - 71
25-01-2011	Logistics Needs Analysis Workshops (Third and fourth workshops)	Estimated SME - 57
<b>(iv) Call Center and Order Processing</b>		
07-02-2011	Promotion by HKLA for Call Center and Order Processing Workshops on 17-18, Feb 2011	Estimated SME - 650
07-02-2011	Promotion by IPSHK for Call Center and Order Processing Workshops on 17-18, Feb 2011	Estimated SME - 250
08-02-2011	Promotion by SMEs' database collected in previous SME Logistics Best Practices project (D08 001 007) for Call Center and	Estimated SME - 1100

	Order Processing Workshops on 17-18, Feb 2011	
08-02-2011	Promotion by Tradelink for Call Center and Order Processing Workshops on 17-18, Feb 2011	Estimated SME - 10000
17-02-2011	Call Center and Order Processing Workshops (First and second workshops)	Estimated SME - 55
18-02-2011	Call Center and Order Processing Workshops (Third and fourth workshops)	Estimated SME - 50
<b>(v) Product Integration</b>		
11-02-2011	Promotion by HKLA for Product Integration Workshops on 25&28, Feb 2011	Estimated SME - 650
11-02-2011	Promotion by IPSHK for Product Integration Workshops on 25&28, Feb 2011	Estimated SME - 250
14-02-2011	Promotion by SMEs' database collected in previous SME Logistics Best Practices project (D08 001 007) for Product Integration Workshops on 25&28, Feb 2011	Estimated SME - 1100
14-02-2011	Promotion by Tradelink for Product Integration Workshops on 25&28, Feb 2011	Estimated SME - 10000
25-02-2011	Product Integration Workshops (First and second workshops)	Estimated SME - 60
28-02-2011	Product Integration Workshops (Third and fourth workshops)	Estimated SME - 53
<b>Web-based Training Platform:</b>		
15-12-2010 – 14-03-2011	Web-based training platform: <a href="http://www.logisticsvas.com">http://www.logisticsvas.com</a>	Estimated SME – 3800
	Total no. of beneficiaries - no. of SMEs	: 113,394
	no. of companies which are <u>not</u> SMEs	: 2,260

### Future Plan for Promoting the Project Deliverables

The web-based training platform and project website (<http://www.logisticsvas.com>) will be hosted by The Hong Kong Polytechnic University, so that updated information can be put in the website.

Training manuals will be disseminated to Hong Kong's logistics SMEs in future events organized by Hong Kong Logistics Association and the Department of Industrial and Systems Engineering, The Hong Kong Polytechnic University.