



## TITLE

Delivering Goods and Transportation logistics  
Operation of Capital Logistics and Express Ltd.

Prepared by

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Inspiring Excellence

**Internship Report on**  
**Delivering Goods and Transportation Logistics Operations of**  
**Capital Logistics & Express Ltd.**

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## Letter of Transmittal

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**Subject: Internship report submission on Delivering Goods and Transportation Logistics Operations of Capital Logistics & Express Ltd.**

Dear Sir,

With due respect, this letter is to inform you that I have successfully completed my internship program at **Capital Logistics & Express Ltd.** My internship period was from 15<sup>th</sup> September to 15<sup>th</sup> November. Now I am very delighted to submit my internship report which is titled as **“Delivering Goods and Transportation Logistics Operations of Capital Logistics & Express Ltd.”**. This was my pleasure to work in practical field and I tried to learn many things throughout my internship program. Moreover, I tried to analyze all of those findings while working in different areas as an intern.

It was also a pleasure working under your supervision and getting all your suggestion and kind cooperation while preparing this report. Your kind guidance helped me a lot to write this report and I tried to include all of my learnings and experiences in this paper which I have accumulated from my working experience in Capital Logistics & Express Ltd.

Regards,

Mezba Uddin

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First of all, I want to thank Almighty Allah, the merciful who made my efforts successful.

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Furthermore, I want to thank all other interns from deferent universities for sharing their experiences with me which was really helpful.

## Executive Summary

I have prepared my report based on my three months of internship experiences in Capital Logistics and Express Ltd. I worked there at the operation and logistics supply chain division. Capital Logistics and Express Ltd is a freight forwarding service provider and they have started to work on increasing their sales for local delivery unit along with their international freight service. They are performing very well in the international freight forwarding business and also started local delivery unit recently. Extending their service in terms of volumes and ensure maximum market coverage of delivery service. The success of this local delivery service project is mostly depending on their swift operation system. As Capital Logistics and Express is quite experienced in international forwarding, now their main concern is to create and establish a well operating local delivery unit. In order to maintain a swift local delivery there are many important issues that are taken under concern and transportation and logistics operation is one of the major functions of their supply chain. During my internship period, I got opportunity to work in both international and local delivery logistics unit and most of the time I tried to help in the local delivery unit. Delivering local goods with a swift operation system is challenging in areas like Dhaka. So I tried to stick with the operation team and observed how they are facing all those challenges.

## Table of Contents

Chapter 1: Introduction .....	3
1.1 Origin of the Report .....	5
1.2 Statement of the Problem.....	5
1.3 Objectives of the Study.....	6
1.4 Scope of the Study.....	6
1.5 Limitation of the Study .....	7
Chapter 2: Methodology of Data Collection .....	8
2.1 Research Design .....	9
2.2 Primary Sources .....	10
2.3 Secondary Sources .....	10
Chapter 3: Company Profile and work divisions .....	11
3.1 Capital Logistics and express Limited at a Glance .....	12
3.1.1 Warehousing & transportation.....	12
3.1.2 Special Services .....	12
3.1.3 Logistic Services .....	13
3.1.4 Ocean Freight .....	13
3.1.5 Air freight .....	13
3.1.6 Express Courier .....	14
3.1.7 Local Delivery .....	14
3.1.8 Other Services and businesses .....	14
3.2 Department, company organogram and Major working areas.....	15
Major Work divisions for Capital logistics and Express Ltd.....	16
3.2.1 Sales Division .....	16
3.2.2 Accounts and finance division.....	16
3.2.3 Operations and Quality Control Division.....	17
3.2.4 Export & Import Division .....	20
3.2.5 PPIC Division .....	21
3.2.6 International Business Division.....	21
3.2.7 HR Division.....	22
3.2.8 IT and creative Division.....	22

3.3 Companies Vision and Mission .....	23
3.3.1 Vision .....	23
3.3.2 Mission .....	23
3.3.3 Company’s Current Goal .....	23
3.4 Delivering Goods and Transportation logistics Operation .....	24
Chapter 4: Results, Discussion & Major Findings .....	26
4.1 Transportation & logistics Operations of Capital .....	27
4.2 Effective T&L for Better Supply Chain .....	28
4.3 Role of Proper Packaging .....	29
4.4 Client service.....	30
4.4.1 Product update status .....	30
4.4.2 Challenges of facing appointed time.....	31
4.4.3 Return Process and Reverse Supply Chain .....	31
4.4.4 COD Collection and Accounts Disbursement .....	32
4.5 Major Findings .....	32
4.5.1 Not Using First Hour and Night hour .....	33
4.5.2 Same Treatment for different Merchant and clients .....	34
4.5.3 Customer Service Policy .....	34
4.5.4 Centralized operation System.....	35
4.5.5 Use of Technology .....	35
4.5.6 Skilled Work Force .....	36
Chapter 5: Recommendation & Conclusion. ....	37
5.1 Recommendation.....	38
5.1.1 Supply Chain upgradation and Re-engineering.....	38
5.1.2 Better Client service.....	38
5.1.3 Use better technology for easy transaction and cost minimizing .....	39
5.1.4 Skill worker and employee development .....	39
5.2 Conclusion .....	40
References .....	41

# Chapter 1: Introduction



Capital Logistics and Express is a private limited company registered under The Companies Act (Bangladesh), 1994 in 2012, with the goal of providing one stop forwarding service in Bangladesh. Though this company starts their journey as a forwarding company six years back, but it has more than 26 years of experience in this field and since the year 1984 they had operated their cargo service which was previously known as “Trade Clippers Cargo Limited” ([capitalbd.net/about-us](http://capitalbd.net/about-us), 2012). Trade Clippers was sold to DHL Global Forwarding in 2009 and this experienced team latter formed “Capital Logistics and Express” Ltd which is also shortly known as CLL ([capitalbd.net/about-us](http://capitalbd.net/about-us), 2012). To provide exclusive and world class service Capital Logistics and Express now incorporated Air Freight, Ocean Freight and full range of logistics like documentation, C&F, booking and everything related to freight. Currently, Capital Logistics and Express has more than 45 skilled employees, where most of them have experience more than 10 years working in different world wide companies like DHL, TNT and etc. ([capitalbd.net/about-us](http://capitalbd.net/about-us), 2012). In 2015, Khaled Farazi was elected as the Chairman of this company and after joining he bring many additional services to this company. He is a very well-known professional in the field of corporate finance and capital market and before joining Capital Logistics and Express, he was the Chief Executive Officer of BRAC EPL. Under his visionary concept Capital Logistics and Express newly introduced International and Local courier to provide service for a wide range of customers. Previously, the whole business of this forwarding company mostly depended on the freight rate and the connections with shippers but due to diversification of business, company minimize the risk and getting more ripple effects to generate profit. At the same time, many new operational activities have to input in the supply chain to perform swiftly. Among all, delivering goods safely and timely is one of the major concerns. Forwarding goods and delivering goods cannot operate in the same supply chain swiftly. The whole transportation operation logistics is a very critical job to do. In this report, I try to discuss about the overall business structure of Capital Logistics and Express but my main target will be analyzing the transportation operations and logistics for delivering local goods.

## 1.1 Origin of the Report

In Capital Logistics and Express, I am currently working as an intern in their operation and logistics unit. My core job description as an intern is monitoring and helping the transportation logistics for local and international unit. Moreover, my job responsibilities also includes make schedules for local delivery, create route map, handling customer payable accounts, accounts disbursement report, giving performance report to the higher authority for the logistics department, product listing & detailing and managing inventory. Furthermore, CLL wants to make some of their business projects and proposals which is I have to keep confidential until the launching. As I am doing my BBA major in Operations and supply chain management they helped me to keep exploring with the practical knowledge of the operation and logistics of a freight forwarding. I learned the steps of an international freight service and tried to keep learning the logistics support they are doing for their clients.

## 1.2 Statement of the Problem

Capital Logistics and Express is registered in 2012 under the Bangladesh company act with a mission of giving one stop international forwarding service. With time passed, they introduced express courier and local courier services. Already they started expanding their customer base with first-class delivery service and holding a handsome of customer share in this forwarding industry. They have expertise in forwarding medicines, RMG, livestock and dangerous items like chemical. Currently I am working as an intern in operations and logistics department which is at the head office located at Banani, Dhaka. The purpose of my program was to help the team for successful and smooth operation. For that reason I was assigned to help probably in every work that the company requires to complete a successful operation. As I have operated in logistics and operations team during my internship period, I faced various types of issues that is challenging to maintain this team and I have discussed these challenges, findings and recommendation throughout this report.

## 1.3 Objectives of the Study

### **Broad Objective:**

The broad objective of my research is to find out the challenges of the operation team of a freight company as well as the industry in Bangladesh through analyzing the circumstances in Capital Logistics and Express.

### **Specific Objectives:**

- To know the challenges of hiring employees for the delivering goods
- To find out the challenging situations when delivering a product
- Challenges to achieve customer satisfaction through different service
- To point out the difficulties while making successful product delivery or shipment

## 1.4 Scope of the Study

The purpose of this report is to represent the internship experiences. The objective was to gain practical knowledge from this internship program at Capital Logistics and Express Ltd and understand the working environment of the forwarding operation team. Capital Logistics and Express Ltd is currently trying to provide a one stop solution for delivering goods no matter it is in the National territory or in International market. The higher authority is guiding the whole team to perform strategic plans.

Each part of this report will focus on the results and lessons learned from the project, which I only monitor as an intern during my internship.

## 1.5 Limitation of the Study

As Capital Logistics and Express is operating mainly in the forwarding industry. There are many confidential issue over using its internal documentation and information due to many competitive and legal restrictions. So, it was not easy to gather necessary information to prepare this report more comprehensively. Furthermore, Capital Logistics and Express Ltd is experienced but they are operating in this name newly and as a new company in Bangladeshi market it is serving for only for 6 years. Therefore, most of its data regarding the operation and strategies in the local market are completely new and difficult to disclose. At present, Capital Logistics and Express is providing from Dhaka and Chittagong city and it is quite tough to represent the whole picture of their service providing business in this report.

## Chapter 2: Methodology of Data Collection

## 2.1 Research Design

A research design is a comprehensive plan that sets out the research objectives and gives guidance on what a research has to do to properly recognize these objectives. (Jaideep, 2016). It is the blue print for collection, measurement and analyzing the data (M.K. William, 2017). The research design is the overall plan for dealing with various research components in a logical and rational way; ensuring that the research problem is addressed appropriately.

The research design is similar to establishing a descriptive plan for the research in which the researcher explains how the overall research is to be carried out. (Jaideep, 2016).

There are various types of research design which can be used for understanding different types of research problems. Basically researcher use three types of research design-

1. Exploratory Research
2. Descriptive Research
3. Causal Research

**Exploratory Research:** This type of research is used when there is no previous data or a few historical evidence to identify the problem. Exploratory research is an unstructured and casual type of research (Exploratory Research Design, 2016). It serves as a preliminary research that is conducted for better understanding the problem and discover new thoughts. Exploratory research is conducted through expert's interview, secondary data analysis (data collected for another purposes), case study, pilot survey, projective techniques like word association, sentence completion, focus group discussions (John Dudovski, 2017).

**Descriptive Research:** Descriptive research is predetermined and structural type of research design from where the researcher can get statistically inferable data for the problem. The main concept for using this research is to understand the opinions, thoughts and attitudes held by a group of people on a given topic ( FluidSurveys Team, 2014). In this research, responses are grouped and scheduled at the questionnaire for getting a statistically measurable finding. It is a conclusive type of research in nature.

**Causal Research:** The research which determines the cause and effect relationship of the variables for understanding the problem is called as Causal research design. Causal research is conclusive in nature. Moreover, this research is preplanned and structured type of research ( FluidSurveys Team, 2014). It tries to focus on two basic things-

1. To find out which variables of the research are cause and effects,
2. The nature of the relationship between cause and effects has to be identified

In my research project, I followed exploratory research through interviews with experts and group discussions with logistics executives. I spoke most of the time and received information from my instructor the operations manager.

I also analyzed some primary data from company's internal sources which is too much confidential and for secondary data I analyzed several websites, journals, reports and related literature.

## 2.2 Primary Sources

My primary data collection for this report has been done through observing the CLL employees. I get the permission to work directly with the employees of the operation team. I worked both in international express and logistics operation department. Therefore, I observed the activities of the employees and tried gather the data which helped me for conducting this research.

## 2.3 Secondary Sources

- Published articles
- Official web sites
- Discussion with other people related to Freight Forwarding Industries

## Chapter 3: Company Profile and work divisions



Taking the advantage of having three decades of experience in international freight forwarding, Capital Logistics and Express decide to serve the global forwarding agents. With that decision, CLL was set up by the same management to provide one stop services and solutions that includes Air Freight, Ocean Freight and full range of logistics services to the international market ([capitalbd.net/about-us](http://capitalbd.net/about-us), 2012). That time Capital Logistics and Express was known Capital Logistic Ltd (CLL) only. Later on, the “Express Courier” has been introduced with another experience operational set up with the goal of surviving B2C market. Recently, they have also launched “Local Courier service” which makes the business a complete package. For different operational purpose company has different operational management team like logistics team, express courier service team and local courier service team.

## 3.1 Capital Logistics and express Limited at a Glance

### 3.1.1 Warehousing & transportation

- 5,000 square feet warehouse space solely for transit logistics next to Dhaka Airport
- 10,000 square feet cross dock warehouse located at Chittagong Sea Port
- Own Bikers, Covered van, refrigerated van, Cargo van and trucks for transportation.

### 3.1.2 Special Services

- Livestock Handling
- Special Container with Controlled Temperature for Cold Chain Products
- Hazardous and Dangerous Goods Handling
- Charter service is available for customers with exclusive needs to uplift special or dedicated cargo to a specific destination.

### 3.1.3 Logistic Services

- Worldwide air forwarding with transportation support at each step throughout your supply chain
- Door to door and airport to airport import and export service from inland points to and from multiple global destinations
- Continuous reporting and shipment visibility through our global information system
- Due diligence of all material agreements and documents
- Abide by export and import policy
- Competitive rates through leveraged volume procurement

### 3.1.4 Ocean Freight

- Prompt Service of LCL, FCL or Project Cargo
- Continuous reporting and shipment visibility through our global information system
- Door to port and port to port service
- Multimodal sea-air service gets the cargo to its destination on time at a highly competitive price

### 3.1.5 Air freight

- 5000 square feet warehouse space solely for the air transit logistics which is next to Dhaka Airport
- Door to door, airport to airport express delivery service within 3-7 day in any destination
- Networking with major airlines carrier like Emirates (EK), Etihad (EY), Soudi Arabia Airlines (SV), Singapore Airlines (SQ), Thai Airways (TG), Quarter Airways (QR), Kuwait Airways (KU), British Airways (BA) and many more
- Custom brokerage service like air export and import clearance, Duty delivery Paid (DDP), Duty delivery Unpaid (DDU)
- Relationship with customs authorities, EPB, C.C.I & E

### 3.1.6 Express Courier

- Provides a worldwide express courier service via an affiliation with global express companies such as DHL, TNT, ARAMEX and UPS
- Manage the delivery and distribution for a rapidly expanding list of active clients consisting of individuals, small and medium enterprises to large corporations
- Offers a comprehensive suite of express international courier services and delivery solutions including international documents, noon documents, airfreight and import express

### 3.1.7 Local Delivery

- Home delivery and pick up service inside Dhaka
- Same day and next day delivery
- COD (cash on delivery) collection on behalf of different merchants
- Delivering goods from Dhaka to every district in Bangladesh
- Special delivery service for food and cold storage goods
- Real time tracker for product location update
- Mobile app for receiving order, cash management and auto invoice generator

### 3.1.8 Other Services and businesses

- Own creative team “White Spot Digital” for digital marketing and website management
- Provides E-commerce services like boosting, branding shop management etc.
- Bangla food Mill Ltd
- Farazi Food and Beverage Ltd
- Food Swingers
- Farazi Holdings Ltd

### 3.2 Department, company organogram and Major working areas.

Capital Logistics and Express is a complete team of 56 employees apart from part timer and interns. Top management starts with chairman and under his supervision, managing director and the other directors set employees key performance area. In this organization there are four major departments which are accounts, sales, operation and Human Resource. Apart from that, they have their creative and IT team for technical support. According to their working areas they set their organogram which I have shown in figure 01.

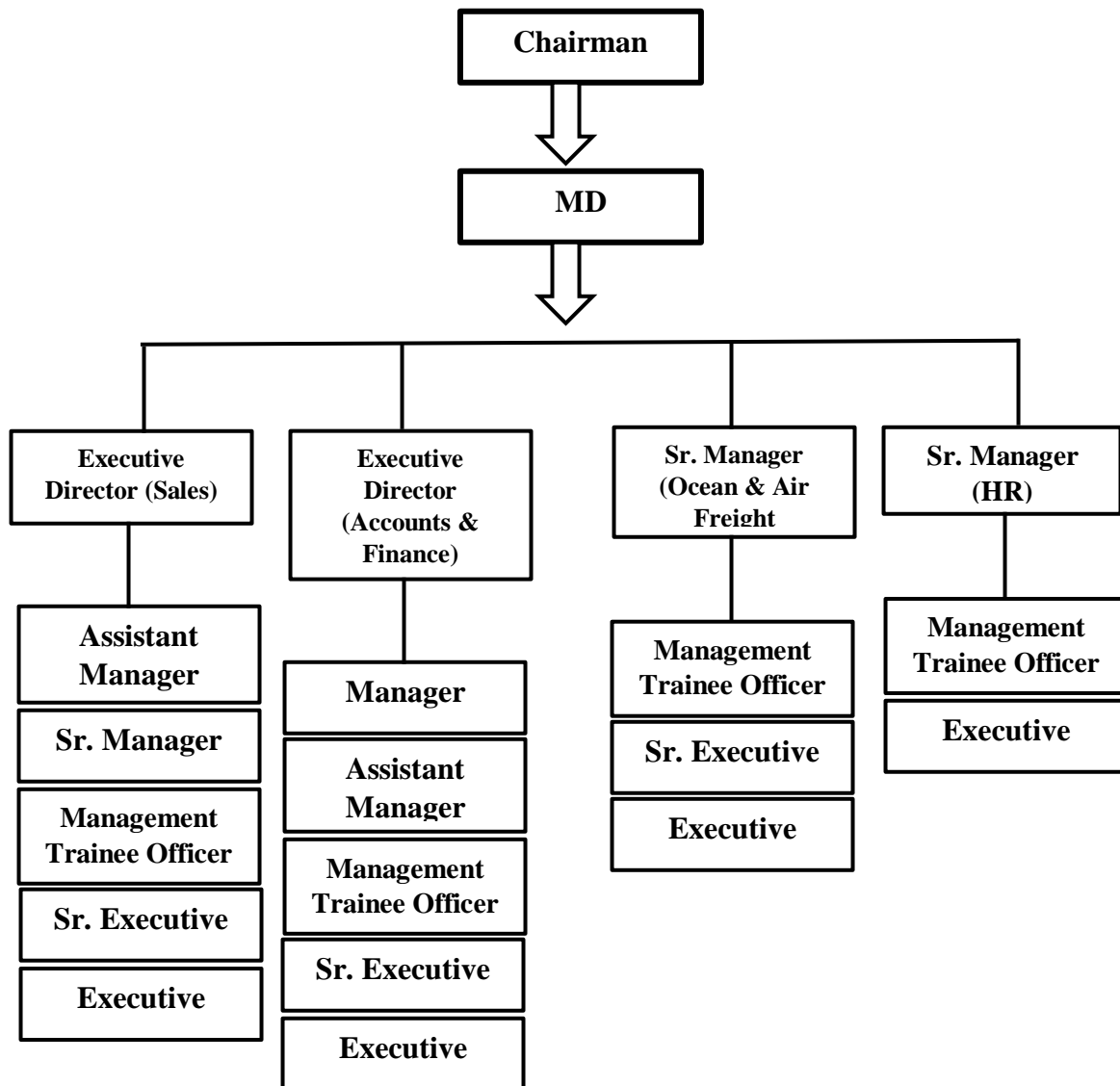


Figure 01: Company Organogram

## Major Work divisions for Capital logistics and Express Ltd.

As Capital Logistics and Express is mainly a freight forwarding company, its supply chain and operation is designed based on that. As some of the operational work is different from logistics and express courier service, both Capital Logistics and Capital Express are registered as a different company. Other than that local courier service operates under Capital Express Ltd.

### 3.2.1 Sales Division

The main purpose of sales division is to ensure handsome amount of shipment from individuals, small and medium enterprise to large corporations. Most of the cases, they receive shipment from personal or from corporate connections. As a result, most of the time the sales team has to remain very busy with their clients to give them more shipments. Another major work they have to do is match the competitor's rate/freight cost. Those who provides a big amount of shipment have connections with many forwarding companies. The market remains competitive always as the freight rates for airlines and shipping line changes very frequently. The B2B business branding mainly depends on the personal relation and service backup but for consumer product like express courier and a local delivery company needs separate branding team. As company doesn't have their own branding team most of the branding work now depends on the sales team.

### 3.2.2 Accounts and finance division

Apart from other works, most of the organization accounts and finance division have their specific five role in the organization (Role of accounting department, 2016) and those are –

1. Accounts Payable (money out)
2. Accounts receivable and revenue tracking (money in)
3. Payroll
4. Reporting and financial statement
5. Financial controls

Capital logistics and Express also have expert team for these works but it becomes a critical task for them when they keep record for Capital logistics and capital Express differently. Other than the basic works accounts division have to work on the credit control.

Company needs to pay the shipper before the shipment starts and the clients pay the company after successfully receiving or delivering the goods. So, most of the time, a huge amount of money remains stuck as accounts receivable.

### 3.2.3 Operations and Quality Control Division

There is two separate operations team under the same supply chain for Capital Logistics and for Express and local courier. For many reasons, logistics and express courier are the most critical task for the organization, but as they have a complete setup with expert people they can swiftly do this. On the other hand, local delivery is comparatively new and there are many challenges still to overcome. Different type of products requires different type of shipment.

The basic operations of an export or import shipment involves in multiple work step. From figure 02 and 03 one can get some basic idea of a shipment process which I have found from the operation manager.

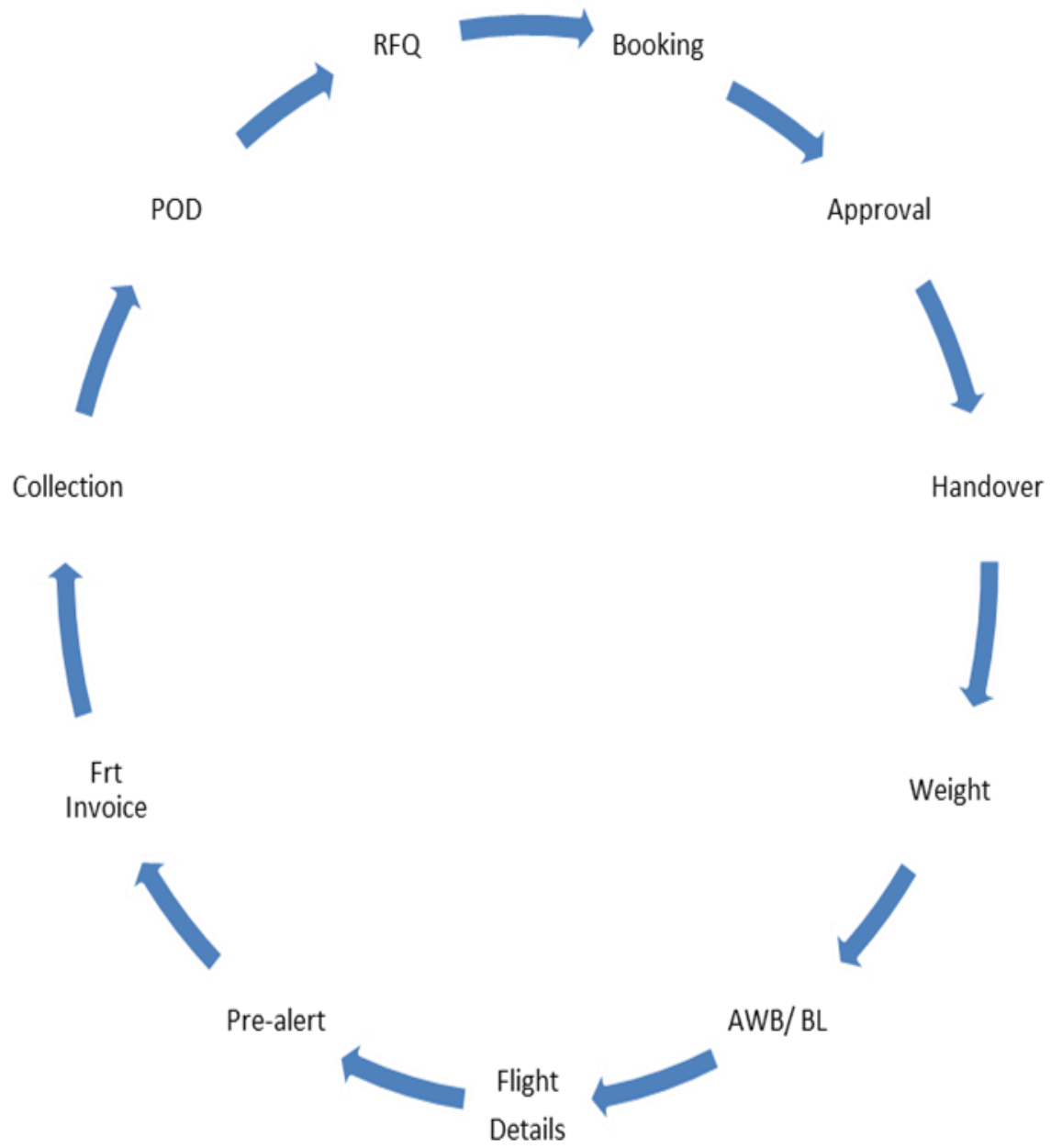


Figure 02: Steps of an Air Shipment

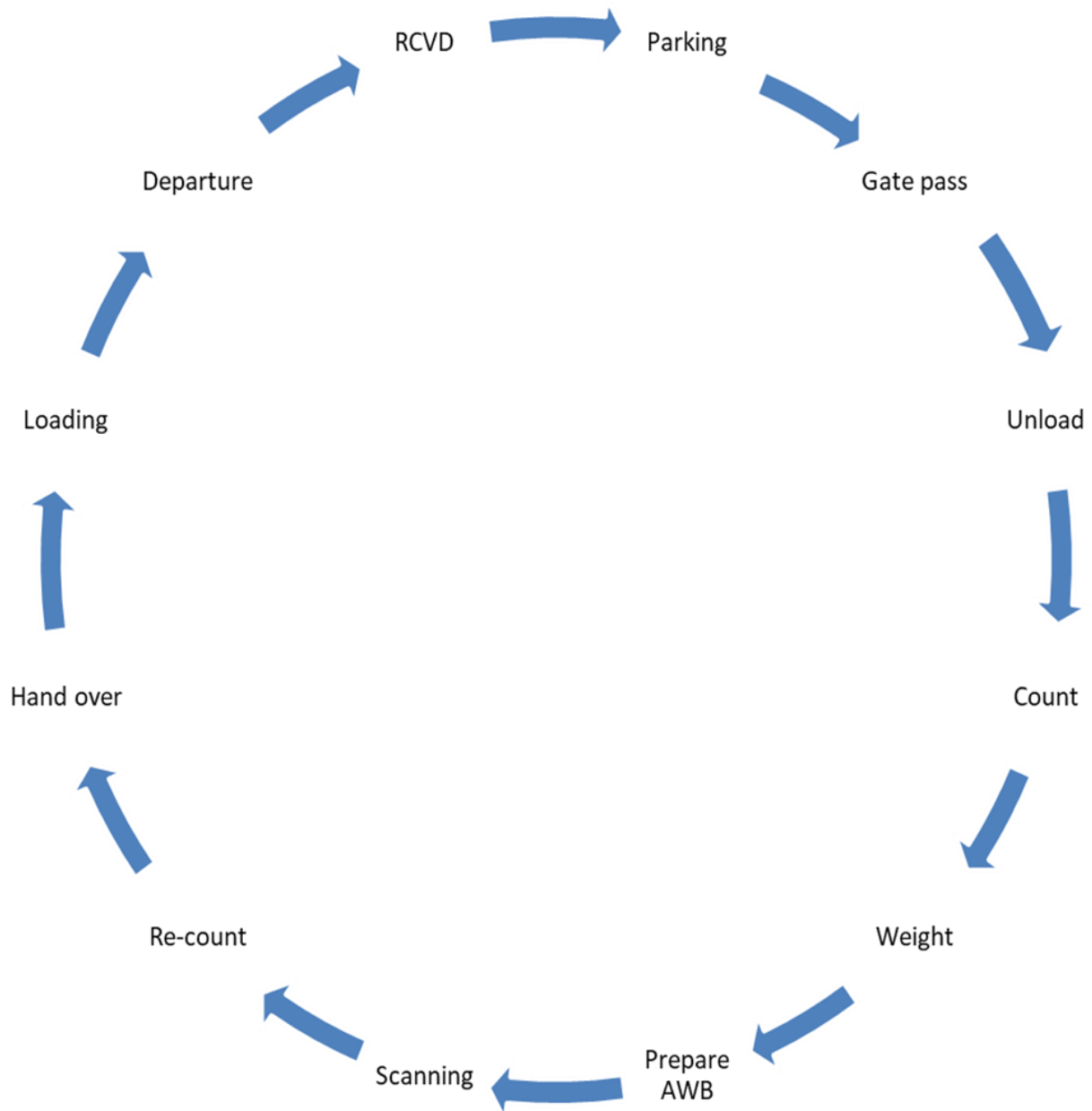


Figure 03: Steps of Air Shipment (detailed version)



Local delivery operation is far different from the international delivery. From Dhaka to other district in Bangladesh, company use 3<sup>rd</sup> party courier agency and within 2 days product is delivered to the authorized dealer. Then the customer can pick up the product from destination point or they can get home delivery with extra payment. Inside Dhaka company operations with their own logistics. They have their own biker and delivery van for home delivery service. User can get their product status from mobile app or by customer care service.

Quality control is one of the major concern for Capital Logistics and Express. As the company's main services is handling products from one place to another place, in due time all responsibility related to products or goods is companies concern. So, taking all these matter as major concern Capital Logistics and Express first check product details, package size, temperature control system and etc. Company also have their own logistics for pick and pack and temperature control before sending it to shippers. Pharmaceuticals and RMG's have their own way to quality check and capital logistics and express already set up the standards to serve this two sector.

The Capital Logistics and express Ltd. operation division is responsible for constant monitoring in different delivery stage of any products which are delivered with modern and updated process. The research and development is under the umbrella of quality operation division ([capitalbd.net/about-us](http://capitalbd.net/about-us), 2012).

### 3.2.4 Export & Import Division

The key purpose of Capital Logistics and Express is to provide convenient freight services, reliable and efficient forwarding to the clients. They aim to become top freight and forwarding company in this industry in terms of excellence in delivery ([capitalbd.net/about-us](http://capitalbd.net/about-us), 2012).

They have rapidly grown to be one of the most trusted companies to handle the clearing and forwarding of all movable cargo. They are expert in freight forwarding and logistics of goods of all types.

- **Exports Documentation:** Purchase order from Buyer, Sales Invoice, Packing List, Shipping bill, Bill of Lading or air waybill, Certificate of Origin and any other specific documentation as specified by the buyer, or as required by financial institutions or LC terms or as per importing country regulations ([capitalbd.net/about-us](http://capitalbd.net/about-us), 2012).

- **Imports Documentation:** Purchase Order from Buyer, Sales Invoice of a supplier, Bill of Entry, Bill of Lading or Air waybill, Packing List, Certificate of Origin, and any other specific documentation required by the buyer, or financial institution or the importing country regulation ([capitalbd.net/about-us](http://capitalbd.net/about-us), 2012).
- Air Export & Import Clearance
- Ocean Export & Import Clearance
- Duty Delivery Paid (DDP), Duty Delivery Unpaid (DDU)
- Documentation for all processes and outbound clearance

### 3.2.5 PPIC Division

PPIC means planning, procurement, inventory and control. This division must play a vital role in the development of company strategies, the planning and implementation of procurement policies and the analysis of marketing demand and service requirements ([capitalbd.net/about-us](http://capitalbd.net/about-us), 2012). Most of the time, board of directors makes these major decision.

### 3.2.6 International Business Division

As an international courier, Capital Logistics and Express offers a wide range of courier services. For worldwide shipping connections every forwarding companies needs very strong international connections which mainly depends on companies profile and reputation. They have already built a good network with different shipping lines and courier agencies. According to their website they represent many facts to establish their company name in the international stage and those are –

- 60 TEUS Ocean Freight per month
- 75 Tons Air Freight per month
- 1,500 Shipment per month
- Offers a comprehensive suite of express international courier services
- Delivery solutions including international documents, non-documents, air freight and import

### 3.2.7 HR Division

HR division deals with the process and procedure of employee management. Human Recourse division is always ready to gathers appropriate employees, trains them to adjust with the company and put them into right places. Most of the time they also handles legal aspects like tax return and labor and employee law compliance of The Capital Logistics Ltd. HR division also takes cares of the basic six HR functions which are given bellow (Mayhew, 2018).

- New recruitment
- Job safety
- Employee Relation
- Compensation and Benefits
- Labor law compliance
- Training and Development

### 3.2.8 IT and creative Division

Now a days IT and Creative department of any organization play a very important role. In Capital Logistics and Express IT division is known as “White Spot Digital” which basically handles the website management, content development, graphics design, boosting and overall companies IT system.

IT Division of this company works together with all the departments and for its sister concern companies to assist all units. Besides that they also handles companies E-commerce site and performs online branding on behalf of our clients as their branding partner.

## 3.3 Companies Vision and Mission

### 3.3.1 Vision

A strategic vision describes management's aspiration for the future and delineates the company's strategic course and long term direction (Thompson, Peteraf, & Gamble, 2016). Vision shows a particular direction for long term goals. The vision of Capital Logistics and Express is –

“Providing First class Freight service” (capitalbd.net/about-us, 2012).

### 3.3.2 Mission

Most of the cases we get confused about the mission and vision statement but the difference between mission and vision is clear-cut. A company's mission describes its purpose and its present business by answering three questions (Thompson, Peteraf, & Gamble, 2016)

- Who we are?
- What we do?
- Why we are here?

Capital Logistics and Express also set their mission statement accordingly and their mission statement is –

“We offer a comprehensive suite of express international courier services and delivery solutions including international documents, non-documents, airfreight, ocean freight and import, worldwide express air forwarding with transportation support at each step throughout same supply chain. We also provide Continuous reporting and shipment visibility through our global information system” (capitalbd.net/about-us, 2012).

### 3.3.3 Company's Current Goal

Right Now, Capital Logistics & Express is devoted to increase its sale growth, productivity and improve company image with customer satisfaction by ensuring continuous improvement and to prove itself to be one of the remarkable freight forwarding company in Bangladesh.

### 3.4 Delivering Goods and Transportation logistics Operation

Now-a-day's one of the most essential element of freight forwarding as well as economy is a well-designed transportation system (Regan, Holduin, & Chow, Freight Transportation Planning and Logistics, 2017). Capital Logistics and Express follow and exercise swift supply chain system for better transportation of goods.

First of all, for fastest international courier service Capital use express courier which are basically done through the affiliation with the giant courier companies like DHL, TNT, ARAMEX and UPS. Here the company's main job is to collect product and product detail from different agents or individuals and hand over it to them. The rest of the work is done by these international courier companies. For safety purpose company may serve many logistics like packing, documentation, product pick-up and etc., but after the product is handover to international courier partner once, the responsibly of customer's products is on them.

The Company's main challenge starts with the B2B logistics deal where the company has to transport goods for different business industries like medicine and RMG, which are basically high volume product (More than 100 KG) and mostly done through ocean and air freight. Company divide transportation phase into four parts –

- Pick-up location to warehouse.
- Warehouse to air/sea port.
- On board product (Air/Ship/road).
- Destination port to delivering address.

The whole process can be tracked through the user tracking ID and every steps requires some other logistics support other than transportation logistics. So, it's a long term process and Capital Express & logistics is determined to serve its consumer a one-stop service for the whole process.

When company imports any door to door delivery they need to confirm after the product is safely delivered to consumer's home. Taking this in mind, company keeps a team of delivery man for home delivery and home delivery outside Dhaka is done through a company's dedicate agent.

As they have a dedicated team for local delivery, they decided to start local delivery service for the local customers of Bangladesh inside and outside Dhaka. They have same day and next day delivery inside Dhaka, and they are mainly targeting small and medium e-commerce business and individuals for this service.

Initially express courier and local courier was delivered through the same logistics operation channel, but due to increasing demand in local delivery they had to separate the whole transportation logistics operation. Now the express and local courier is serving with refrigerator-van, pickup-van, micro, truck, motorbike and bicycle.

During my internship period here in Capital Logistics and Express, I was selected to work in the logistics operation department and most of the time I was engaged with transportation logistics. During my internship period, I observed that demand of local delivery is increasing continuously, but at the same time the logistics supply chain is not improving at the same pace and day by day it is becoming a more critical job with increasing demand.

## Chapter 4: Results, Discussion & Major Findings

## 4.1 Transportation & logistics Operations of Capital

Transportation and logistics operations is becoming the most sensitive issue now as the customer demand of delivery service is constantly evolving day by day and service providers are not ready to compromise on customer service (HoneyWell, 2013). Ability to take technological adaptation, continuous improvement and cope up with changing environment can force a T&L operations to move forward and also helps the organization to reach a cost-effective situation.

Capital Logistics and Express is an experienced team for global forwarding but, the like other local delivery company it is also facing challenging moment for maintaining local delivery service's operation. Most importantly, delivering products inside Dhaka is the most critical part rather delivering in other cities. Consumers who live in Dhaka, expect same day or next day delivery as they are inside the city. According to the distance, company tries to deliver products safely within the expected time.

Problem arises when it comes to delivering inside the Dhaka city because it is quite impossible nowadays to deliver products in due time. On the other hand, one cannot meet the customer satisfaction without a same-day or next day delivery. Consumers in our country are still habituated with the on-spot buying not on-line buying. Still E-commerce is rising due to exceptional service offering and home delivery service. Other than that, without home delivery, we cannot think of an E-commerce business because most of them are small and medium entrepreneur and they don't have enough investment to set a physical shop.

Currently, Capital Logistics and Express Ltd is operating their transportation logistics centrally from the head office which is located in Banani. They have two more hubs in Uttara and Mirpur for those zonal area deliveries. Most of the cases, they deliver goods with motorcycle and Bicycle but for large product or cold storage product they use delivery van. They divide the parcels according the location area and then the delivery boy start delivering according to their dedicated zone. At the same time, also collect pick-ups from different merchant.



This is the primary process of delivering products inside Dhaka but the process fails most of the time and many problems arise while delivering goods. There are many problems I observed during my learning period, which can be described as the operational challenges for transportation and logistics of delivering a goods.

## 4.2 Effective T&L for Better Supply Chain

Company's better performance mostly depend on a sound supply chain performance. Transportation logistics operation is one of the most vital elements among all. Statistics show that about 77 percent organizations say that their customers now demand same day delivery and the customer satisfaction level is very low where they cannot meet this demand (HoneyWell, 2013). The increasing demand for same day delivery is putting pressure on the T&L operations to not only meet the timeline, but have to offer a continuous customer service.

A sound transportation and logistics must covers many things like –

- Route Planning.
- Well Packaging.
- Tech based.
- Customer service.
- Well trained delivery work force.
- Re-engineering of work distribution.
- Return policy.
- Payments.
- Delivery Methods and traffic update.
- Tracking and monitoring.
- Maintaining delivery hub or Distribution center.
- Swift Communication among the distributors.

These are some basic criteria for swift T&L operation, but transportation logistics requires rapid instant decision making. Delivering in cities like Dhaka is like expecting the unexpected. Here

transportation and logistics is always full of uncertainty and still we are using the old post office model.

Capital Logistics and Express has a dedicated team for handling the supply chain operations and they are trying to cope-up with the uncertainty. Recently they have launched the mobile app, digital customer payment system, delivery tracking system and digital customer service team.

Other than the recent plan company needs more information and survey to face the challenge of delivering on time.

### 4.3 Role of Proper Packaging

The importance of packing accuracy is growing rapidly because it is directly related with delivery logistics (HoneyWell, 2013). It is important both for product safety and product delivery. Most of the time company decides the parcel price by package size and weight. For international courier perfect packing is a must. It also helps local delivery if company uses the tactics of packing.

Packing is also part of branding which contain company name and logo, address and contact information. It can minimize the overall cost and time through different measuring bag and by doing so, one can easily create the perfect order index.

Capital Logistics and Express currently use standard packing system for international delivery only as it is must job in freight forwarding business. In local delivery unit most of the parcel are small in weight and unit and different merchants have different packing methods. Packing also take long time and cost more for the operation as early in the morning they remain busy with pick up product and route mapping. In many cases the parcel is too small to give a standard pack size. So they use merchant packing and carry all the goods in a big bag or container. Capital Logistics and Express use the sticker on the product for advertising purpose.

If an organization uses a systematic way of packing, it will take less time and it can give product safety. Same time by standardization with different pack size one can easily divide products according their size and weight. Now a day we can also use barcode to identify product detail on

the packet. It can help return products as one can easily check the bar-code and know the detail. It is silly but true that a better packing also gives the customer more attraction for the product.

## 4.4 Client service

In Delivery service business handling client is a critical job because you need to satisfy the both parties (the sender and the receiver) at the same time. Product update status, meeting the appointed time, return process and reverse supply chain, COD collecting and accounts disbursement are the main challenges for the service provider.

Capital Logistics and Express operations and front line customer service management try to make the solutions for all the major criteria with a combined effective service.

### 4.4.1 Product update status

Product update status refers product's current position. A delivery process starts with getting the order from any individuals or any merchant and ends by delivering their product to their desired destination. In between this pickup and delivery a product can pass through different stages. Different delivery agency uses different transportation logistics methods. Recently we heard about drone delivery in remote areas delivery or pizza delivery by drone for fastest delivery. Any medium of transportation one can receive for delivering the goods, but before that the management must take thought about the cost efficiency of transportation and other logistics.

Recently, Capital Logistics and Express has incorporated a GPS tracking system to know the product update and also customers can know their updates by calling for to customer service. Sometimes customers are not only willing to know the product update, they also need the customer service assurance for their goods. When the operation is not properly working or there is huge traffic in the road, the real time update can become a curse because customers know how their product is moving and they create more pressure that time.

#### 4.4.2 Challenges of facing appointed time

When customers put any order for delivery they mention some exact time for delivery, such as between 02 PM – 04 PM and that is the most difficult part of local delivery because when operation sets any route plan they just put the zone area for delivery and delivery man starts delivering from one corner to another corner otherwise then can only deliver a few products in a day.

Sometimes it's become difficult to convince clients as they may have another appointment at that time. If it is a matter of food delivery or any frozen item delivery then it is a must job to do. In that case it cannot be an effective transportation system as the delivery man has to cover the same route again and again.

For Capital Logistics and Express it also difficult to meet such kind of exact time and many time companies needs to refuse this kind of order request in pressure moment.

#### 4.4.3 Return Process and Reverse Supply Chain

Return process and reverse supply chain is part of T&L operation management. Return delivery can occur due to many reasons. Matching the expectation of consumer can let the product return immediately. In that case the merchant takes the responsibilities and service provider safely return the product to its merchant.

If the product is refused by the customer for any late issue only then the service provider has to take the product responsibility and the company will also compensate the seller or the merchant.

In such situation Capital logistics and Express authority directly call the customer to convince them and take permission for some more time to deliver the items. In such situations, pre alert is very important which CLL always tries to maintain, but as like others, they also have a return policy and compensation agreements with the merchant.

Reverse Supply Chain Refers the opposite work of delivery in the same supply chain (HoneyWell, 2013). That means it is the same concept of returning the product and with this task, there are some more work to do like COD management, inform the merchant, invoice matching and account adjustment.

#### 4.4.4 COD Collection and Accounts Disbursement

Cash on delivery (COD) is the most popular form of transaction nowadays. At the same time, COD collection becomes a core task of transportation logistics. The companies deliver goods and collect COD on behalf of the merchants.

Capital Logistics and Express keep a record of merchant account and mainly accounts department take these responsibilities. In Bangladesh those who are in E-commerce business wants to withdraw money instantly after the service is done. Capital Logistics and Express now give payment of those merchants by weekly and it is not an easy task for the account team because they have many other things to and if we want to set a dedicated team for the local delivery section it's not efficient enough to do.

Capital Logistics and Express also decide not to charge any charge for collecting COD where most of the local delivery companies in Bangladesh are charging for COD collection.

For payment processing, client can collect it from the office or deal it through a bank. Mobile banking is also a good way to payment, but the charge that is costing for money transfer is too high. So most of the Clients are willing to deal through Cash.

### 4.5 Major Findings

During My Internship period I spend most of the time for transportation and logistics operation division and I as the local delivery unit is in developing stage I tried to find the areas of improvement from the current data and situations. Also by comparing with standard delivery service provider and their way of working can get some ideas of delivering goods and transportation logistics operation process.

#### 4.5.1 Not Using First Hour and Night hour

Those who are engaged in delivery service providing business must have to have the set-up for utilizing time and work preparation for round the clock. Even during the pressure moment they must take preparation to work in the holidays with over time.

In Capital Logistics and Express they have some employees who can work overtime but, most of the day they miss the early morning and late night shift. As a result, they start their delivering process at afternoon as in the morning they pick products from Mirpur and Uttara hub, and after receiving the products, they need to segment those product, weight measure, fix delivery charge and map the route.

After completing all those tasks, the delivery process starts at the middle of the day. So, they miss the most important period for taking preparation. If they start delivering from 12 PM that means they waste one third of the day time, and in our country, consumers are not willing to receive delivery after the day time. This problem simply arises due to lack of planning in the supply chain section and not using the technology efficiently.

Besides not using the morning shift properly, there is also the problem with using night shift. As customers are not willing to receive parcel at night time, the company can shift their own pick-ups and make the next day route planning at night hours. Capital Logistics and Express only use night shift in emergency time, but as there no regular operation they cannot work swiftly and also they have to pay overtime money for employees those who work after 8 PM.

If the company comes to a permanent settlement for using night shift they can save money using overtimes and the efficiency of work will increase.

#### 4.5.2 Same Treatment for different Merchant and clients

As a freight forwarding service provider Capital Logistics and Express handles delivery for different clients and merchants. Currently they are providing service for four type of clients –

- International Express courier.
- International B2B delivery logistics.
- Local delivery for business merchants.
- Local delivery for individuals.

We have very swift operation for international courier and B2B delivery logistics, but the local delivery unit is still in developing stage. As the company has previous set-up for door to door delivery, so they decide to provide local delivery service.

For international express and B2B freight service there is two different experienced team working at the same time, but the local delivery have one team to serve for both merchants and individuals. The Problem arises when they treat merchants and the individuals in the same way.

The Company has a fixed freight charge for everyone, but company does not differentiate according to clients. Different merchants have different consumer products and from the same pick-up location they can pick many products. It shows advantage for the organization as here they can same both time and cost. The disadvantage is, the company needs to do more work on behalf of the merchants like COD collection, Account management, Customer care handling etc. which is not the core duty for a delivery unit. For individuals Service Company just pick and drop the goods.

So there can be different treatment under the same operation system.

#### 4.5.3 Customer Service Policy

Though customer service policy is not a core job for the operations, but it plays immensely vital role in the supply chain of a forwarding company. In product handling process customer services are required in many stages and here they have to maintain a multiple communication system from the same supply chain. Multiple communication as in they have to contact with the delivery boys,

with operation department, with clients and with the receiver. A perfect customer service policy can help to increase sales, clear many operational barriers, customer query and product updates related query.

Capital Logistics and Express have a single line customer service from where they can give updates after operation department clearance. That seems it is not a one-stop service as a result customer many time call to operation manager or sales team for their query. It create problem in two ways, 1) Customer can get wrong updates and 2) Customer manager can lose focus from his/her assigned core job.

A smart customer care service with sufficient data can improve this scenario.

#### 4.5.4 Centralized operation System

Delivering in cities like Dhaka is very critical if you have a centralized delivery system. Here Transporting product from one place to another place in due time is quite impossible as there is huge traffic in the road.

In such situation, taking same day delivery or next day delivery order is risky for the organization because if you cannot give delivery it will come back as matter of reputation of the organization and in such business once anyone et bad review from the customers, other will not take your service from next time.

Capital Logistics and Express have only two hub in Uttara and Mirpur, but the full operation is maintained from the head office which is located in Banni. Mirpur and Uttara branch is only for goods delivery and pickup purpose. To serve more swiftly Capital Logistics and Express need more hubs or authorized point to collect and deliver products and after realizing the fact CLL already taking initiative to increase the distributor point.

#### 4.5.5 Use of Technology

The Impact of information technology in transportation and logistics operation is significant nowadays and it likely will increase sharply in near future. The steady declining price of new



technology and its potential benefits is encouraging the freight industry to increase its use also information technology will have verifying effects on the different modes of transportation (Regan, Holguin, & Chow, Online Pubs, 2017). After E-commerce starts its journey, it require more updates and continuous location status. Technology also helps freight forwarding with inventory management.

Capital Logistics and Express Ltd have recently brought some technological updates through their mobile app which can help with giving orders, invoice generation, product tracking and account management. But I think is not enough for inventory management and operational supply chain. It can serve the customer as well but cannot help much for the operation team or specifically transportation logistics.

#### 4.5.6 Skilled Work Force

Lastly, the most important element of any supply chain is their workforce. A skill workforce can reduce most the operational difficulties in short time. As I said before Capital Logistics and Express has an experience team for international courier and international logistics service. At the same time, they are affiliated with many international service provider to help themselves, but maintaining local delivery service with a wide-range of customers is difficult for them. The concept of local delivery or home delivery service is old but due to heavy growth and modern customer demand the pattern of local delivery service have changed.

So as a whole, there is a gap in the market for skilled worker and the workers have is a knowledge gap on operational expertise, customer behavior, using technology and instant decision making skill. In Capital Logistics and Express, they also have lack of skilled worker in that particular area and also there is a gap of learning procedure. Hiring skill worker, Training and development with skilled trainer, research and survey, data collection and use of data are major requirement for every forwarding and Logistics Company.

## Chapter 5: Recommendation & Conclusion.

## 5.1 Recommendation

### 5.1.1 Supply Chain upgradation and Re-engineering.

- By using the round clock Service Company can ensure early morning and late night hour for better transportation and logistics. The day long pic-up parcels can bring to the dedicated hub at night and if they can do this they can also map the route for the next.
- Using bar-code for automated mapping and billing process.
- Generating ID login for merchants for easy input of delivery information.
- Sending alert notification to receiver before delivering goods to avoid the return.
- Instant process re-engineering to avoid any uncertainty like road blockage or huge traffic jam.
- Product tracking update and traffic tracking update can easily monitor by using GPS system.
- Use cost efficient transport like electric bikes and Bicycle.
- Computerized inventory management can help to generate customer data and requirement. At the same time company can reserve merchant's regular demandable goods to avoid daily pick-up.
- Use Standardize packaging system for easy handling, product safety and tracking.
- Decentralized the delivery operation and give them separate authorization to operate with flexibility.
- For fastest delivery, area based freelancer delivery man can be recruited as they know their dedicated address very well.

### 5.1.2 Better Client service

- Using mobile app for Product Update and sending notification for both clients and product receiver.
- Appoint expert Customer service manager for giving proper information and to convince customer for better timing.
- Give offers and better treatment according to customer relation and business area like international express courier or local delivery merchant or any individuals.

- Taking all queries from customer and support operation team to find solution and not let the customer create pressure on the operation team directly.
- For Same day and next day delivery confirm early pick-up confirmation from both merchants and operation team.
- Confirm best appoint time from product receiver so that it does not create problems for the delivery man.
- Providing accounts information and confirm fast account disbursement from the authorized person.
- Immediately inform client about the return items.

#### 5.1.3 Use better technology for easy transaction and cost minimizing

- Use better technology to monitor the overall operation system with vehicle and inventory status.
- Improve mobile and E-commerce communication.
- Using GPS record for better route planning.
- Automated accounts upgradation can be incorporated with their mobile app.
- Real time shipment tracking can be helpful for both operation team and customers.

#### 5.1.4 Skill worker and employee development

- Finding experienced and innovative people those who have ability to solve real time problems.
- Train the whole team, let them know their work as well as use of the technologies.
- Warn them about better customer behavior.

## 5.2 Conclusion

Capital Logistics and Express Ltd is quite a new name for the forwarding industries in Bangladesh. In this short time they have established themselves as trusted source of international and local forwarding. It is because of their dedicated experience team and modern trading policy. Based on their current performance and future policy making they expect that within few years Capital Logistics and Express will become one of the leading company from freight forwarding industry. Currently they have more than have 56 listed B2B customer who are taking service from CLL on a regular basis. Their recent trade volume is nearly 150 TEU Ocean per month and 75 ton Air freight per month. Their friendly relationship with multiple air carrier, shipping lines, custom brokerage and custom authorities help them to serve a smooth international trade service. Apart from that they have affiliation with international courier service like DHL, TNT, ARAMEX and UPS for express courier service. Their swift courier service add synergy to their other business units like holding and local delivery units. With many obstacle and challenges ahead they are performing like professionals and successfully overcome all challenges and now they are aiming to provide world-class service for the people of Bangladesh with all their business units and facilities.

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