

Report On
"Air Freight Business in International Freight Forwarding"

Submitted by
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A report presented to the Brac Institute of Governance and Development (BIGD), Brac University in partial fulfilment of the Requirements for the Degree of Masters in Procurement and Supply Management (MPSM)

Brac Institute of Governance and Development (BIGD)

Brac University

07th November, 2020

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Declaration

It is hereby declared that

1. The internship report submitted is my/our own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I/We have acknowledged all main sources of help.

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Head of Air Freight, Air Freight
APS Logistics International Limited

Letter of Transmittal

07th November, 2020

Md. Mosta Gausul Hoque, PMP

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Subject: Submission of report on “Air Freight Business in International Freight Forwarding”

Dear Sir,

It is a great pleasure to present the report titled “Air Freight Business in International Freight Forwarding” of APS Logistics Ltd. This was assigned to me as a requirement for the competition of Masters in Procurement and Supply Management (MPSM).

It is my honour to work for a leading organization of Bangladesh and gain an in-depth knowledge on Air Export and Procedures. Throughout the study, I have tried with the best of my capacity to accommodate as much information and relevant issues as possible and tried to follow the instructions as you have suggested. I tried my best to make this report as much informative as possible.

I am grateful to you for your guidance and kind cooperation at every step of my endeavour on this report. I shall remain deeply grateful if you kindly go through the report and evaluate my performance.

Thanking you.

Sincerely yours

Rashed Mahmood Imrose
ID: 18182002
Masters of Procurement & Supply Management
Brac University
Date: October 24, 2020

Non-Disclosure Agreement

This nondisclosure agreement (the “Agreement”) is entered into by and between its principal Rashed Mahmood Imrose, Designation - Analyst, Air Freight Department of APS Logistics International Limited with BRAC University, located at 66 Mohakhali, Dhaka 1212, Bangladesh for the purpose of preventing the unauthorized disclosure of confidential information as defined below.

The parties agree to enter into a confidential relationship with respect to the disclosure of certain proprietary and confidential information.

1. “Confidential information” shall include all information or material that has or could have commercial value or other utility in the business in which disclosing party is engage.
2. Receiving party shall hold and maintain the confidential information in strictest confidence for the sole and exclusive benefit of the disclosing party.
3. Receiving party shall carefully restrict access to confidential information to students, employees, other organization, contractors and third parties as is reasonably required and shall require those persons to sign non-disclosure restrictions at least as protective as those in this agreement.
4. Receiving party shall not, without the prior written approval of disclosing party, use for receiving party’s own benefit, publish, copy, or otherwise disclose to others, or permit the use by others for their benefit or to the detriment of disclosing party, any confidential information.
5. Receiving party shall return to disclosing party any and all records, notes, and other written, printed, or tangible materials in its possession pertaining to confidential information immediately if disclosing party requests, it in writing.

DISCLOSING PARTY

Signature _____

Typed or Printed Name _____ Date: _____

RECEIVING PARTY

Signature _____

Typed or Printed Name _____ Date: _____

Acknowledgement

In the name of Almighty Allah, it is my pleasure to present my Report titled “A Study on the Activities and Procedures of the “Air Freight Business in International Freight Forwarding.” This report is prepared as a requirement for completing Masters in Procurement and Supply Management (MPSM) from Brac University.

First of all, I would like to thank my honourable supervisor Md. Mosta Gausul Hoque for his valuable advises and helps in preparing the report.

I am highly grateful and like to express my sincere thanks to Mr. Monir Choudhury, Manager and Head of Air Export Department of APS Logistics International Limited who permitted me for doing my report on such a prestigious organization.

All the officers and staffs of Aps Logistics International Limited were very considerate and helpful. They provided me all assistance to complete my report successfully and to gather knowledge about Air Export from different view point. I thank them for being so friendly and cordial to me.

Executive Summary

This report focuses on the activities and procedures of the “Air Export” Department of APS Logistics Limited. This report will give a clear idea about the Air Export activities and Procedures. It contains five main parts. APS is a leading freight forwarding company. The business of the company is forward cargo of customer. The main objective of the company is to serve to the customers and survive in the global freight forwarding world.

APS Logistics prides itself in providing personalized air freight services that guarantee extra diligence to transport your goods and comply with all aviation and safety regulations. We focus on providing maximum transparency, cargo control and flexibility for the whole operation.

It is no secret that the industry promotes and prefers ocean mode of transportation. APS has built up competencies around this mode of logistics by signing carrier contracts, firm slot bookings, weekly consolidation services and building strong relations with competitive shipping lines. Our customized solutions and services.

APS Sea/Air services ensure you the best mode of transport combination which reduce the transit time and ensure the best value for money. Our expertise in this field earned us a good reputation among customer to explore various transport mode to handle their product to various destination.

APS Logistics give their employees various training and knowledges. For this reason, these employees are more motivated and ready to make much more contribution to the organization. I have acquired some experience to research and analysis this report that help me future job performance.

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List of Acronyms

➤ C-TPAT:	Customs-Trade Partnership Against Terrorism
➤ SSC:	shared services center
➤ GOH:	Garments on Hanger
➤ DXB:	DOHA
➤ CMB:	COLOMBO
➤ SIN:	SINGAPORE
➤ EDI:	Electronic Data Interface
➤ LCL:	Less Than Container Load
➤ SOL:	Shipment Online
➤ HAWB:	House Air Way Bill
➤ PO:	Purchase Order
➤ MAWB:	Master Air Way Bill
➤ IATA:	International Air Traffic Association
➤ EPB:	Export Promotion Burrow
➤ CBM:	Cubic Meter
➤ VAT:	Value Added Tax
➤ FCA:	Free Carrier
➤ FOB:	Free on Board
➤ CPT:	Carriage Paid To.
➤ C&F:	Cost & Freight
➤ THC:	Terminal Handling Charge

Glossary

Topic	Outline
Air Waybill (AWB)	A document made out by or on behalf of the carrier(s) confirming receipt of the goods by the carrier and evidencing the contract between the shipper and the carrier(s) for the carriage of goods as described therein.
Bill of Lading	It is a document issued by a carrier (or their agent) to acknowledge receipt of cargo for shipment. Although the term historically related only to carriage by sea, a bill of lading may today be used for any type of carriage of goods. Bills of lading are one of three crucial documents used in international trade to ensure that exporters receive payment and importers receive the merchandise.
Air Container	Any unit load device, primarily intended for transport by air, having an internal volume of 1 m ³ or more, incorporating restraint provisions compatible with an aircraft restraint system, and an entirely flush base bottom to allow handling on roller-bed cargo handling systems.
Bonded	The storage of certain goods under charge of customs, i.e. customs seal until the import duties are paid or until the goods are taken out of the country.
Bonded warehouse	A place where goods can be placed under bond.
Certificate of Origin	A certificate showing the country of origin of goods. Frequently used by customs to confirm eligibility to special duty rates under preferential tariff programs or in connection with regulating imports from specific sources.
Carrier	The party undertaking transport of goods from one place to another.
Consignee	The party such as mentioned in the transport document by whom the goods, cargo or containers are to be received.
Consignment	A separate identifiable number of goods (available to be) transported from one consignor to one consignee via one or more than one modes of transport and specified in one single transport document.
Consolidation, Consolidate	To group and stuff several shipments together in one container. The grouping together of smaller consignments of goods into a large consignment for carriage as a larger unit in order to obtain a reduced rate.
Customs	The department of the Civil Service that deals with the collection of duties and taxes on imported goods from foreign countries and the control over the export and import of goods.
Door to Door Transport	The shipment is collected from the supplier's door and is flown to the country of destination where the goods are cleared through customs & quarantine control then delivered to the receiver's door. P.N. duties and taxes are to be paid by the receiving company or individual.
Forwarder	The party arranging the carriage of goods including connected services and/or associated formalities on behalf of a shipper or consignee.
Freight Collect	Freight and charges to be paid by the consignee.
Freight Prepaid	Freight and charges to be paid by the consignor.
Incoterms	A set of international rules for the interpretation of the most commonly used terms in foreign trade.
L/C	Letter of Credit. Any arrangement, however named or described, whereby a bank, acting at the request and on the instructions of a customer (I) is to make a payment to or to the order of a third party (the beneficiary), or is to pay or accept bills of exchange (drafts) drawn by the beneficiary, or (ii) authorizes another bank to effect such payment, or to pay, accept or negotiate such bills of exchange (drafts), against stipulated documents, provided that the terms and conditions of the credit are complied with.
LCL	Less than Container Load. A consignment which does not fill a container, and will therefore be grouped and shipped in a container with other part-loads.

Manifest	Document, which lists the specifications of goods, loaded in a particular means of transport or equipment for transportation purposes. Inventory of cargo on board.
MAWB	Master Air Waybill. The master air waybill is a legal document that the airline uses to consign the cargo under.
Merchant	For cargo carried under the terms and conditions of the Carrier's Bill of Lading and of a tariff, it means any trader or persons (e.g. Shipper, Consignee) and including anyone acting on their behalf, owning or entitled to possession of the goods
Mode of Transport	Method of transport used for the conveyance of goods, (e.g. by rail, by road, by sea).
Notify Party	The party to be notified of arrival of goods.
PESTLE Analysis	A PESTEL analysis is an acronym for a tool used to identify the macro (external) forces facing an organization. The letters stand for Political, Economic, Social, Technological, Environmental and Legal.
SWOT Analysis	SWOT analysis is way of finding out the positive and negative sides of a company. It can bring a positive change for a company. It also can identify whether a particular company is viable or not and identifies the position of a company in the market place.

Chapter 1: Introduction

1.1 Rationale of the Study

Air export is very significant work in Logistics/ Freight Forwarding Industry. A person has to work hard and have to have very good convincing power to communicate with customers. Logistics is the management of business operations which include acquisition, storage, transportation and delivery of goods along the supply chain. Logistics management is increasingly becoming a topic of interest among academicians and practitioners since it may lead to reduced operational costs, improved delivery performance and increased customer satisfaction level.

PSM 665 (Report) is a partial requirement of MPSM. It offers a great opportunity for any student to get some tremendous and brilliant ideas about the practical field. It is also a challenging experience to prepare report which increases intellectual abilities as an efficient graduate. It is Mandatory for all the students of Brac University to complete a 2-3 months report in order to completing the MPSM. As forwarding sector have emerged as the most important player of our economy and they also offer a passionate environment for career development so it was my premier objective since the very beginning of MPSM to accomplish report as because I'm working in this industry more than 3.5 years. So, in my report, I will represent all of the logistic supply chain processes for their (APS Logistics) products. Moreover, I also want to come up with some problem areas and suggest some solutions.

1.2 Objectives of the Study

The objectives of the report are as follows:

- ✓ To know about the company offerings and their sphere of business.
- ✓ To observe the working environment in logistics organization.
- ✓ To get an overall idea about the activities in Air export department.
- ✓ To find out their problems in logistics and suggest some strategies to overcome the limitations in the long-run.

1.3 Sources of Data

Primary Sources of Data: The primary data of this report were collected through:

- Practical experiences obtained from the corporate office of APS
- Interview and conversation with APS Human Resource Department
- Official records

Secondary Sources of Data: I have gathered the secondary data via following sources:

- Annual report of APS Ltd.
- Printed outline and documentation supplied by APS Ltd.
- Website of APS Ltd.

1.4 Methodology

The methodology is the most important section where we try to formulate the methods and figure out ways how to carry on the study, collect the data, do the entry and analyze the data. The data for this study was gathered through observation. I have done this report by using observational methodology.

1.5 Background of the Organization

1.5.1 About the Organization APS Logistics International Limited

APS logistics International LTD is sister concern of Expo group which is a Joint venture company with Apex International Logistics Limited (USA). APS logistics international LTD was founded in 2016.

Expo Founded in 1993 in Dhaka, Expo Group, Bangladesh (Ex. Expo Lanka Group) is a diversified conglomerate with its different ventures in International Freight Forwarding, 3PL Logistics, Aviation, Express Courier Service, Travel & Tourism, Information Technology, Project Management etc. The Group consists of more than 1200 employees spread across more than thirty Business Units that include Joint Ventures, Franchisees and Independent Business operations. Expo is a rapidly expanding conglomerate and considered as a trusted business partner and preferred employer in the field of Logistics & Supply Chain in Bangladesh.

After its inception in 2016 at Dhaka, Bangladesh, APS Logistics has become a growing organization with over 50 professional employees and contractors with two offices serving a solid base of satisfied and loyal clients. Our dedicated team of experts caters to all your logistical needs by focusing on each and every detail. Besides our great team, a few of the key factors which are helping us to thrive, those are:

➤ **APS Logistics Core Values**

- Own and Contracted Warehouse Facilities at Dhaka and Chittagong
- Guaranteed Space with Air Carriers and Ocean
- Competitive Pricing for Regular and Premium Services
- Project Cargo Handling Capacity for Global Clients
- C-TPAT Compliant CFS and Warehouse Facilities
- Real-time Visibility of Each and Every Shipment

1.5.2 Management and Organizational Hierarchy of APS Logistics International Limited



Figure: 1.1

1.5.3 Mission of APS Logistics International Limited:

They started APS (APS-Logistics) to work alongside the fastest growing international companies and corporations with ever evolving business models, and in order to compete in this market we had to define a mission that would allow us to be successful in these varied business environments.

➤ **Mission:**

At APS we have an ever-expanding business platform that enables us work with those outsourcing for the first time, or to the most experienced companies who are aware of potential issues and have the ability to anticipate and then address them as needed. We communicate with all of our clients on a regular basis, and we are driven to deliver the data you require so that your business teams can also delivering as expected.

1.5.4 Product/ Services of Aps Logistics Limited:

Aps logistics is a services-oriented company. They have Air Freight, Ocean Freight, Sea/Air Services, Warehouse service, SSC Service Centre, Inland Transportation, GOH for Sea & Air, Import Services, Customs Clearance, Container Freight Station, Project Cargo etc.

➤ **Air Freight:**

APS Logistics prides itself in providing personalized air freight services that guarantee extra diligence to transport your goods and comply with all aviation and safety regulations. We focus on providing maximum transparency, cargo control and flexibility for the whole operation. Our expertise and capability:

- Worldwide consolidation services
- Expediting/vendor management
- Export clearance at the country of origin
- Import clearance of cargo at the port of discharge
- Export packing in-house
- Documentation specialists/Track and trace system
- Safe handling of general cargo/perishable cargo.



➤ **Ocean Export:**

It is no secret that the industry promotes and prefers ocean mode of transportation. APS has built up competencies around this mode of logistics by signing carrier contracts, firm slot bookings, weekly consolidation services and building strong relations with competitive shipping lines. Our customized solutions and services include:

- Consolidation of cargo/LCL groupage
- Multimodal transportation by sea/air/road
- Dry or liquid bulk shipments
- Refrigerated services for perishable products
- Domestic and international freight forwarding
- Oversized cargo projects



➤ **Sea/Air Freight Services:**

APS Sea/Air services ensure you the best mode of transport combination which reduce the transit time and ensure the best value for money. Our expertise in this field earned us a good reputation among customer to explore various transport mode to handle their product to various destination.

Effective Routes/Hubs:

- Far East via DXB to Europe, North & South America, Africa
- Indian – subcontinent via DXB to Europe,
- North & South America
- Vietnam/ Cambodia via SIN to Europe
- Bangladesh via CMB to Europe, North America



➤ **Warehousing:**

Now a day's warehousing services is becoming an important aspect of the business in Bangladesh to ensure the freight management. APS dedicated warehousing service ensures that.

- A suitable Location within 6 km from Airport
- 50,000 SQ FT of state-of-the-art modern facility
- Multiple Loading & unloading bay facility with adequate parking for Trucks
- Forklifts, hand trolleys and other handling equipment
- Environment friendly and heat exhaust turbine system
- Pick & Pack facilities, QC Facilities within warehouse
- 24/7 Operation
- Distribution Facilities all over Bangladesh
- 24 hours surveillance system



➤ **Inland Transportation Service:**

Contact APS Logistics International today and talk about your ideal inland transportation solution. Our inland transportation services offer port to port transportation which is only part of the story. When you also want inland transportation, we offer the resources you require. Our team of logistics professionals can offer you a wide variety of service solutions.

- Multiple modes of transport
- An extensive network of transport providers
- Constant monitoring and quality assurance
- Timely pick-up and delivery
- Time-saving and cost-efficient single point of contact
- Services all over Bangladesh
- Track-and-trace/Electronic Data Interface (EDI) visibility solutions
- Supplier collections
- Supply chain consultancy, including logistics network strategy and transport modelling
- Warehousing facilities for storage of goods



➤ **GOH for SEA & AIR Shipping:**

APS GOH know-how extends from shipping regular **Garments on Hanger** (GOH) merchandise such as blouse, long dress, nightgown and silk wears to leather jackets, garments with bubble sheet or outer carton packing. APS invests heavily on equipment which enables us to ship the Garments on hanger (GOH) merchandises as of the condition displaying on inside the final store of location. We are the GOH shipping experts.

- Picking-up of garments on hangers from factory with special equipped trucks protected by electronic surveillance devices (satellite control)
- Unloading of the garments at its own warehouses and checking
- Control of export/import documents.
- Storage of garments in dedicated GOH areas able to
- Guarantee garments perfect condition (anti-dust and anti-humidity equipped), with electronic anti-theft and anti-fire devices, surveillance systems, internal and external CCTV (closed circuit television).
- Preparation and loading of air, sea containers, or specially equipped trucks in the case of transport by road, carried out by specialized personnel.



➤ **Import Services:**

- APS dedicated Import team ensure all of your Imports need with one contact point vice in one contact point.
- Customs Declaration
- Project Cargo
- Real Time Information
- Pro- Active Customer Service
- Comprehensive Supply Chain Solution
- Competitive Rates from various origins
- Confirmed Sea & Air space allocation from Major carriers
- LCL Consolidation service from many origin ports
- Multimodal Transport arrangement



1.5.5 How We Work

➤ **Fine Tuning**

This ensures that both parties quickly get up to speed on the point of defining exactly what the job entails, and where it fits into the bigger picture, and also how to measure the desired success.

➤ **Manage Current state analysis**

Our team will get deep into the workflow process and all available and necessary/required documentation for the processes. We will also review what changes may be required in order to make intelligent adjustments in terms of roles and responsibilities.

➤ **Create a change model**

At APS we can identify a variety of alternatives to the ongoing processes, and also look at the technology and people options that may produce superior conclusions. We commonly offer our clients alternative ways to begin the engagement, depending on needs and risk tolerance. We are happy to gain knowledge and then cultivate growth – while selecting a pathway that makes the best sense for the partnership's long-term successes.

➤ **Control Implementation**

We have performed a great many of these implementations in our history. We know how to build out the best implementation plan at the appropriate level of detail for the work we are engaging in. We ensure that any technology issues are ironed out and the correct people are hired. We have a strong and stable plan for training as well as roll-out. We encourage our clients to work side by side with our teams.

➤ **Endless Innovation**

We are always looking forward once we accomplish a successful launch of any operational process, we then immediately look for what's next. We will always find ways to improve. Sometimes we will identify additional areas where APS can help. We will also build out greater reporting channels back to our clients, so that the formal and informal information necessary for running operations is in place. We'll regularly review our team and challenge them to continue making a bigger and bigger impact on their clients.

Chapter 2: Works-Related/Organization wide

2.1 Creating House and Making Dummy:

Supplier place the booking by using software named Shipment Online (SOL). Making dummy was the basic of the software. By doing such kind of activities I have come to know about importance of commercial invoice number, purchase order number and some incoterms called FCA, FOB, CPT, C&F etc. Not only making dummy in SOL but also, I have to take approval from Buyer. Though this work was initial work but the importance of these works was huge. Because simple mistake could cause a huge loss to the company. If I don't write the correct code or name then the shipment could go somewhere else. Once I did a big mistake. If I wrote the wrong destination name on the dummy anyway later on my supervisor in air freight department have noticed my mistake and helped me to do correction and make me understand where I have made the mistake. So, these activities helped me a lot.

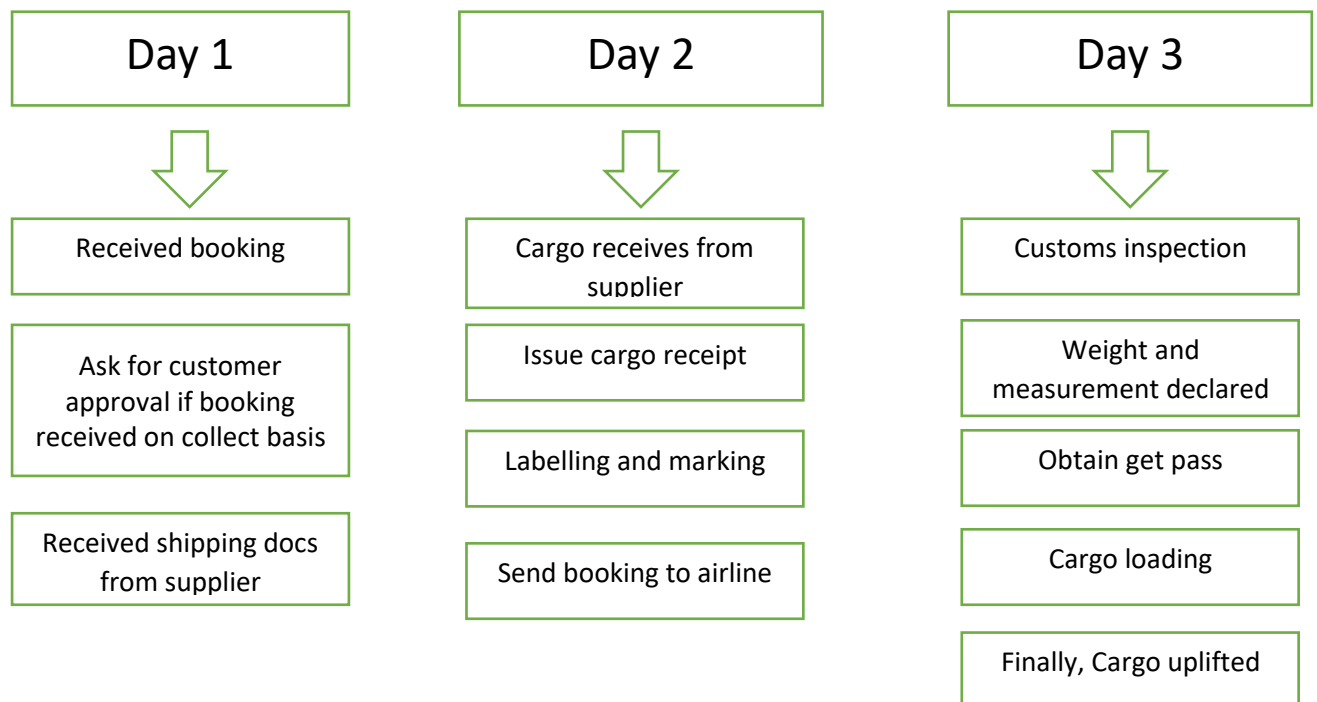
2.1.1 Plan Release, Master Schedule and Link:

When I got the clear idea of creating house and dummy then I have started to learn another thing called plan release, master schedule and link. This is another work stage of operations department. However, in this stage I came to know that by releasing plan and schedule we are creating such kind of thing in which flight products will be delivered what is the time of departure what is the time of arrival and where the plane will take transit. After releasing the plan, we have to link between the house and master. Then it will provide us a file number and a sticker will be printed on our warehouse. This printed sticker is used to identify the product.

2.2 Airfreight Operation Process:

At first the air freight department gets commercial invoice and booking format from the shipper after that warehousing starts if needed. Then by negotiating with consignee and shipper airfreight make sure whether the shipment will collect or prepaid. In air freight department these negotiation with buyer and seller done by particular employees. Our agent deal with the buyer of USA. And the employees also negotiate about shipping rate with the different carriers some of them are Etihad air ways, Qatar air ways, Saudi air lines etc. receive shipping documents from the shipper or other related parties. After getting all documents APS they receive cargo from supplier. APS now issue a cargo receipt to the authority. So, it's a proof that they have received the cargo. In this step labeling and marking are implemented. After that, the duty is for customs authority to check whether everything is ok with the description of the documents. Then weight and measurement of the goods are declared whether weight is okay or not. If everything is okay then shipment gets the pass. After getting all permissions now it's time to load the cargo into carrier and finally products are uplifting from the airport. APS maintaining a cargo flow for shipment. Cargo process has been divided into 3 days process. The cargo flow process is given bellow:

Figure 1.2



2.3 Export Documentation and Operation System

The air freight export operation systems are implemented by different kinds of documentation systems. This documentation system requires some specific steps and procedures and permanent job work which enable to implement and continue the freight forwarder service like air freight of APS logistics Int Ltd. The specific and routine based export documentation procedures are mentioned and subsequently identify is the given bellow:

STEP ONE

The sales department of local and overseas office contract with the shipper (the person or company who sends the goods) and consignee (the person or company to whom goods are sent) in home and abroad. They make an agreement with the prospective shipper (cargo or goods owner) and finally both parties settle a contract with specific terms and conditions.

STEP TWO

The shipper sends by e-mail or physically a hard copy of the commercial invoice, packing list and delivery note and a most important written document as booking format which is the essential for booking carrier in the APS logistics Int Ltd. Those are included the freight term and status time e.g. cargo delivery date. Whenever we find that the shipper did not send a booking format then we request them to fill up the company's prescribed booking format for the company purpose.

STEP THREE

We create a House Air Way Bill number (HAWB) from the company's system. The system is Shipment Online (SOL). At the time of creating of HAWB number at the SOL Air Export Booking system, the following:

- Shipper's company code from reference entry system of SOL system.
- Consignee company code
- Principal, which is the same of consignee ID number.
- Notify Address.
- Destination (the place of discharge of cargo)
- Country code.
- Freight term (the term based on cargo are carried from one to another destination)
- The freight term consists of two individual terms:

1. Collect shipment.

2. Prepaid shipment.

- Number of packages e.g. Total carton(s)
- Description of good or cargo. What kind of goods is actually into the carton?
- Gross weight and chargeable weight.
- Forwarder code (defined by Hong Kong RI-T e.g. Set by the system).
- Flight schedule, given by the airlines.
- Purchase Order number (PO number)

After filling the above information then we get the HAWB number. It is only the identification number of the specific order of Air Export shipment. Example: 157-46305136

AIR WAY BILL:

1. House Air Way Bill: A House Air Way Bill is a document of contract between Shipper and Freight Forwarder. For example, this is a contact between garments owner and APS

2. Master Air Way Bill: A master Air Way Bill is a document of contract between Freight Forwarder and Air Lines. For example, this is a contact between APS and QATAR Airways. A House and Master Air Way Bill contains the following common information and they are as follows:

- Name and address of shipper.
- Name and address of consignee.
- Name and adders of AWB issue agent
 - a) HAWB is issued by APS. as a forwarding agent.
 - b) MAWB is issued by British Airways as concerned airlines.
- Name of the carrier agent.
 - a) Regarding HAWB, APS is the carrier agent to shipper.

b) Regarding the MAWB Biman Bangladesh Airlines (BG) is a carrier agent to APS

- Flight schedule.
- Freight term.
- Collect shipment, when consignee pays the freight charge and career charge.
- Prepaid shipment, when shipper pays the freight charge and career charge.
- Number of cartons.
- Invoice number, L/C number, EXP number and SB number.
- Order and article number.
- Freight rate or charge.

Freight rate are selected by International Air Traffic Association (IATA). The freight rate depends on destination to destination basis. A document including this number is called DUMMY. We provide this dummy to shipper for Export Promotion Burrow (EPB) purpose.

Freight Certificate

For the prepaid shipment we have to issue a freight certificate to the shipper. The shipper takes freight certificate for customs purpose. This certificate is included the following particulars:

- Shipper name
- House Airway Bill number
- Cartons
- Air Freight charge
- Security charge, THC, Scanning charge
- Documentation charge

STEP FOUR

MAIL FOR APPROVAL

After the issuing dummy we send E-mail or hard copy to local buying office or ultimate consignee or shipper. These depend on the nature of shipment of cargo with identifying the following particulars are given bellow:

1. Purchase order number
2. Article number
3. Number of cartons
4. Freight term
5. Description of cargo.
6. Invoice number
7. Letter of Credit number (L/C)
8. EXP number, given by company or shipper.

After that, the informed company or person further send message to Airfreight department informing the conformation that the sanded information is correct or right with us. Then we forward the shipment of cargo. If casually the information is not correct between shipper and

forwarder, we rein form to related parties. When we confirm that the information in correct, we e.g. forwarder request to the shipper for handle the cargo to Airport.

STEP FIVE

Finishing the handle of cargo to airport, we book the space of specific airlines and send an Email to airlines of approximate CBM and Weight of cargo. After the cargo receives, airport supervisor and responsible person at the airport provide actual weight, CBM, and dimension of the cargo. Providing the actual weight, CBM, dimension and carton we conform the airlines for air shipment of that specific cargo.

Every airline has a specific flight schedule for a week or a month. Then we try to match with flight schedule and after matching with our destination arrival date, we confirm the airlines of that shipment. After confirmation the airlines, we link our House Air Way Bill number with Flight number by our SOL system. Then we get a Master Air Way Bill (MAWB) number from the SOL system. Depending on our SOL MAWB number, the airlines issue a Master Air Way Bill. As for example: **157-29978701**

Then flight uplift towards the destination. We send the original documents to our overseas office. At the same time, we inform the ultimate consignee, mentioning the following information:

1. House B/L number
2. Master B/L number
3. Number of cartons, Order number, L/C number, EXP number and SB number.
4. Flight name and schedule

Release the House Air Way Bill:

Finally, the documentation system added the release of original House Air Way Bill to shipper. They are as follows:

Collect Shipment:

If the shipment would be **Collect Shipment**, then the shipper pays only the documentation fee to us e.g. forwarder and release the original House Air Way Bill. Regarding the Collect Shipment APS Dhaka office issues, the invoice to concerned APS overseas office. The overseas APS office collects the shipment charge at the time of release the original House Air Way Bill.

Prepaid Shipment:

If the shipment would be Prepaid Shipment, then the shipper has to pay the total amount of charge which was contracted with shipper as per kilo Gram of the cargo. After paying the charge to forwarder they release the original House Air Way Bill.

2.4 Import Documentation and Operation System

The air freight Import operation systems are implemented by different kinds of documentation systems. This documentation system requires some specific steps and procedures and permanent job work which enable to implement and continue the Freight Forwarder service

like Air Freight department of APS Logistics Int Ltd. Regarding the Import operation and documentation system there are some specific and routine based Import documentation procedures are mentioned and subsequently definitions are the given bellow:

STEP ONE

The import department or import executive check the SOL (Shipment Online) system on the regular basis about the new import information. If there are any new information are stored on the system that become a pre alert to import department of new cargo is imported.

STEP TWO

In to our SOL system we get information about new import that is coming in our country or APS Logistics Int Ltd. From that system we get the full information about the import. They are as follows:

1. House Air Way Bill number.
2. Master Air Way Bill number.
3. Flight detail e.g. in which flight the cargo is coming as imported.
4. Number of carton (s)
5. Description of goods.

After getting the new import information in SOL we or import executive gives message about the flight details and also inform him about HAWB number, MAWB number, number of cartons to our airport supervisor.

STEP THREE

After the flight arrival to airport, our supervisor receives the cargo and load to airport cargo receiving center. At the same time the airport supervisor receives the original document regarding the specific import shipment. Then those documents are forwarded to APS Logistics Int Ltd. Dhaka office. We update the file by inputting the new information to SOL system. We open a file regarding the import shipment. We inform the ultimate consignee of the shipment. And also inform about the cargo arrival to us and advise them to release the House Air Way Bill from us or APS office.

STEP FOUR

After gating all original documents, we prepare invoice to them. The charges of invoice vary to nature of shipment.

Collect shipment:

Regarding the collect shipment we prepare invoice including the following charges:

- Freight charge.
- SSC charge
- Scanning charge
- Tracking charge
- Documentation charge
- Other charges depend on the nature of shipment

Prepaid shipment

Regarding the prepaid shipment we prepare invoice including the documentation charges.

Documentation charge:

At the time of release of original Bill of Lading, the ultimate consignee has to pay the above charge and release the Bill of Lading.

VAT (Value Added Tax):

APS does not take any VAT from the welfare or charity organization. They have paid the VAT from their own expense. For example, ICDDRDB does not pay VAT for their shipment. Other company must have to pay the VAT. That is all of Export + Import documentation and operation system of Air freight of APS.

2.5 Human Resource Department:

Human resource department of APS is very strong and resourceful. They really work hard to find out the Right employee for the company. There are four execution processes of Human Resource Department of APS. These four operation processes of this department are interdependent into one another. These four steps are explained below:

1. Human Resource Marketing: Find out the appropriate location and then find out the proper candidate for the company, who will meet perfectly company's requirement and satisfy top level management by job done.

2. Staffing and administration: In this stage the HR manager staffing right one by recruitment process among the candidates. Manager will teach the new employee all duty, rules and regulations of the company.

3. Training and Development: New employees are trained by the Human resource department as company's new employee training procedures. HR manager shift him for practical work that develop the new employee. Sometimes they are being sent to training season for better development. Some of them participate in online classes. This is another way to develop the skills of their employee.

4. Compensation and Benefit: HR department provide the employed one such as sharing profit, sick benefit, transportation, lunch, provident fund and well environment.

2.6 Sales

APS is a forwarding service oriented multinational company and they have to sale their service those who want to send cargo from one destination to another. So, the sales team has to sale the service locally and globally. Sales team works are given bellow:

- Sales team works with the exciting customers and they connect with the potential clients both locally and globally.
- The sales team of APS instantly informs their customers about the new added service.

- Whenever a new customer is going to be penetrating export or import business. Only the sales team firstly introduces with that institution or individuals as representative for providing them freight forwarding service.

APS have strong sales forces and they are called ultimate sales machine of the company. This ultimate sales force is one of the machine powers of the company. The APS has strong sales forces in the local and global region. By the strong sales team the company survives in the forwarding market. A service-oriented company's main product is its manpower as well as a strong sales team. A strong sales team is the main manpower of the APS

2.7 SWOT Analysis:

SWOT analysis is way of finding out the positive and negative sides of a company. It can bring a positive change for a company. It also can identify whether a particular company is viable or not and identifies the position of a company in the market place. So, SWOT analysis is very much import for a company. The SWOT analysis of APS is given bellow:

Strength:

APS is in a good market position. So, currently they are active in those countries. APS has very smart employee. They are working under this organization very effectively & efficiently.

Weakness:

Most of the people of Bangladesh do not know about this top most multinational freight forwarder because; they have a very low budget on advertising. We do not see any advertising of this company. Another weak point is they have a very few suppliers available on the market. That is a great weakness of APS. Another important weakness is their promotion process. Employees get frustrated with this process and sometimes leave the company. In this way they are losing many trained employees. The HR department should create more position and they must fasten the promotion processes.

Opportunities:

Worldwide the freight forwarding businesses are increasing day by day and airfreight market as well. So many companies are importing and exporting their products and for moving them product through air is becoming popular day by day. The second thing is that freight forwarders are value drivers. They are enhancing customer life cycle management and they are adding value through supply chain.

Threats:

Threat for freight forwarders all over the world is increasing the number of freights forwarding company that's why competition is very high. Currently, more than 40 freight forwarding companies are operating their business in Bangladesh and if we think about globally then the number of freight forwarder are huge. Another point is volatile the oil price. For transporting the goods, freight forwarders need to depend on airline but the problem is the increasing price of the oil. This SWOT analysis is not only for the APS but also for other freight forwarder.

However, after implementing the SWOT analysis it can be assumed that APS has a strong position in market and they are in viable position. Hope they will find a way to solve them weaknesses.

2.8 PESTLE Analysis

Through this PESTLE analysis we can find out the areas of Political, Economic, Social and Technological factors analysis and the impact of those factors. The factors and their analysis are given below:

Political Factors:

The Political factors are one of the most important factors in the PESTLE analysis. After the liberation war many political parties are taken charge of the country. Every political party has their own and different beliefs and ideologies. However, they give more importance and provide more facilities on different industries. The political situation of Bangladesh is not stable and it is regarded to be a very volatile and investors are worried about their investments return. Destroying public and private property and calling strikes has become a common practice of our political team. Freight forwarding companies in Bangladesh operate 24/7 and any kind of this political disruption may cause a huge lose. Because of this problem sometimes the freight forwarder may fail to keep their commitment and they are unable to deliver their package within the committed time to the customer. The company may face the damage or lose of their asset which could decrease the amount investment in our country. In 2016, “Holy Artisan terror attack” has created a huge negative impact on our reputation as well as our economy. Foreign investors are now not interested to invest on our country. So, we can see that, political factors could cause a great damage on our economy.

Economic Factors:

The whole logistic sector is suffering for a global economic crisis. The recession has slowed down the whole industry and the number of shipments has reduced dramatically. Our economy is heavily depended on the garments industry and the freight forwarder moves a majority of the garments sample and documents to the various developed countries. Many developed countries are facing some economic crisis. However, they are now reducing their expenditures in the apparel sector. So, the RMG sector has slowed down the business of freight forwarding companies and the forwarding are also facing a hard time for their business.

Socio-Cultural Factors:

Social and cultural forces affect customers’ attitudes, opinions, and interests. Customer should get services and products according to their needs and requirements and the company must provide that. Response quickly with the changes in society is very much important to avoid lose. So, the socio-cultural issues are very important. The social influence in this industry plays a very strong part for operating business. The brand image of APS is higher compared to other local or small freight forwarder. However, people are emphasizing on the rate rather than the brand value and good customer service. They are selecting some local or small forwarding

company to carry their products. So, some small players like TNT, UPS and Aramex is gaining the business in Bangladesh market.

Technological Factors:

Technology is an important factor for every business and the technological advances have changed the world. Technology has made our life easy and created to expect immediate results. Now a days swapping information become easier between customers, companies, stakeholders and other people. APS is clearly ahead with more sophisticated technology and software support to the customers compared to the other competitors. The company is using the latest innovations to make sure that the shipments can be tracked properly and easily by the customer.

Legal Factors:

The logistic market position gets strong from removing of border and installing liberalization. For operating the market companies like APS face various legal directives, taxes and rules. Authorized documents are imposed on company to operate in any region that contains the detail of goods to be transported, safety standards and confidentiality.

2.9 Competitive Advantages:

Cost Competitive Advantage:

Cost competitive advantage is the point at which an organization can use its skilled workforce reasonable raw materials, controlled expenses, and effective operations to make maximum incentive to purchasers. APS does not use the cost competitive advantage. As a multinational organization they have to pay a huge amount to tax and other fees to the government. So, it is impossible for them to follow the cost competitive advantages.

Product/Service Differentiation:

Through product/service differentiation companies can have a competitive advantage in the marketplace. Product/service differentiation can be occurred when company's product or service has a valuable, unique offering for its consumers. APS has different and unique kind of services. They have Express service, Consolidation service, Full and part charter service available for their customers.

Niche Marketing:

Niche marketing strategy is a focused marketing plan unlike the 'target everybody' strategy. It targets only those customers who can relate well to the product/service. The company tries to build the long-term relationship with these small set of customers. APS sales team uses this strategy to sell their service. When any new offer and service is launched then sales team go to some selected customer. They try to provide the information to their targeted customer. They do not use the above the line strategy.

Chapter 3: Constraints/Challenges

I have noticed some constraints or challenges that the company is facing. Those things should be fixed as soon as possible for the better of the organization. I have identified the following constraints and challenges related to the company.

3.1: Customer dissatisfaction about cost:

Customers' dissatisfaction on charge/price is conventional. At the desired destination the cargo was sent by a general customer (shipper) with the cheapest freight possible. That is the conflict between shippers with freight forwarder like APS Bangladesh.

3.2 Academic preparations:

As my major is Marketing & Finance. I found some works in the logistic sector that relates to my major. I have got some helps from my academic preparation. During my report I have to deal with different types of new works. To do so this my academic course helps me.

- **Financial & Managerial Accounting:**

This subject helps me to understand the financial procedure for example how the Finance department approve the purchase request or transactions.

- **Operation Management:**

This course helps me to know how logistic organization planning, organizing, scheduling and controlling their operations.

- **Strategic Marketing:**

By studying this subject, I gather knowledge about how supply chain industry does their business in this competitive world.

3.3 Missing knowledge/ skill

During my whole employment period I found some missing knowledge that I didn't find in my academic life. Academic studies and practical knowledge are different from each other. Academic life is more specific and performed by us are more scheduled than in a corporate life. As I'm a regular employee I already got the taste of corporate life and adopt the corporate behaviour which we missed in our academic studies. If our academic program included with campaign and more company tour arranged by the University than it will be a great experience for the students. There is also a missing knowledge in academic life that we did less laboratory classes and use limited operating programs in our study. So the Universities should have to include more laboratory courses in undergraduate program and train the students to use MS Excel, MS Access, MS Project, MS Graphic Design, and MS Outlook etc.

Chapter 4: Lessons Learned from the report

4.1 Lesson Learned from Aps Logistics International Limited during Report:

My employment life and educational life program helped me to understand the relation between the education life and the practical service. I gathered huge experience and compared my theoretical knowledge to practical implication. I came to know about logistics, how to make a good relation with the buyers, suppliers and other third parties in this trade. These following things I learned from developing this report.

➤ **Learning Organizations Culture:**

Every organization has its own culture at the same time this practical organization have their own culture. Before starting employment, I don't have any idea about corporate culture. Within a very few days I successfully cope up their culture. I also learned adapting into new environment, working under pressure and working with different types of people.

➤ **Gather Knowledge:**

It's a big achievement for me to gathering knowledge through practical experience. From this MPSM program I gathered educational and side by side I also cross matched my work life which was a good experience for me. Not only that I also learned about different perspectives from this report.

➤ **Improved Time Management:**

One of the good things that I have learned from the experience is time management. I badly needed to learn the time management because I had faced serious problems to manage both my work and study. For example, while working in there I had to do work on priority basis. I had to make a list of work a week advance or more on the basis of importance. This highly increases the efficiency and performance and reduces time wastage. Time management skills helped me a lot to cope up with big assignments and works.

➤ **Communication Skill:**

Effective communication skill in both written and spoken word is the most valuable transferable skills that employers seek. This report provides the opportunity to enhance this skill to the students. By this report I met professionals from different total cultures and demographics. I had to step out my comfort zone to socialize with them.

➤ **Professionalism:**

Working at the Aps logistics taught me how to be a professional. They highly emphasize on professionalism. It is also one of the standards to fulfil requirements to an employee. They were formal and very professional in their jobs. The professionalism increases the efficiency and reduces the errors which ensure standard and quality service, as a result maximum client satisfaction is received. For example, when I made mistakes never showed nervousness rather solved the problem by collecting information and co-ordinate among employees. As result, it did not hamper the trustworthiness and satisfaction was ensured.

4.2 Lessons Learned from the University's Report:

- ☒ New and improved skills and how to apply them.
- ☒ Professional communications.
- ☒ Networking is important.
- ☒ Taking constructive criticism well.
- ☒ Work hard no matter what you're doing.
- ☒ Independence.
- ☒ Making connections.
- ☒ You're more important than you think.

Chapter 5: Concluding Statements

5.1 Summary:

Bangladesh is a developing country. In this country unemployment problem is slightly overcoming due to the logistics sector. A huge number of people are working in this sector. At the very first time the situation of this sector was not so good but now a day this sector is earning a lot of foreign currency. Marketers are those people who are working here day and night in order to develop this sector. Marketer's goal is to collect order, execute, develop the best and supply the best service. In short, a marketer is the one who is responsible for maintain the whole supply chain.

It was a great pleasure for me to work in Air Export department of Aps logistics, which provides me a wide range of scope to observe different functions of this industry through the cordial assistance of the employees and seniors. All the employees of Aps logistics tried to give optimum service.

Now a day's industry is facing a lot of challenges because of changing demand of world. Besides the many competitors are also a main factor that makes this sector challenging. So, Aps logistics should take proper step to survive properly in this sector by improving their weaknesses. Although employee turnover rates have recently increased, such issues are being taken into consideration to improve future employee retention. The experience I have gathered till now at Aps logistics as an Air freight executive has been rewarding and very fulfilling. I have started as a Team leader of our Air Export department and now promoted and given five executives under me for look after Aps logistics Air Export department. I wish for others to get an opportunity like this and advocate themselves in professional life.

From the leaning point of view, I can say that I am really enjoying my employment at Aps logistics from the very first day. I am confident that this working period at this organization will definitely help me to realize my future carrier in this trade.

5.2: Suggestions

I have done this report on the basis of my personal observation and experience. As per my earnest observation some suggestion is given to improvement of the situation which will help the company to solve many problems. They are:

- APS logistics has no vision and goal. I think they should prepare a vision and goal for their organization which will help employees to understand for what they are working for and what is their goal.
- Job rotation is not practiced between the employees. Employees should have given multiple opportunities to work to get more involved with the company
- More focus on customer satisfaction.
- Salary structure should be more improved.

The overall performance of the company is a good in Bangladesh. In our country day by day business policy is changing. Whenever we are overcoming a problem to run the freight service, then we have to face another problem. Our river loss its depth and customs policy become complex day by day. In spite of having problem APS survive in the Bangladesh as well as all over the world. Only the proper planning, execution, developing process, information system and overall management system can help APS to achieve its goal in the near future.

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2. Pope, D.J., & Thomchick, E.A. (1985), US Foreign freight forwarders and NVOCCs. *Transportation journal*, 24 (3), 26-36
3. APS Logistics International Limited <http://www.aps-logistics.com/>

Appendix

Personal Interview with Employees:

- Mr. Shawkot Ali Prodhan
- Mr. Aktaruzzaman
- Mr. Mahbubur Rahman