



Inspiring Excellence

BUS400 : INTERNSHIP



Internship report on:

“Decreasing system loss in a warehouse”

Submitted to:

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Submitted by:

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Submission date:

8th MAY, 2019

“Decreasing system loss in a warehouse”

Letter of Transmittal

2nd May, 2019

Md. Hasan Maksud Chowdhury

Assistant Professor

BRAC Business School

BRAC University.

Subject: Submission of Internship Report on “**Decreasing system loss in a warehouse.**”

Dear Md. Hasan Maksud Chowdhury sir,

This is a great honor for me to present my internship report titled “**Decreasing system loss in a warehouse**”, under your supervision, as a partial requirement for the completion of BUS400 (Internship). This report will give insight about Berger Paints Bangladesh Limited from where I have completed my Internship as well as it will provide you the research part analyzed by myself. The main research part contains about some possible action to decrease system loss in a warehouse along with some limitations and recommendations. I am grateful to you for your kind support and instructions, in the study of this report and sincerely hope that I would meet your expectation regarding the quality of the paper. I have tried to put my best effort for preparing this report. Yet if any inadequacies rise, it will be my pleasure to answer any explanation and recommendation concerning this report.

Sincerely,

Ashker Ebn Shaikh

ID: 14304139

Program: Bachelor of Business Administration

Major in Supply Chain Management

Minor in Human Resource Management

Letter of Endorsement

Ashker Ebn Shaikh student of BBA program, ID: 14304139 has accomplished internship report on “**Decreasing system loss in a warehouse**” as a part of his BBA program. I have gone through the report very well and found out that the report meets with the standard of BBA Internship report. Moreover, Ashker Ebn Shaikh has completed the report by himself under my supervision.

I wish him all the best and success in his future life.

Md. Hasan Maksud Chowdhury

Assistant Professor

BRAC Business School

BRAC University

Acknowledgement

Firstly, I would like to show my gratitude to my honorable faculty and my internship supervisor **Md. Hasan Maksud Chowdhury** sir. Without his support and guidance it would have been very difficult for me to complete my Internship report. Besides that, I would like to say thanks to my supervisor **Md. Zahidul Mahin** (Head, Supply planning and plant RM logistics) for his help and guideline.

Furthermore, I am very grateful to the Berger Paints Bangladesh Limited family for helping me during my internship period and providing me a positive and working atmosphere.

In addition, I would like to mention names of some special people whom I will always remember for their support and guidance. At first, **Mr. Shabbir Hasan** (Assistant Manager, supply chain and planning, of Berger paints Bangladesh Limited) guided me throughout the whole internship. Moreover, **Mr. Rezaul** (Warehouse Officer, supply chain and planning, of Berger paints Bangladesh Limited) helped me a lot as I have done most of my work under him as well as provided a very peaceful working environment.

Executive Summary

The report starts with the organizational review from where I have completed my internship. So, I did my internship in Berger paints Bangladesh Limited. Basically the company was initiated in 1760 in England as a dye and pigment making business. Later on, it started its' paint business in the mid 19th century. Its' professional integrity and service excellence rapidly gained a lasting reputation for delivering the best quality paint in the market. Then after giving brief review of Berger Paints Bangladesh Ltd I moved to my research topic. While doing my Internship at Berger Paints Bangladesh Limited, I found out that 1.2 million gallons of paint is producing every month which requires huge amount of raw materials. From that place my curiosity generated to conduct my research on this particular topic. While working here, I have witnessed a good amount of raw materials wasted while they are unloaded from the covered van. Moreover, taking care of this wasted raw materials and some small change inside the warehouse can increase the productivity and decrease the system loss in a company. So after reviewing a few journals, conference papers and newspapers as well as other secondary sources I believe there are three major changes which can decrease the system loss inside a warehouse and increase the productivity and those changes are 1) Adopt lean inventory practices 2) Keep tracks of inventory error rates 3) adaptation of new technology. Here 40 people were interviewed by me and among them all people work in the warehouse of Berger paints Bangladesh ltd, warehouse of Jubilant Golden Harvest Ltd. I came to know about some obstacles they face on daily basis. After analysis those obstacles and taking ideas from the expertise I came some with those probable solutions.

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Organizational overview

1) Profile of the organization (Berger Paints Bangladesh Limited):

Awarded 8 years in a row as the best paint brand of Bangladesh “Berger Paints Bangladesh Limited” is one of the oldest names in the paint industry, yet, it is one of the most technologically progressive companies in the country. It is constantly determined towards revolutionizing superior quality products and services with a steadfast track record of being one of the fastest developing paint companies in the country.

With over 250 years of rich legacy, Berger has developed and changed itself in turning into the main paint arrangement supplier in the nation with an enhanced item extend that takes into account all artistic creation needs and furthermore gives unparalleled services. This legacy is assurance of magnificence and reliability and is conveyed gladly by all Berger items.

Berger Paints Bangladesh Limited is headquartered in Dhaka with 14 strategically located sales depots, 14 Home Decor outlets across the nation and 2 factories in Dhaka and Chittagong. With a worker quality of around 1000 and a countrywide conveyance system of over 3000 sellers, Berger is respected as a forerunner in the segment with a vibrant portfolio of paints.

Our mission is “We shall increase our turnover by 100 percent in every 5 years; we shall remain a socially ethical company”

Our Vision is “To be the most preferred brand in the industry ensuing consumer delight”

Board of directors:

- Mr. Gerald K Adams (Chairman since 2004)
- Ms. Rupali Chowdhury (Managing director since 2008)
- Mr. Kuldip Singh Dhingra (Director since 2018)
- Mr. K. R. Das (Director since 1992)
- Mr. Anil Bhalla (Director since 1994)
- Mr. Jean Claude Loutreuil (Director since 1998)
- Ms. Rishma Kaur (Director since 2013)

- Mr. Kanwar Singh Dhingra (Director since 2016)
- Mr. Anis A. Khan (Director since 2016)
- Mr. Masud Khan (Independent Director since 2017)
- Mr. Abdul Khalek (Director since 2004)

2) Description of the total business of the organization:

Across the world Berger is a name that is synonymous to Paint. The origin dates back to 1760, when “Louis Berger” a young German visionary, started dye and pigment making business in England. Louis involved his family into the business and eventually changed the status of the company to Louis Berger & Sons Limited. The company grew and expanded rapidly with a strong reputation for excellence in innovation and entrepreneurship. Augmented by the dreams of Louis Berger, the unrelenting expedition for conception and revolution in the world of color and paints still continues.

- In 1760 a visionary German named Louis Berger, founded dye and pigment making business in England.
- In 1950 Berger commenced the paint business in the Indian sub-continent. Initially the paints were first imported from Berger UK and later from Berger Pakistan.
- In 1970, set up of first paint factory at Kalurghat, Chittagong. The shareholders were Jenson & Nicholson (J&N), Duncan Macneil & Co. Limited and Dada Group.
- In 1971, Duncan Macneil sold their shares to the majority shareholder J&N Group. Dada Group's share was ultimately vested with the Government of the People’s Republic of Bangladesh after the independence of the country.
- In 1980, the name of the company was changed from J&N (Bangladesh) Limited to Berger Paints Bangladesh Limited.
- In 1990, Establishment of 100% owned subsidiary company Jenson & Nicholson (Bangladesh) Limited focused on trading and indenting

- In 1999, Establishment of a State-of-the-Art Paint Production Plant at Savar, Dhaka.
- In 2000, J&N Investment (Asia) Limited UK, the majority shareholder of the company purchased the government shareholdings.
- In 2003, Relocation of Corporate Head Office to newly built Berger House in Uttara, Dhaka from Chittagong.
- In 2005, Enlisted in Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

Products: Berger paints has a diversified business in the paint industry. The diversified areas they are working are given below:

1. Interior
2. Exterior
3. Wood and Metal
4. Illusions
5. Construction Chemicals
6. Wood Coating
7. Industrial Paints
8. Marine Paints
9. Adhesive
10. Textile Paints

Research

1. Introduction to the Report/Study:

- **Rationale of the study:** While I started my internship program in Berger Paints Bangladesh Ltd my first task was making GRS (goods receipt slip) paper. For making that paper I had to go to the warehouse and physically check the carrier transport. Moreover, after storing the raw materials to the warehouse the raw materials were taken to the production floor through inter transportation services. This process takes a bit longer time as we have three separated warehouses which are 4.5 thousand square feet, 14 thousand square feet and 25 thousand square feet. The carrier transportation have to scale for its' weight twice to check if the gross weight of the raw materials are fine or not. Then the GRS paper has been uploaded by my senior officers through SAP to the main system of the company.
- **Statement of the problems:** The main problem we face in the warehouse and production is system loss. As we know that the unloading process is done manually by day labor. Most of the time huge amount of raw materials has been wasted while unloading he raw materials. Which is also causes huge amount of money loss every year. Moreover, keeping the raw materials together in the warehouse takes time while transferring to the production house. Thus the productivity loses its' flow. By solving these main issues we can increase the productivity of a company and decrease the system loss in a warehouse.
- **Scope and delimitation of the study:** By working as an intern in Berger Paints Bangladesh Limited I have learnt a lot of process to run a warehouse successfully. In addition I have also examined the root level worker and day labor who are working for Berger Paints Bangladesh Limited.
- **Limitation:** During the research process I faced a few limitations such as:
 - i. I could interview only two company's employee who are directly related to the warehouse.
 - ii. I was not possible for me to go outside Dhaka and check our Chittagong factory
 - iii. Lastly, the participants were a very few in number.

- **Objectives of the report:** The main purpose of making this report is to find out the reasons behind system loss in a warehouse. To be specific:
 - i. Reason behind a warehouse faces system loss and some probable solutions.
 - ii. Warehouse managing process of Berger Paints Bangladesh Limited.
 - iii. Increasing productivity of the production.

2. Review of related Literature:

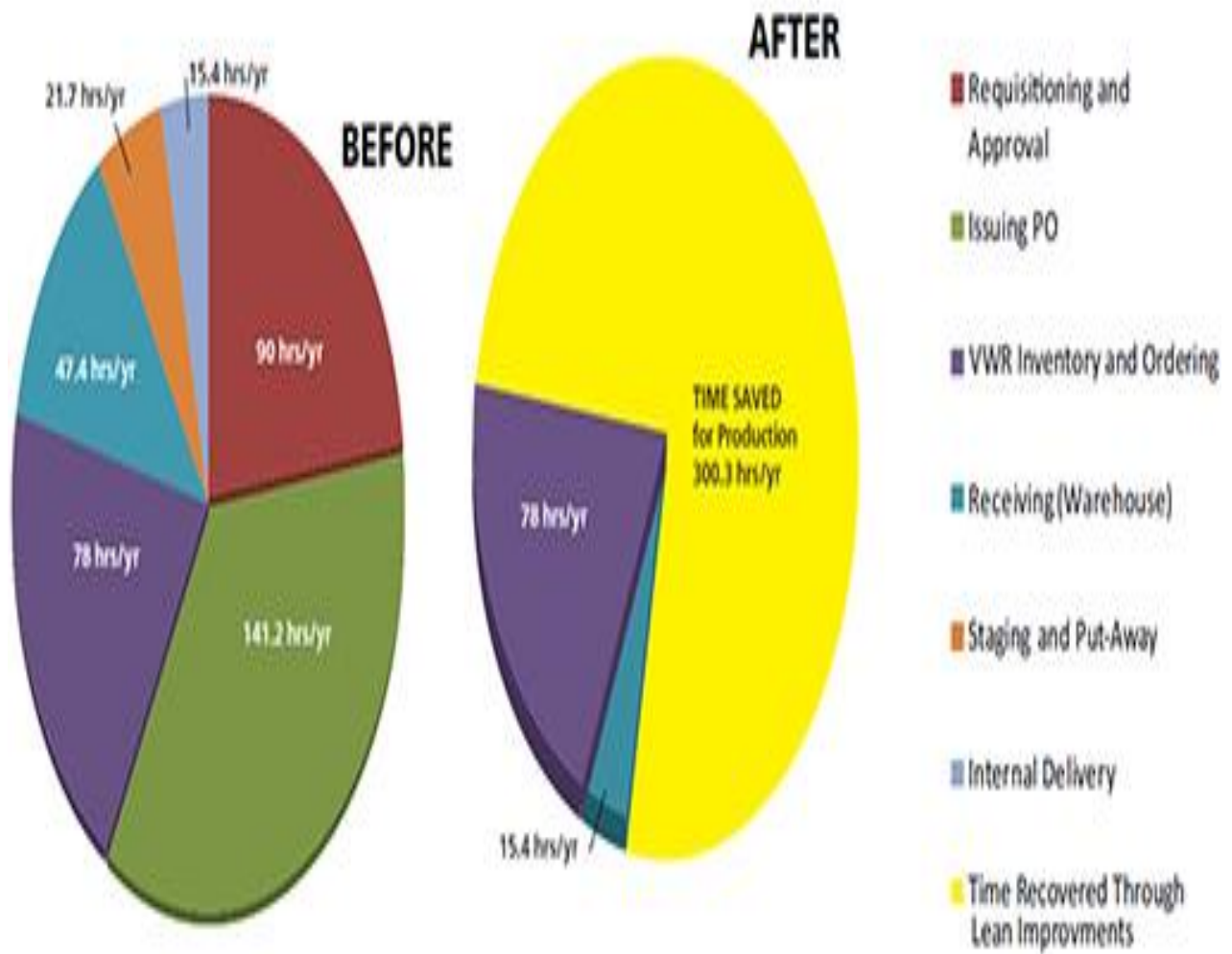
For decreasing system loss in a warehouse, the main step which can be taken is the lean inventory management. “Lean” refers to a systematic approach to enhancing value in a company’s inventory by identifying and eliminating waste of materials, effort and time through continuous improvement in pursuit of perfection.

Lean management movement is credited to Henry Ford, who in the 1920s applied the concept of “continuous flow” in the assembly-line process. Over the years, the concept has been modified and applied to nearly all industries.

This process has 5 principles:

1. **Value:** Defining the value a company will get from lean inventory management.
2. **Flow:** Understanding how inventory will enter into the warehouse and apply the lean principle: 5s to keep the warehouse clear.
3. **Pull:** The inventory will be moved only, when it is required for the production.
4. **Responsiveness:** Should be able to adapt the change.
5. **Perfection:** To improve quality, cycle time, efficiency and cost inventory management process should be refined continuously.

TIME RECOVERED THROUGH NEW INVENTORY MANAGEMENT PROCESSES



Summary of results from lean business process improvements

3. Methodology of the study:

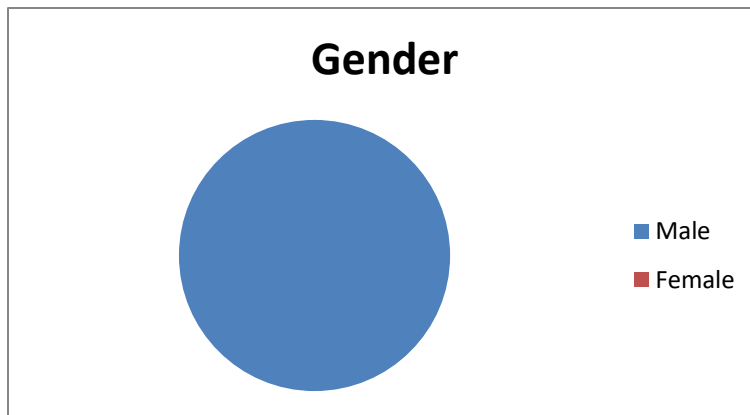
In this section I have used both primary and secondary data to understand why system loss is occurring in a warehouse and the possible solutions to reduce it.

- i. Secondary data:** This is the data which has been collected by somewhere else. Mostly from different articles and newspapers. I added the APA citation of those data and mostly the data is from international sources not from Bangladesh.
 - ii. Primary data:** This data has been collected by me personally. I have interviewed 40 employees and workers from two different organizations but they all are from the same field. All the employees and workers are directly related to the warehouse related work.
- **Survey method:** The questionnaires have been attached in the appendix of the report. I tried to point out specific questionnaire that are most feasible to get the most possible findings of the research.
 - **Sample size of survey:** I have interviewed 40 people who are directly related with warehouse management process. They can give me the most feasible idea about the whole process.
 - **Questionnaire design:** Total 40 people have been interviewed with six different questions. I have putted a rating based question on basis of 1-5 where 1 decrypt the nethermost value and 5 decrypt the uppermost value. Type of questions are:
 - Likert Scale
 - Nominal Scale
 - Ordinal Scale
 - Interval Scale
 - **Collecting Data:** All the data have been collected throughout face to face interview and then the results are put into graphical format.

4. Analysis and interpretation of the data:

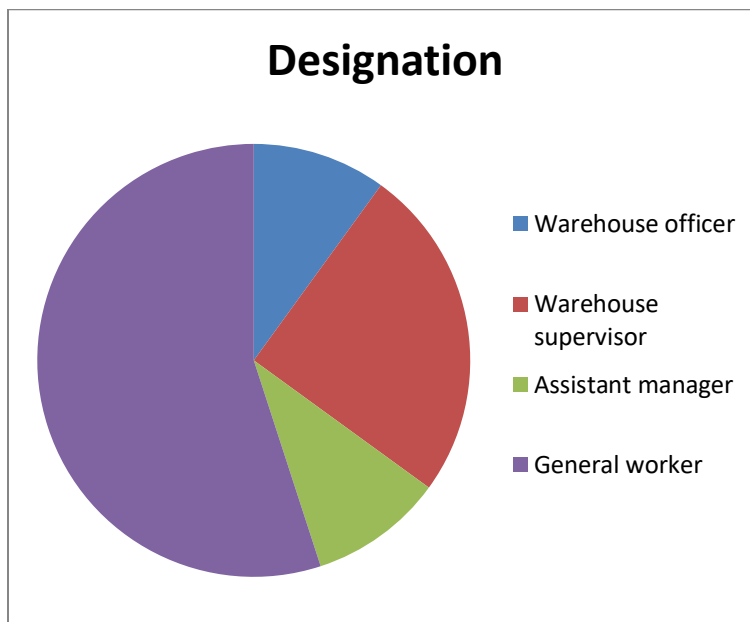
Based on the survey Responses I have given interpretation below:

1)



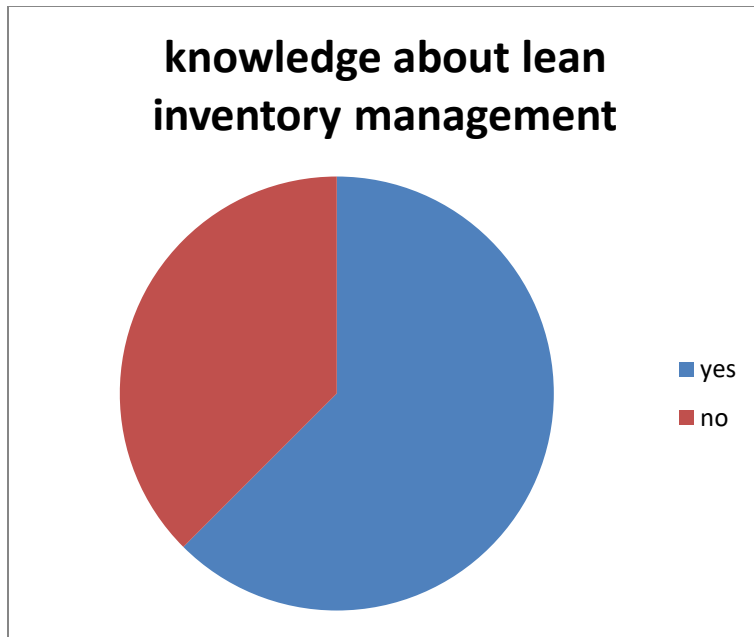
100% participants who are directly related to the warehouse are male.

2)



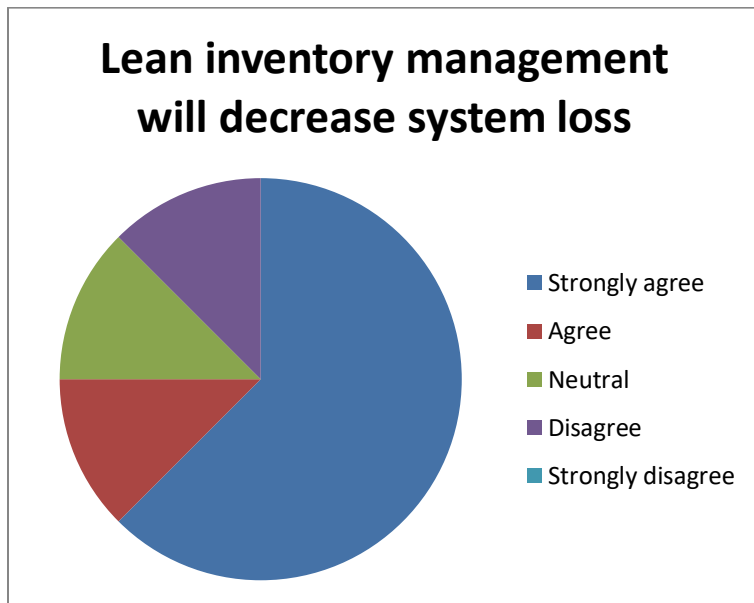
22 general worker, 4 assistant manager, 4 warehouse officer, 10 warehouse supervisor

3)



37.5% participants don't know about it and 62.5% know about it.

4)



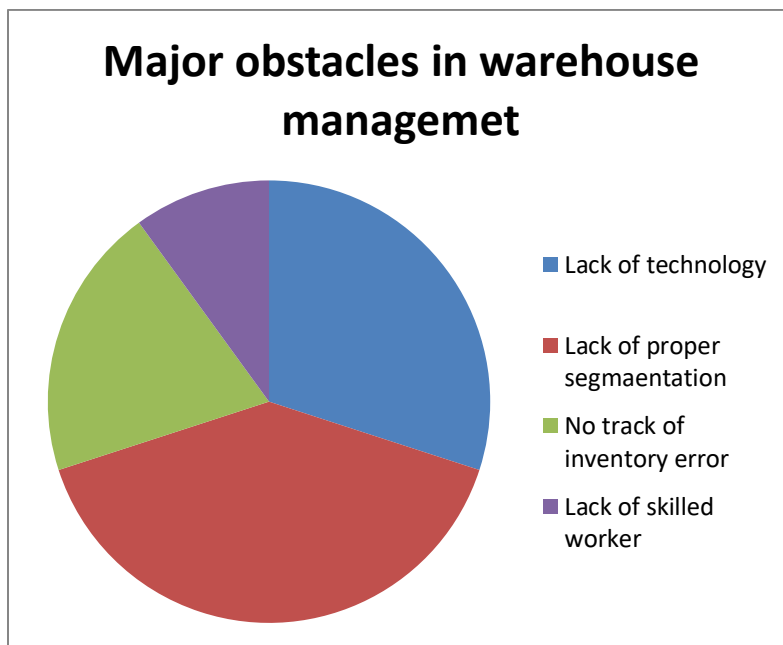
62.5% are strongly agree, 12.5% are agree, 12.5% are neutral and 12.5% are disagree.

5)



50% rated 3, 37.5% rated 4 and 12.5% participants rated 5.

6)



50% say lack of proper arrangement, 37.5% say lack of technology, 25% say no track of inventory error and 12.5% say lack of skilled worker.

5. Finding of the study:

From the research I have found that, the main obstacle in a warehouse system is:

- Not having a proper arrangement system inside the warehouse.
- Shortage of new technology available in the warehouse.
- Not having a track on the inventory error.

These are the major findings which came out from my research. These are mainly occurring system loss inside a warehouse. For that, productivity rate is losing its' flow, lot of money is wasting every year. Production rate also hampers.

6. Recommendation:

As per key objective of my research, I have tried to find out the main factors which are causing system loss in a warehouse. I have three recommendations to improve the productivity rate inside a warehouse.

- i. Adopt lean inventory practices in every warehouse. Every raw material should be organized in a proper way so that they can be easily found and deliver to the production floor whenever they are needed. Moreover, no inappropriate items will be kept inside a warehouse. Raw materials of different states (solid, powder, liquid) will be kept in different places.
- ii. Adopt new technology to the warehouse. Machines with new features can be used to load/unload raw materials. Machines can be used for stacking and monitoring the warehouse.
- iii. Taking record of the inventory error. Which inventory is wasted, what amount of inventory is wasted, how it is wasted every details should be monitored. So that, in future inventory error can be prevented.

7. Conclusion:

The main purpose of doing this research report is to find out the main reason behind system loss in warehouses of our country and come up with some probable solutions to solve it. I am very grateful that I have come up with three possible solutions which will decrease system loss in a warehouse and help to increase the productivity. I also believe that in near future the corporate leader might come up with some absolute solutions so that, the system loss totally disappears from the workplace and productivity level can reach on the top inside every working place.

Appendix:

Questionnaires for the research:

1. What is your gender?
 - a. Male
 - b. Female
2. What is your designation in the company?
 - a. Assistant manager
 - b. Warehouse officer
 - c. Warehouse supervisor
 - d. General worker
3. Do you have any knowledge about lean inventory management?
 - a. Yes
 - b. No
4. Do you agree that lean inventory management will decrease system loss inside a warehouse?
 - a. Strongly agree
 - b. Agree
 - c. Neutral
 - d. Disagree

- e. Strongly disagree
5. Rate the warehouse management process in Bangladesh?
- a. 1
 - b. 2
 - c. 3
 - d. 4
 - e. 5
6. What is the major obstacle nowadays for a warehouse management system?
- a. Lack of technology
 - b. Lack of proper segmentation
 - c. No track of inventory error
 - d. Lack of skilled worker

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