



BRAC University

Internship report on

“Operational procedure of sea-freight department and recruitment and selection process of Kuehne+ Nagel Bangladesh Limited”

Submitted to
Dr. Mamun Habib
Associate Professor
BRAC Business School
BRAC University

Submitted by
Nafisa Farzana
ID: 14304125
BRAC Business School
BRAC University

Date of submission: Monday, September 3, 2018

INTERNSHIP REPORT

ON



Operational procedure of sea freight department and recruitment and selection process of Kuehne+ Nagel Bangladesh Limited

Letter of Transmittal

Date:

Dr. Mamun Habib

Associate Professor

BRAC Business School

BRAC University

Subject: Submission of Internship Report

Dear Sir,

Every student of Brac Business School has to do their internship in a reputed organization and submits the report in order to complete the graduation and also to experiences the real life business situations. As per this requirement, I have prepared my internship report based on your instructions that you have provided to me.

Internship program is the perfect tool to gather not only theoretical but also practical knowledge. Kuehne + Nagel Ltd's internship program is a three months program of which I have completed three months already. In this organization, I worked as an intern of sea freight department's export side.

Your acceptance and appreciation will surely inspire me a lot. For any further queries about the report, I will be gladly available to clarify the overall information used here.

Yours sincerely,

Nafisa Farzana
ID- 14304125
BRAC Business School
BRAC University

Acknowledgment

I would like to express my heartiest gratefulness to Allah, the most merciful and beneficiary for allowing me to accomplish this within scheduled time. I am highly indebted to my internship advisor, **Dr. Mamun Habib** sir. His guidance, inspiration, cooperation, important advice and critical suggestion provided me necessary insight to the problem and the successful completion of this paper work also. In addition, I would like to add that without his proper support I would not be able to do this.

I would like to convey enormous gratitude to my organizational supervisor, Mahamudul Hasan Roney, executive, sea freight, for his constant supervision as well as sharing his knowledge and provide information that I needed most to complete my report. My appreciations also go to all my colleagues and friends who really helped me out with their abilities to develop the project.

Last but not the least, my heartiest thanks to BRAC University and all the respective faculties for their countless effort for making me what I am today.

Executive Summary

Internship is mandatory for graduation program. As a student of Bachelor of Business Administration, internship program allows us to taste the business operations practically and goes through all fields of knowledge. So, after completing four years BBA program, I was sent out to have practical knowledge as a part of my academic program. In this report, I tried to focus the operational procedure of sea freight (export) department of Kuehne+Nagel Bangladesh limited. My internship topic is Operational procedure of sea freight department and recruitment and selection process of Kuehne+Nagel Bangladesh Limited.

“Freight forwarder” is a term who usually works as a third party in business. They have specialization in arranging storage and shipping of merchandise on behalf of its shippers. They provide services like tracking transportation, cargo stuffing, loading, insurance, inspection and so on. Basically, they take the responsibility of arranging the transport from point of origin to destination.

As a freight forwarder company Kuehne+ Nagel is very much financially strong and reliable company. It's performance, expertise and excellent customer service is the proof of company's dedication for being number one in the market.

In this whole report, I have tried to include all the experiences that I have gathered during my internship period at Kuehne+Nagel Bangladesh Limited. As I worked in the Sea freight section, my report is all about this department. Here, I have also done SWOT analysis of the company and lastly gave recommendations and some suggestions which can be helpful for the company.

Contents

| | |
|--|----|
| Executive Summary | 5 |
| CHAPTER 1 | 7 |
| INTRODUCTION | 7 |
| 1.1 Introduction to the report: | 8 |
| About “freight forwarding” | 8 |
| 1.2 Origin of the study: | 9 |
| 1.3 Scope of the study: | 9 |
| 1.4 Objectives of the report:..... | 9 |
| 1.5 Methodology of the report: | 10 |
| 1.6 Limitations of the study: | 10 |
| 2.1 Background and history of Kuehne + Nagel: | 13 |
| 2.2 Brief description of Kuehne + Bangladesh Limited:..... | 15 |
| 2.3 Objective of the company: | 15 |
| 2.4 Mission Statement: | 16 |
| 2.5 Vision Statement: | 16 |
| 3.1 Sea freight department: | 18 |
| 3.2 Export operation system: | 18 |
| 3.3 Import operation system in short-..... | 24 |
| 3.4 Important Documents of sea freight (export) department-..... | 25 |
| 4.1 Human resource department- | 28 |
| 4.2 Procedure- | 28 |
| 5.1 SWOT Analysis- | 32 |
| Strengths: | 32 |
| Weaknesses: | 32 |
| Opportunities:..... | 33 |
| Threats: | 33 |
| 5.2 Suggestions and recommendations-..... | 34 |
| 5.3 Conclusion- | 34 |
| References..... | 36 |

CHAPTER 1

INTRODUCTION

1.1 Introduction to the report:

About “freight forwarding”

Importing and exporting are key components of many lucrative businesses. International shipping could be a great opportunity for every business but the paperwork, process, law, rules and regulations can be barrier or so much time consuming. So in this case, if a business decides to import something from outside of the border of a country or they want to export their product overseas, then they need to take the help of any freight forwarder company.

The main services a freight forwarder provides are arranging the transportation, storage of the cargo, arranging custom clearance of the goods, inspection of goods, insurance etc. Though company to company these services vary but the main function of a freight forwarder is to work as a middle man between the client who is hiring them and the transportation system or shipper who are involved in getting the goods overseas to the customer.

Freight forwarders charge different amount to transfer the goods in different destination. There are lots of charges they take for different purpose and they are known as freight charges. They have some common charge for same service in sea and air department. Lastly, freight forwarder also known as non-vessel operating common carrier (NVOCC).

Freight forwarders use different kinds of transportation services such as-

1. Sea freight
2. Air freight
3. Overland
4. Contract logistics
5. Integrated logistics.

Importance of freight forwarder-

1. They can save untold time and reduce the obstacles while sending goods overseas.
2. They provide reliable transportation service at best competitive rates.
3. They ensure the safety of the cargo.
4. Sometimes, provide the warehouse facility also.

1.2 Origin of the study:

Internship program is a must for BBA program. It is a great opportunity to work in an organization and know the pros and cons of it. This report is prepared as a mandatory requirement of the internship program under my BBA program of BRAC University. The organization where I did my internship is Kuehne+Nagel Bangladesh limited. I have prepared this report under the supervision of my organization supervisor and varsity advisor.

1.3 Scope of the study:

The scope of the report is to cover the operational process in details of sea freight department of Kuehne+Nagel Bangladesh limited. Furthermore, how they recruit employees, how they trained them up, how the whole process works. For this purpose I have collected data from primary and secondary sources. However, the issues related with sea freight department's operation are key factors here.

1.4 Objectives of the report:

The actual objective of this report is to fulfill the requirement of BBA program as internship is mandatory part of it. I worked here in export section of sea freight department. So, the broad objective was to know or gather information about the whole operational process of sea freight department of Kuehne+Nagel Bangladesh Ltd. There are also some specific objectives to which are-

1. To know the requirements of different documents and its impact on sea freight shipments. I realized that, whatever we want to ship whether the items are right or not to check three most important documents are highly required. They are commercial invoice, packing list and forwarder's cargo receipt.

2. Another objective was to learn basic sea freight operations knowledge. To be more precise, how Kuehne+Nagel get the booking for shipment, different types of container that are used for this shipments etc.

3. Understanding the role of parties involved in the operations such as carriers, depots, shippers etc.

1.5 Methodology of the report:

To conduct this report I collected information both from primary and secondary resources.

Primary resources

- Direct work experience with sea freight team.
- Daily activities conducted by me at Kuehne+Nagel.

Secondary resources

- Company website.
- Annual reports of Kuehne+Nagel.
- Different websites, books, journals etc.

1.6 Limitations of the study:

While preparing this report, I have faced some limitations and difficulties. The main obstacle was to collect necessary information from the company. Sometimes, company stuffs did not show that much interest to deliver necessary information as company has some rules and regulations. There is some other limitations like-

1. There was shortage of time which was a major constraint to gather data.

2. Interns do not have access in all areas.
3. Some employees do not want to share information willingly just because to maintain the secrecy of the organization.
4. Some official websites were restricted and only can be used by company's permanent employees. It was also a major problem.

CHAPTER 2

Background of the Company

2.1 Background and history of Kuehne + Nagel:

Kuehne + Nagel is one of the leading global forwarder and logistics providers being in the freight forwarding industries for over 150 years. It was founded in 1890, in Bremen, Germany, by August Kuehne and Friedrich Nagel. It has more than 1336 offices in 109 countries, with around 75876 employees. It's headquarter is situated in Schindellegi, Switzerland. It provides sea freight and airfreight forwarding, contract logistics, and overland businesses with a focus on providing IT-based logistics solutions. Kuehne + Nagel's main competitors are DHL global forwarding, DB Schenker, DSV, Panalpina and so on.

August Kuehne and Friedrich Nagel were two friends, who started KN's journey as forwarding commission agency in Bremen. Initially, it used to be on cotton and consolidated freight. In 1902 it expanded its operation to the German seaport city of Hamburg. After the era of August and Friedrich firm's partnership had taken by Alfred and Werner. In early 1950s Alfred Kuehne son of August Kuehne started to expand KN internationally. That time it started its operation in Canada, opening branch offices in Toronto, Ontario and Montreal. In mid of 1960s, third generation member of Kuehne family, Klaus- Michael Kuehne joined the firm and contributed like his father's and grandfather's to expand the business internationally.

In 2017, Kuehne + Nagel expanded its global leading position in sea freight with 4.4 million TEUs managed in container traffic. It confirmed 1.6 million tons in airfreight and gained number 2 position. Kuehne + Nagel also reported significant growth and profitability improvement in overland and gained substantial business from high profile customer (Annual Report 2017).

Seafreight-

- Number 1 sea freight forwarder.
- There are over 7500 sea freight specialists throughout the world to provide right solution.
- Solid partnerships with an extensive range of preferred ocean carriers

Airfreight-

- Second largest airfreight forwarder.
- Each week on average, Kuehne + Nagel manages over 60000 shipments, 18200 tons, 182*747 freighters.
- Global Cargo iQ Phase 2 certification

Contract Logistics & Integrated Logistics-

- Number 2 global contract logistics provider
- Worldwide network of warehouse and distribution facilities
- Number 1 global lead logistics provider

Overland-

- European Top 3 provider
- Pan-European overland transportation capabilities, including dedicated and individual delivery services
- Close partnerships with best-in-class carriers

2.2 Brief description of Kuehne + Bangladesh Limited:

Kuehne + Nagel Bangladesh Limited started its journey in Bangladesh in January, 1997. Since then, it has become a renowned freight forwarder company in Bangladesh. Here, it operates in three areas which are Dhaka, Chittagong and Mongla. In Mongla, KN has started its journey very recently. The corporate head office is located at banana, in Dhaka. The address of head office is- house#74, road#18, block# J Banani, Dhaka Bangladesh. Beside this office, KN has another branch office in Uttara which only use for airfreight department. Alongside this, the warehouse of Kuehne + Nagel Bangladesh Dhaka office is located in Gazipur.

In Bangladesh, Kuehne + Nagel provide two kinds of services. They are sea freight and air freight services. Here, in Bangladesh K+N does not have overland administrations because of absence of interest. Sea fright department is stronger than the airfreight. Sea fright department has two parts import and export. The tasks of sea and air fright overseas are almost same. Kuehne + Nagel has different software for these works.

2.3 Objective of the company:

Kuehne + Nagel is a freight forwarding company. Objectives of the company are as follows-

- Companies get sufficient volumes of cargo to make a profit through the arrangement of transport and handling.
- They should achieve a balanced flow of cargo which should make it possible to avoid empty return journey by planning job well.
- They must, in order to achieve this set up, own officers and his group age and storage facilities in the area which they serve.

- They have to achieve a high level of customer service and maintain this level.
- They want to increase volumes of businesses and increase profits, not only in home but also abroad.
- They must set up and keep the schedule of the delivery.
- They should set up a network of equipment and communications so that the movement of cargo vehicles can be controlled and documentation prepared and exchanged through electronic system.

2.4 Mission Statement:

The global logistics network is the company's strongest asset. Dedication, integration and innovation are at the heart of company's business philosophy, focuses on their customers' need, they provide integrated logistics solutions of outstanding quality and operational excellence.

2.5 Vision Statement:

- Kuehne + Nagel fulfills vision for a cost – Effective, environmentally, responsible solution.
- Company's vision is to keep holding leadership position.

Chapter-3

Operational process of sea freight department

3.1 Sea freight department:

Kuehna+ Nagel is the number one sea freight forwarder in the world. Sea freight is the strongest department than any other departments of this company. This department mainly exports readymade garment products to Europe, North America and north East Asian countries. So it plays an important role in Kuehne + Nagel ltd.

Weight-

Nowadays most of the export oriented goods shipped by sea. All the cargos transported via ship as containerized. Here, in sea shipment the sending process is a bit lengthy than the air shipment. In spite of that, sea shipment is much preferable than the air because it is inexpensive than air. Furthermore, via sea shipper can send bulk amount of heavy goods at a cheaper rate. Some major international ports such as Felixstowe (England), Rotterdam (Netherland), Hamburg (Germany) mostly use for maximum shipment.

Security-

Sea shipments reduce the risk of damage in transit and handling. In Bangladesh cargos are transported from Chittagong port through transshipment ports Colombo and Singapore. Furthermore, it allows low cost and less risk for bulk amount of cargoes than air shipment.

3.2 Export operation system:

To run the sea freight department and conduct the sea shipment there is specific operation system. Different types of documents are required to implement the whole process. There are some specific phases by which all the shipments run. The operational and documentation process is executed through the CIEL (Computer Integrated External Logistics) system all

over the world in the same unified, disciplined and efficient manner. The process of export shipping is similar to the diagram below.

Phase One: first of all, shippers initially search for the freight forwarding company to send their cargo. So here, Kuehne + Nagel is the freight forwarder company. So primarily, the sales department of both local and overseas office contact with the shipper for local office and consignee for overseas office in term of export shipment. After that, both parties make a deal. They make the deal under certain specific terms and conditions. Selling rate is the vital thing for this type of agreement. Selling rate is the rate in which our sales department sale our service to forward the cargo from one to another destination in home and worldwide.

Phase Two- In second stage, shipper sends all the important documents like commercial invoice, packing list and most important booking format via fax or the hard copy of these to our Chittagong office. Booking format holds all the essential information like shipment term, freight term, cargo delivery date, receiving date etc. Freight term is settled by the shipper and consignee and it would be written in commercial invoice. The most common ones are- collect shipment (FOB) and prepaid shipment (CFR). After that, when Chittagong office gets all the documents from the shipper, they create a house B/L number and send it to Dhaka office for setting up main documents.

Phase Three- In this stage shipper sends the cargo to the container freight station (CFS). Kuehne + Nagel has two main depots as warehouse in Chittagong. They are summit alliance port limited (SAPL) and esack brothers limited (EBIL). Besides this two, there are other depots like K&T logistics, shafi motors etc.

Moreover, after confirming the booking, Kuehne + Nagel contacts with specific shipping lines (commonly Hapag, Maersk line, Cma) based on shipper's and consignee's preference and destination. There are lots of shipping lines in the world. They provide the vessel schedule to the forwarder company. When KN receives the booking format, it tries to match with the vessel schedule with the destination of cargo. If the vessel schedule matches then we the Kuehne + Nagel confirm it with shipping lines. KN sends the bookings to respective

destination office colleague for approval. Only after receiving the approval, KN directs the shipper to handover the cargo within due date.

Some names of popular shipping lines are-

1. *Hapag-Lloyd*
2. CMA CGM
3. Maersk Line
4. APL
5. MSCU
6. OOCL
7. Hyundai

Phase Four- Then the specific depot like SAPL or EIBL stuffs the cargo to the selected containers which has been already booked by KN from the shipping line company. After stuffing the cargos, depot also sends terminal receipt, stuffing report to Dhaka office. This report contains following important information like-

- Mother Vessel/ Main vessel name
- Container size
- Container number
- Seal number
- Number of carton or package
- CBM
- Expected time of departure (ETD) date
- Expected time of arrival (ETA) date
- Destination

Phase Five- When cargo stuffing is done, a file will be opened with the Chittagong office documents for the shipment. They give serial number for the file like DAC 4861-0220-807.219. Then the operators of CIEL in Dhaka office create house bill of ladings which is prepared by putting the document number or booking serial number in against of account name and issue a QT to trigger invoice for consumer. CIEL is Kuehne + Nagel's own software which stands for Computer integrated External Logistics.

At the time of creating House Bill of Lading number the following information have to be filled up in the CIEL at sea export Long Booking System. They are as follows-

- Shipper's or company name.
- Consignee company code (defined by Hong Kong RI-T based on system)
- Notify Address
- Destination (the place of discharge of cargo)
- Total CBM.
- Freight term (the term based on cargo are carried from one destination to another. The freight term consist of two individual terms:
 - Collect shipment and (FOB)
 - Prepaid shipment. (CFR)
- Number of package e.g. Total carton (s)
- Description of good or cargo.
- Net weight
- Forwarder code (defined by Hong Kong RI-T e.g. Set by the system).
- Mode of shipment e.g. CFS/CFS, CFS/CY or CY/CY.
- Vessel or shipment schedule given by the shipping lines.
- Shipping mark.
- Export reference.
- L/C reference.
- Purchase Order number (P.O. number)
- Invoice Number reference

After putting above information to house B/L number KN prepares Bill of Lading. Then responsible person sends this B/L's as dummy version to shipper to check whether all information are right or not. If any correction needs then the person also do the correction and asks for confirmation.

Phase Six- In this stage, KN employee writes file. Here, they put following information. The below mentioned particulars are the most important documentary elements for a sea freight forwarder. They are interpreted these in details:

1. Container size-







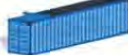


There are three types of container mostly used.

-20 Feet Container: The capacity of a 20 ' container is 28 CBM cargo.

-40 Feet Container: The capacity of a 40 ' container is 58 CBM cargo.

-40 HC Container: The capacity of a 40 ' HC container is 65 CBM cargo.

Container Specs

| | | |
|---|--|---|
|  | 20 ft. Dry Container Length: 5.90 m Width: 2.35 m Height: 2.39 m | Door Width: 2.34 m Door Height: 2.27 m Max Payload: 28.19 Ton |
|  | 20 ft. Open Top Container Length: 5.90 m Width: 2.35 m Height: 2.35 m | Door Width: 2.34 m Door Height: 2.24 m Max Payload: 21.55 Ton |
|  | 20 ft. Flat Rack Container Length: 5.96 m Width: 2.02 m Height: 2.08 m | Max Payload: 27.76 Ton |
|  | 40 ft. Dry Container Length: 12.03 m Width: 2.35 m Height: 2.39 m | Door Width: 2.34 m Door Height: 2.27 m Max Payload: 26.19 Ton |
|  | 40 ft. High Cube Dry Container Length: 12.03 m Width: 2.35 m Height: 2.69 m | Door Width: 2.34 m Door Height: 2.58 m Max Payload: 26.49 Ton |
|  | 40 ft. High Cube Reefer Container Length: 11.67 m Width: 2.29 m Height: 2.54 m | Door Width: 2.29 m Door Height: 2.44 m Max Payload: 27.70 Ton |
|  | 40 ft. Open Top Container Length: 12.02 m Width: 2.35 m Height: 2.38 m | Door Width: 2.34 m Door Height: 2.24 m Max Payload: 26.46 Ton |
|  | 40 ft. Flat Rack Container Length: 11.99 m Width: 2.24 m Height: 1.97 m | Max Payload: 39.02 Ton |
|  | 45 ft. High Cube Dry Container Length: 13.58 m Width: 2.34 m Height: 2.69 m | Door Width: 2.34 m Door Height: 2.58 m Max Payload: 26.18 Ton |

2. Container Number-

Container number is another important thing. It is used to identify the container and at the time of containerized of cargo, number has to be written on the staffing report.

3. Seal number-

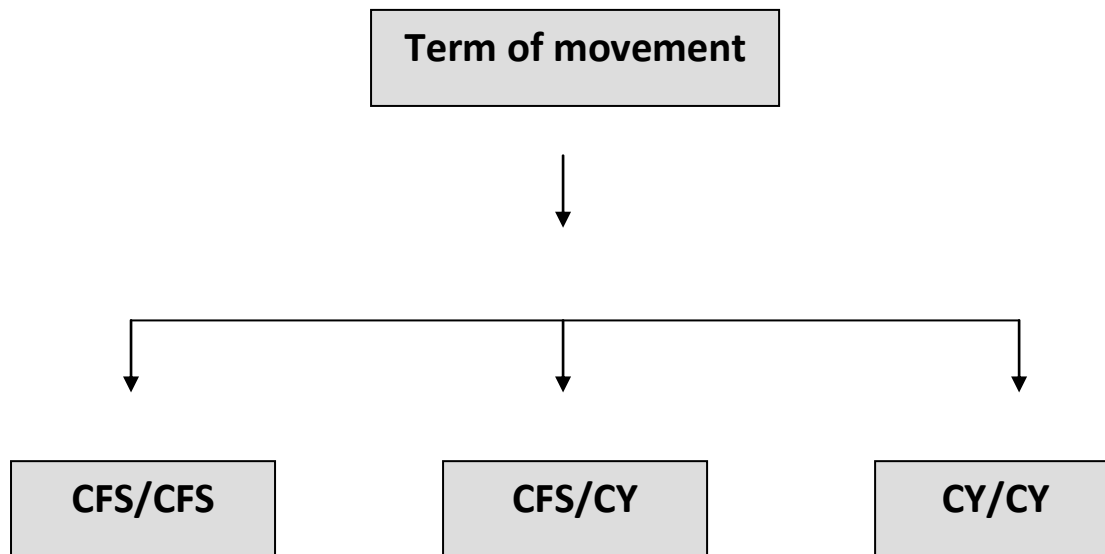
It is also same as container number.

4. Package and CBM-

Carton or package is counted at the time of containerization of carton and CBM is also measured before they are containerized by EBIL or SAPL.

5. Term of movement-

Term of movement is set by negotiation between shippers or consignee and freight forwarder and shipping lines. There are three types of term of movement. They are as follows:



CFS/CFS: In the term of CFS/CFS movement is refers that the cargo are forwarded from Container Freight Station to another Container Freight Station. Here when the vessel reached to a final destination and the container shift to the yard, then the concern person of KN divides the cargo among the ultimate consignees.

CFS/CY: In the term of CFS/CY movement is refers that the cargo are forwarded from Container Freight Station to another Container Yard. Here we forward the container to the freight station that means final destination and then the cargo are divided by themselves (consignee).

CY/CY: In the term of CY/CY movement is refers that the cargo are containerized from one warehouse and forwarded to consignee's warehouse.

6. Mode of shipment-

There are two modes of shipment. they are FCL and LCL.

FCL- It stands for full container load. It refers that a container is fulfill by same or different types cargos of same consignee.

LCL- It stands for less than container load. It refers that a container is fulfilled by small packages of cargos of different buyers. Shipping lines always want to carry the fewer containers and more cargo to secure more profit.

Phase Seven- Once the cargo has been loaded to the ship, it is set to leave for the destination. After reaching to destination port, the forwarder party of that country receives the cargo and follows further instruction. Here in Bangladesh, all the containers are loaded to smaller feeder vessel because large vessel cannot enter in Chittagong port due to geographical condition. From Chittagong port, the vessel reaches the destination through port of transshipment. Port of transshipment is the port where the containers are shifted from feeder vessel to mother vessel. So there are three ports of transshipments from Chittagong. They are- Singapore, Colombo and port Klang (Malaysia). From there, containers are sailed for their destination.

Phase Eight- Last step is deliver the cargo to the consignee. As Kuehne+Nagel provides door to door service, the company itself deliver the cargo to the consignee or the notify party (If mentioned in the agreement).

The above mentioned process is followed in Kuehne + Nagel for sea freight export operation.

3.3 Import operation system in short-

Sea freight import part also follows specific steps to complete the operation. The steps are described below-

Phase One- In import process first of all, shipper contacts with the overseas freight forwarding partner and provide necessary documents regarding shipment. So, origin booking is the first step of sea freight import operation. Then overseas partner process all the documents and prepare the cargo for loading.

Phase Two- After the containers are loaded into vessel, it sails towards the destination. For example, in this case Chittagong port is the destination and Hamburg is the loading port. Cargos will arrive from Hamburg to Chittagong. At the same time, all the documentation prepares by the concern person based on the origin booking information.

Phase Three- Before, arrival of the container to the port the shipping lines send arrival notice to the forwarder company. Then the forwarder company informs shipper about the ETD and ETA date. After that Kuehne + Nagel does import clearance for fast release of cargo. Lastly, they deliver the cargo to importer's door.

3.4 Important Documents of sea freight (export) department-

There are some documents which are very much important for sea export shipment. Whole operation cannot be done without these.

Booking confirmation-

The booking confirmation is a document issued by KN to confirm all the details of the shipment booking that has been made.

Bill of lading-

It is very important and only use for sea freight shipments. It contains all the necessary information about shipper, notify party, consignee, container size, seal number, cbm, cartons etc. Basically, it is a proof about the shipment between shipper and consignee. There are two types of bill of lading.

They are-

- House bill of lading- It is a document of contract between shipper and the freight forwarder. For example, orion knitwear is a shipper of kik textile. Here, KN issues HBL to orion knitwear.

- Master bill of lading- Master bill of lading is a document of contract between freight forwarder and the shipping lines. For example, the contract document between Kuehne + Nagel and Hapag. A demo of b/l is showing below.



Commercial invoice and packing list-

This document is all about the cargo. What type of cargo is going to sail, what amount, who is the shipper, who is the buyer, how many cartons are going to sail, all the details of cargo is written down in this document.

Stuffing report-

This report is provided by the CFS like SAPL or EBIL. In this report, the concern person from CFS provide the information about cargo weight, stuffing date, document receiving date, cargo receive date at CFS, container number, size, seal number etc.

Shipment advice-

It is the schedule of the vessel. It holds the details information about the name of feeder vessel, mother vessel, voyage number, expected time of departure (ETD) date, expected time of arrival (ETA) date etc. Mother vessel cannot birth in Chittagong port because the water depth is not enough for such big vessel. So, only feeder vessel ships the container up to transshipment port.

Forwarder's cargo receipt (FCR)-

When forwarder receives the cargo, they provide a confirmation notice to shipper about the receiving of the cargo. So, KN issues FCR to their shipper for handing over shipper's cargo to them.

Chapter 4

Recruitment and selection process

4.1 Human resource department-

Kuehne + Nagel Bangladesh has very efficient human resource department. This department is involved in organizing, staffing, leading and finally controlling. The Human Resource Department of KN is doing its job in chronological order as Human Resource marketing, Staffing & Administration, Training & Development and Compensation & Benefit.

1. Human Resource Marketing: Usually no formal advertisement is made in Bangladesh. Most of the time , CVs are collected through internal channel in order avoid the hassle of sorting and arranging for so many candidates and external lobbying.

2. Staffing & Administration: In this stage HR managers recruit eligible candidates among all the candidates. Manager will teach the new employee all duty, rules and regulations of the company.

3. Training and Development: Here, new employed one will be trained by the human resource department as company's new employee training procedure. Further HR manager shift him for practical work that develop the new employee.

4. Compensation & Benefits: In the last stage the HR department provides the employed one such as sharing profit, Accident and sick benefit, fringe benefit, traveling and lunch, provident fund and well environment.

4.2 Procedure-

Recruitment process is described as below-

Planning process:

First of all, all departments inform about the vacant position to the HR department and then they inform it to national manager. Then the national manager checks the vacancy and collects necessary information from the HR.

New employee requisition approval:

If replacement or additional staff is needed, department needs to complete staff requisition form. The form allows the department Head / Manager to know the exact requirements, also helps the HR to maintain its records and acts as evidence as to who made the request, when it was made and who approved it. Furthermore, the new employee requisition should be approved by National Manager (NM) and Department Manager in addition to document evidence. A copy of approved requisition form should be send to HR department for their process.

Pre selection procedure:

- HR department checks previous submitted CV or advertises (if necessary) in the news paper or contact with some nominated university/college for fresh graduate.
- They contacts with local staff agencies, headhunters. Cooperation with headhunters should always be the last means of recruitment because of the expenses. It may be used only if
 - (a) Finding candidates have been unsuccessful
 - (b) Absence of public advertisement
- Thirdly, HR department also checks the performance of different interns.
- After that, HR shortlists some CV among all the CV. They pre-select some candidates based on job description and job criteria for further step. Then applications need provide to the department Manager.
- HR Manager coordinates interviews, together with National Manager and respective department Manager or authorized interviewer.

Interview and assessment:

First of all, initially selected candidates sit for written exam. Then, the candidates those do well in the exam, they are asked to attend face to face interview for final selection. In the

interview board all departmental heads and national manager (NM) ask different questions to the interviewee. For example, why they have chosen Kuehne + Nagel to flourish their career, what they expect from KN, how they will add value to KN etc.

Final selection:

After the final assessment and interview, the eligible candidates are selected for the lucrative post by the board. Most of the time Kuehne + Nagel selects employee from interns who comes to do internship in the organization. Lastly, concern person from HR teaches all the rules and regulations to the new employed person and also arranges different training sessions if required.

Chapter 5

SWOT Analysis, Recommendations and conclusion

5.1 SWOT Analysis-

Basically, SWOT analysis is a study that uses to identify a company's internal strengths, weaknesses and also external opportunities and threats. Now, the SWOT analysis of KN is given below-

Strengths:

1. Market position- Kuehne + Nagel is the market leader in the freight forwarding industries. After starting the journey still now it is ruling the market all over the world. Moreover, across the whole world KN is taking the no. 1 position in sea freight and no. 2 position in air.
2. Global expansion- Kuehne + Nagel has more than more than 1336 offices in 109 countries, around 75876 employees which indicate that KN has strong global networks. KN's head office is situated in Switzerland. In Bangladesh, its head office in Dhaka.
3. Quality service- Kuehne + Nagel is providing quality service to its customers. They are also working very hard for retention of customer. Furthermore, they have sufficient equipment to solve all kinds of freight forwarding issues.

Weaknesses:

Though Kuehne + Nagel is quite successful but still it has some weaknesses. They are-

1. Less promotional activities- This is a big weakness of Kuehne + Nagel that they do not have any permission to do any promotional activities as per the company policy. However, it is known to all that without promotion a business cannot shine properly. So, it is a major weakness for them.
2. Poor returns and less margin- Though Kuehne + Nagel is financially strong enough but sometimes poor margin and return can be a major weakness for it. The reasons

behind fewer margins could be political unrest, natural disaster, inflation/ deflation etc.

Opportunities:

There are so many opportunities in forwarding industries nowadays. Some opportunities for KN are-

1. Growth in air freight- At present Kuehne + Nagel is no. 2 air freight forwarder. So, in this sector they have enough opportunity to try level best and be the no. 1.
2. Strategic contracts and agreements- Strategic contract and agreements play an important role in any organization. For K+N, if they can maintain good strategic contracts and agreements, there is a good opportunity for more growth in this industry.

Threats:

Some threats for KN are described below-

1. New competitors- Nowadays so many new companies are coming in freight forwarding industry. So, the increasing new competitors can be huge threat for KN. Some competitors of KN are DHL, express, DB Schenkers, UPS Supply chain, Panalpina, Hitachi transport, Hellmann etc.
2. Currency risk- The fluctuation of currency rate could be a major threat for Kuehne + Nagel. Exchange rate risk is the possibility that currency depreciation will negatively affect the value of one's assets, investments, and their related interest and dividend payment streams, especially those securities denominated in foreign currency.
3. E- Commerce activities- Nowadays e- commerce-activities are increasing day by day. It could be a big problem for KN as it most of the time provides B2B business than B2C business.

These are the major strengths, weaknesses, opportunities and threats for KN.

5.2 Suggestions and recommendations-

After doing SWOT analysis of Kuehne + Nagel I have found some issues and based on them I want to recommend some points that KN can follow for their better performance. Some recommendations are-

1. More promotion- To compete with new competitors KN needs to focus on more promotional activities.
2. Public relation- Most of the people hardly know about freight forwarding company. They hardly know about Kuehne + Nagel though it is a multinational company. So, KN needs to build up public relation efficiently.
3. E- Commerce activities- Kuehne + Nagel should also focus on e- commerce activities. They should go for B2C service besides B2B service like DHL.
4. System update- Sometimes the software for example CIEL creates problem during operation. So, KN needs to update these systems properly.

5.3 Conclusion-

Lastly, Kuehne + Nagel is the number 1 sea freight forwarder in the world. It is very well known organization for its dynamic and quality service. The management of Kuehne+Nagel Ltd always gives special efforts to uphold the interest and trust of their customers. Furthermore, KN needs to work hard to sustain their market position and profit as well.

So, I honestly want to say that my journey with Kuehne + Nagel Bangladesh, sea freight department is the best experience for me. I have learned so many things like how to be

patient, how to deal so many customers, how to behave with coworkers, how to handle the pressure, adopt new culture and so on.

Finally, my internship journey in Kuehne + Nagel is a lifetime experience for me. KN helps me to get practical knowledge, experience of corporate life and also connection with some wonderful colleagues. So, I am really grateful to Kuehne + Nagel for giving me this kind of opportunity.

References

1. *Kuehne+Nagel Annual Report(2017)*

http://www.knportal.com/fileadmin/user_upload/documents/about_us/Investor_Relations/documents/2013/annual_report/en/2013/kuehne-nagel-group-key-data.html, Retrieved on February 15, 2015.

2. <https://home.kuehne-nagel.com/>. (n.d.). Retrieved March 15, 2017, from

• <https://home.kuehne-nagel.com/>

3. https://www.kn-portal.com/about_us/media_relations/news/. (n.d.). Retrieved February 10, 2017, from • https://www.kn-portal.com/about_us/media_relations/news/

4. Berglund, M., Laarhoven, P.V., Sharman, G. & Wandel, S. (1999). *Third Party logistics: Is there a future? .International Journal of Logistics Management; 10 (1), 59-70.*

5. Dhaka Tribune(July,2017) <http://bangladeshchronicle.net/2014/03/bangladesh-bad-performer-in-trade-facilitation/>)

6. *The Daily Star*(September 11,2017) <http://www.thedailystar.net/business/export/exports-hit-record-high-aug-1460275>