

JIFFA

Silver Jubilee

Symposium 2010

**“The Opportunities
& Challenges for
Int’l Freight Forwarders”**



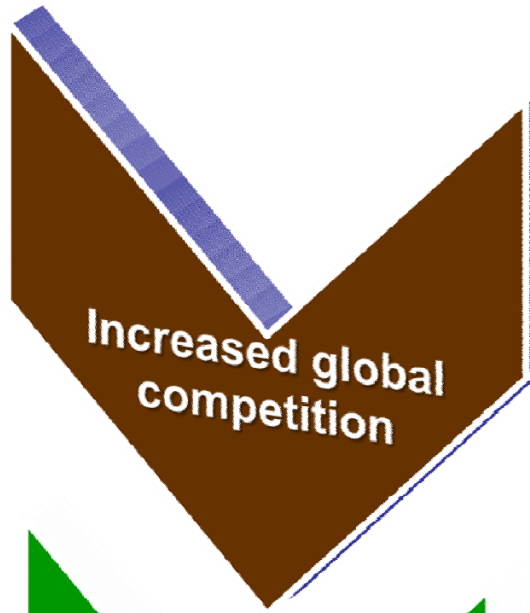
Thomas SIM

Chairman - FIATA-ABVT

Chairman – The Logistics Academy, SLA

1st Dy Chairman – Singapore Logistics Association (SLA)





- Global sourcing in global markets
- Reduction of barrier to world trade
- Rising level of international trade



- Increased efficiency with effective IT systems
- Service oriented 3PLs will reduce quality gap





Sustainable ENERGY

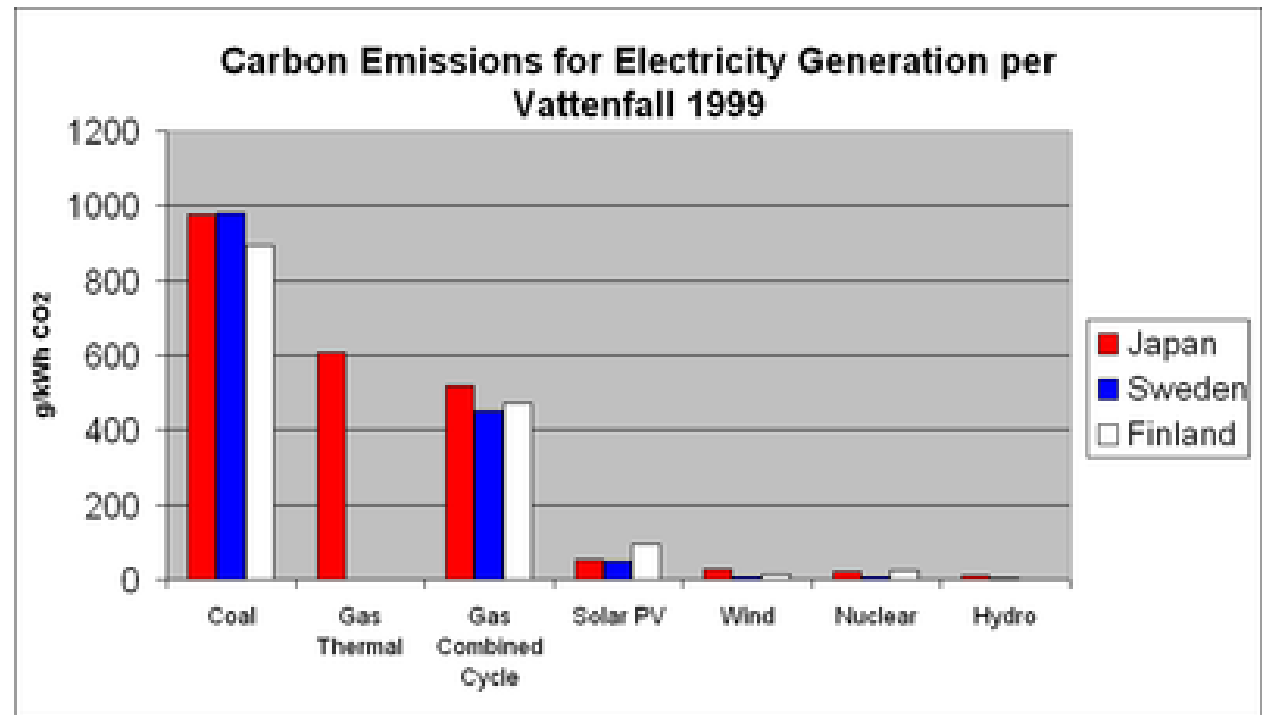
- Energy efficiency &
 - Renewable energy
(Green Energy)
- plant matter
 - solar power
 - wind power
 - wave power
 - geothermal power
 - tidal power





Sustainable ENERGY

- Carbon footprints
- Carbon Credits...





Increased pressure for green logistics

- People, process and technology to improve energy efficiency
- New revenue source – carbon credit trading

Supply chain security

- IT solution is an enabler but security involves all parties
- Supply chain certification is a key to global markets



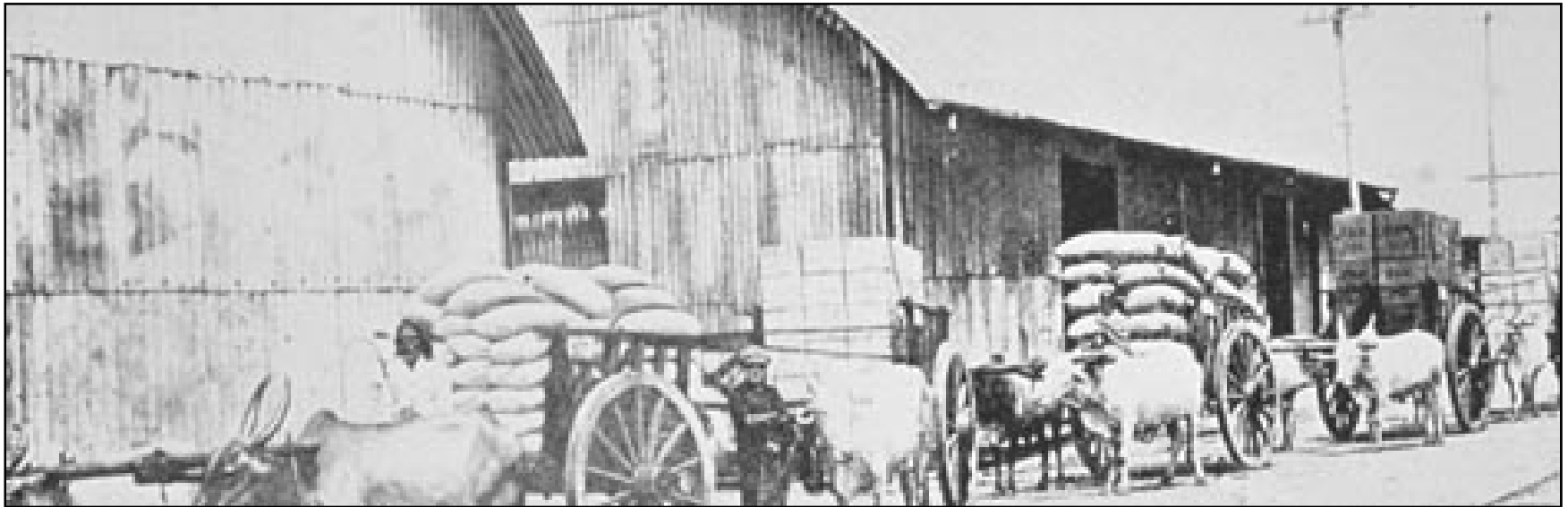


Human Resource Capital

- **most important asset !**
- **New battlefield emerged...**



Old Paradigm



New Paradigm

- New business questions – *“What does my Customer need ?”* & *“When do they need it ?”*

Producer anchors new cycle of *“dynamic*

- Focus shifts from *supply to demand*

- Flow of info & flow of goods - all to *meet Customers’ demands!*

Producer

Flexibility, Speed & Productivity !

Consumer

- Global sourcing expands *inbound transportation*



Distributor/
Retailer

- New biz model recognize *Multiple Customers & Multiple Buyers*



HOW ARE WE AFFECTED BY THESE CHANGES ?

The Service Provider's role will be transformed from

'an Agent' to 'a Principal';

The Business will become a *partnership*,
whether he likes it or not,
the Market prevails.



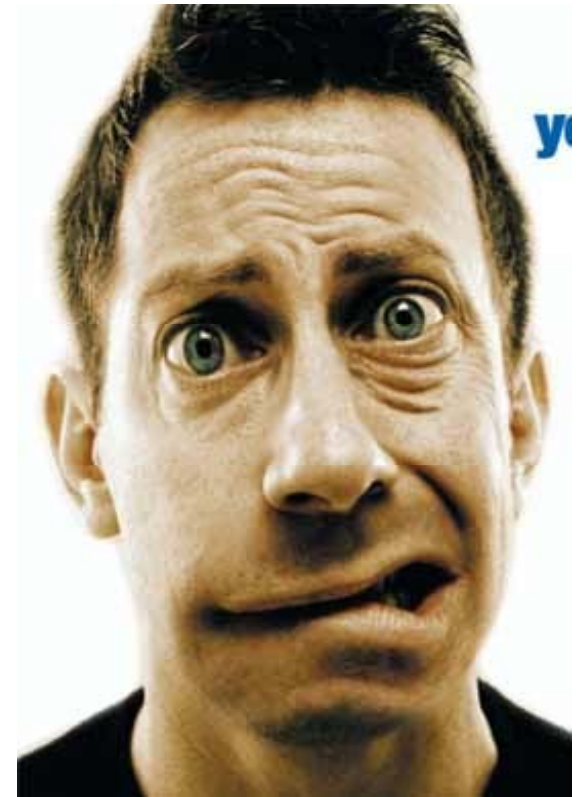


Demands of the Clients...



The future depends to a great extent, on our ability to fulfill our Customers' NEEDS :

- **On-time pick-up & delivery**
- **Overall responsibility**
- **Competitive Pricing**
- **Transit-time**
- **Service territory**
- **Billing accuracy**
- **Correct equipment**
- **Degree of control**
- **Track & trace capability**
- **Claims processing**
- **Low performance failures**





HOW ARE WE AFFECTED BY THESE CHANGES ?

**Increased in Customers' Demand
= Value-added services needed**

**Customers will now have to focus on their
Core Products to be competitive;**

**LSPs - be innovative & proactive to offer their
expertise to create and implement
measures to relieve all his clients'
supply chain demands !**



Architect of Transport !





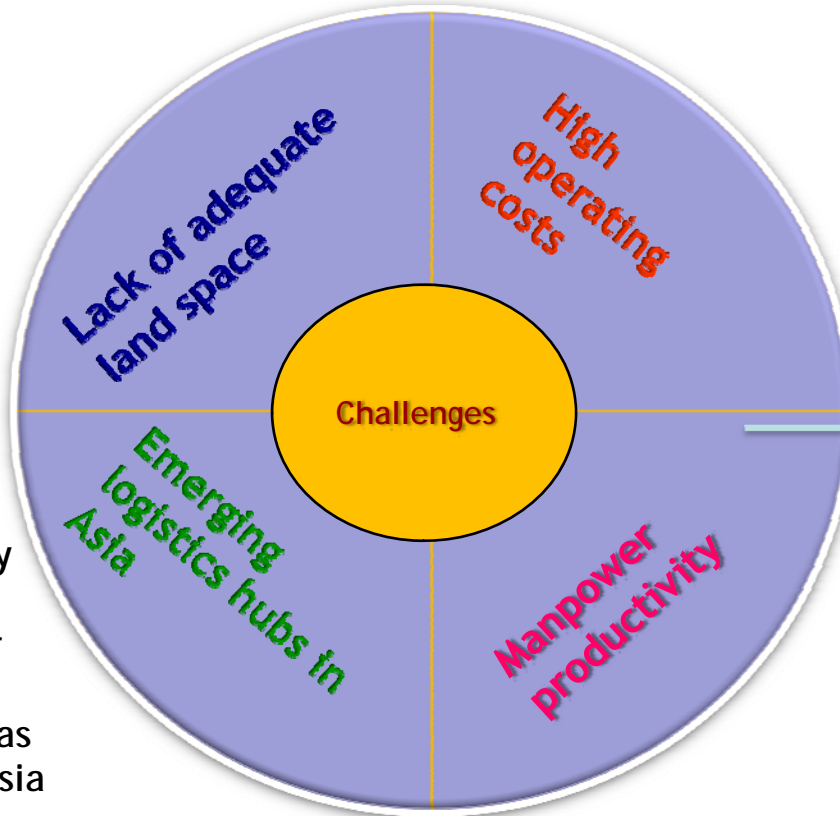
Manpower Skills Required To Meet The Challenges...

*- based on a recent Workforce Development Survey
on the logistics industry skills study report conducted in Singapore*



Challenges for the Singapore Logistics Industry

Government needs to find a solution to the land restriction as demand for warehouse facilities increase



For asset-based companies, economic downturn has a direct impact on operating costs

As operational costs rise, many providers are relocating their hub to low cost countries such as Vietnam, Malaysia and Indonesia

Essential to get manpower cross trained in It, business analytics and applications in supply chain to enhance productivity

Profile of the Skills Strengths, Gaps & Future Requirements of each segment of the logistics workforce was established for both Logistics Skills & Non-Logistics Skills sets :

- Senior Management
- Professionals & Managers
- Executives
- Clerical/Operators

“P.M.E.Ts.”



Source : Logistics Industry Skills Study Report



Senior Management





Senior Management

'Skills Strengths of Senior Management'

- Development & Implementation of **Logistics or Supply-Chain Management** strategies;
- Development of **Transportation policies & procedures**;
- Handling of customer request (*RFQ & RFP*);
- Managing the **operations of transport and logistics hubs**;
- Administering **contract logistics**; and
- Possess a sound **knowledge of air/land/sea freight operations**.



Source : Logistics Industry Skills Study Report

Senior Management

'Current Skill Gaps for Senior Management'

- competent in the **development and implementation of logistics or supply-chain management strategies**
- training efforts should be made...
- to ensure that the industry is able to **maintain the competency** of the above-mentioned skills.



Source : Logistics Industry Skills Study Report

Senior Management

'Future Skill Gaps for Senior Management'

- ability to **develop business process models** for application of SCM;
- ability to **implement sustainable** logistics & SCM strategies;
- ability to **measure logistics performance, &**
- possess sound **SCM knowledge.**

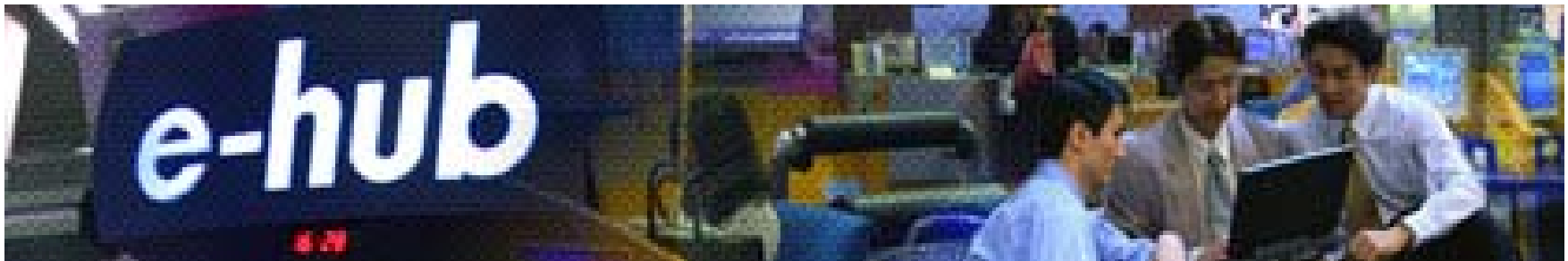


Source : Logistics Industry Skills Study Report

Senior Management

Areas that are seriously lacking and should gain immediate training & improvement are :

- ability to link SCM/logistics software tools with logistics operations;
- knowledge of e-logistics infrastructure
- supply-chain optimization



Source : Logistics Industry Skills Study Report



Senior Management

Non-Logistics Skills

- need to **expand the pool of these people** to cope with the anticipated increase in demand
- ability to cope with **new technology & knowledge**;
- sound knowledge of **contract laws**;
- good knowledge of **ISO Standards**;
- possess considerable **multi-lingual proficiency**

Source : Logistics Industry Skills Study Report





Professionals & Managers



Professionals and Managers

'Skills Strengths for Professionals & Managers'

- ability to manage cargo operations
- sound knowledge of air/land/sea freight operations





Professionals and Managers

'Current Skills Gaps for Professionals & Managers'

- ability to implement sustainable logistics & SCM strategies; and
- ability to link SCM/logistics software tools with logistics operations



Source : Logistics Industry Skills Study Report



Professionals and Managers

'Future Skill Gaps for Professionals & Managers'

- ability to create sustainable logistics & SCM strategies;
- to develop business process models for application of SCM;
- to implement sustainable logistics & SCM strategies;
- to link SCM/logistics software tools with logistics operations;
- to measure logistics performances;



Source : Logistics Industry Skills Study Report

Professionals and Managers

'Future Skill Gaps for Professionals & Managers'

- ability to plan, develop and design logistics tracking systems;
- knowledge of distribution management;
- e-logistics infrastructure;
- logistics processes;
- logistics software;
- logistics engineering;
- SCM knowledge
- Supply-Chain optimization



Source : Logistics Industry Skills Study Report

Professionals and Managers

Non-Logistics Skills

(Segments in need of urgent skills improvement)

- ability to cope/manage with new technology and knowledge;
- competent to use computer-based productivity tools;
- knowledge of I.T. trends;
- ability to understand political/economic/ and industrial environments for business;
- able to obtain and use timely information for business decisions



Source : Logistics Industry Skills Study Report



Professionals and Managers

Non-Logistics Skills

(Segments in need of urgent skills improvement)

- awareness of changes in **ASEAN/global market trends**;
- **environmental impact appraisal skills**;
- **forecasting skills**;
- knowledge of **contract law**;
- of **finance**;
- of **ISO Standards**;
- **multi-lingual proficiency**;

Source : Logistics Industry Skills Study Report



Professionals and Managers

Non-Logistics Skills

(Segments in need of urgent skills improvement)

- performance management/coaching skills;
- project management/co-ordination;
- prompt response to changes in competitor's activities.



Source : Logistics Industry Skills Study Report



Executives

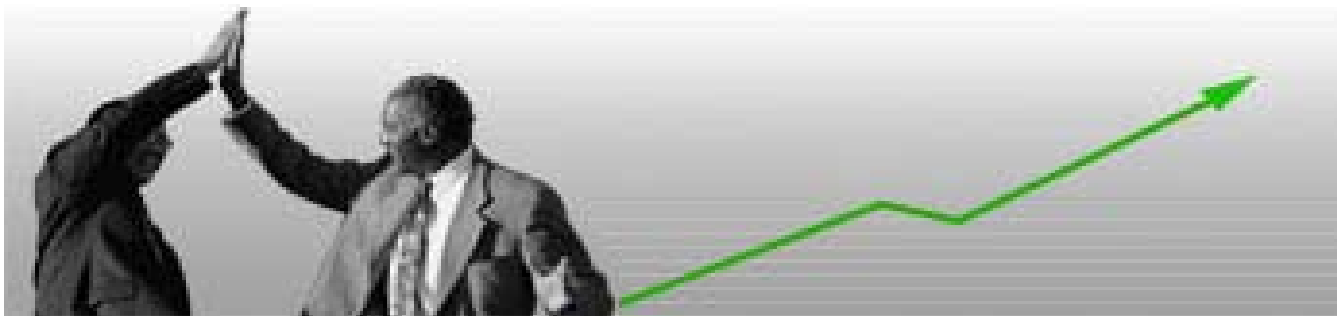


Source : Logistics Industry Skills Study Report

Executives

'Current Skills Gaps for Executives'

- the identified skills are not ranked as critical skills required for the running of companies' operations...
- can only be classified, at best, as medium-need training requirements



Source : Logistics Industry Skills Study Report

Executives

'Future Skills Gaps for Executives'

- ability to manage CRM;
- Customs Procedures;
- Delivery management;
- Distribution management;
- Inventory management;
- knowledge of Air/Land/Sea Freight operations;
- knowledge of e-logistics infrastructure
- Materials handling
- Trade Docs (L/C, insurance, invoicing, etc.)





Executives

Non-Logistics Skills for executives

- ability to cope/manage with new technology knowledge;
- to allocate resources effectively;
- to analyze complex problems;
- to cope with change;
- to deal with conflicts;
- to listen to other people's ideas;
- to manage time well;
- to motivate/persuade other people



Executives

Non-Logistics Skills for Executives

- ability to communicate and present ideas;
- to share information;
- to think strategically;
- to compete internationally;
- to learn from previous experience of competitors;
- to obtain and use timely information for business decisions;
- Good interpersonal skills ;



Source : Logistics Industry Skills Study Report

Executives

Non-Logistics Skills for Executives

- knowledge of ISO Standards ;
- leadership skills; and
- prompt to changes in customer demand.



Source : Logistics Industry Skills Study Report



Clerical/ Operators (Technicians)





Clerical/Operators

'Current & Future Skills Gap for Clerical/Operators'

- **no substantive critical skills requirement ;**
- **skills currently needed are all in the medium or low needs categories ;**
- **material handling operations; and**
- **trade docs. (e.g. processing of L/Cs, invoices, insurance, etc.)**

Source : Logistics Industry Skills Study Report



Clerical/Operators

Non-Logistics Skills

- data-entry agility and accuracy;
- ability to cope with change
- time management
- communications skills



Source : Logistics Industry Skills Study Report

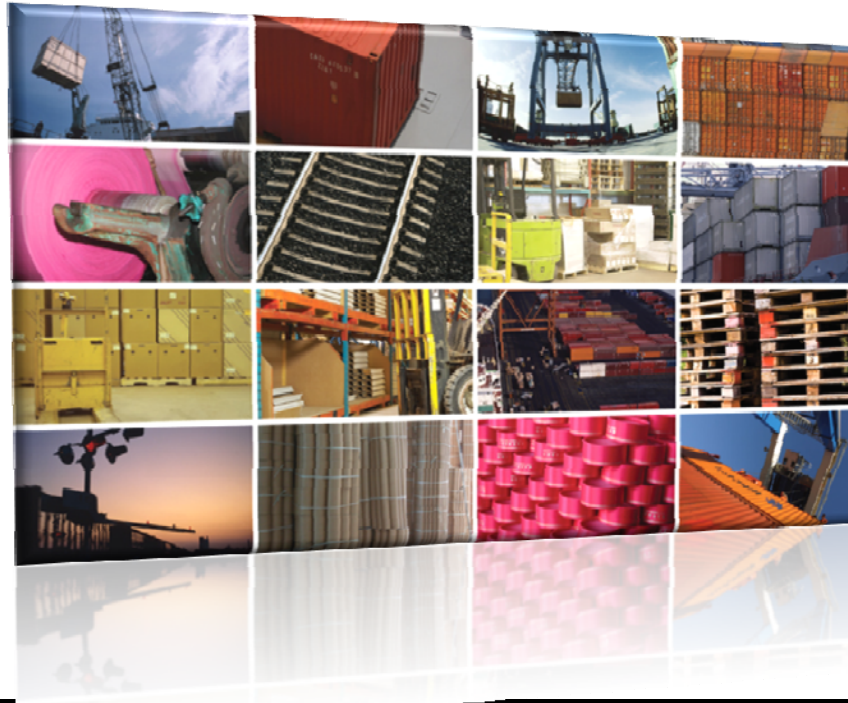


**Industry-Branding
to change Mindsets
about
'Freight & Logistics'**





**Everything is Possible,
because -
“I can, You can, WE CAN..!”**





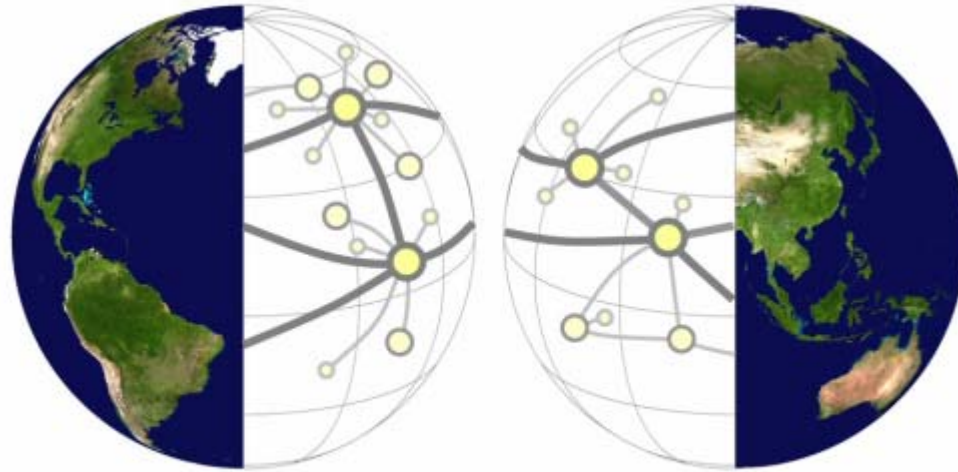
Hear their stories...



Singapore logistics
makes everything possible



Thank You !



THOMAS SIM

tomsim@singnet.com.sg

SINGAPORE