

GHANA TECHNOLOGY UNIVERSITY COLLEGE (GTUC)



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FACULTY OF IT BUSINESS

DEPARTMENT OF ACCOUNTING AND FINANCE

END OF SEMESTER EXAMINATION / TAKE HOME EXAMINATION

GTLP 310: LOGISTICS MANAGEMENT

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Question 1(a)

When it comes to logistics transport, usually you have four main types of options that include air freight, road transportation, sea freight, and rail transportation. Selecting the right mode of logistics transport not only reduces shipping and logistics costs but also delivers your goods on time at the right destination. However, choosing the right transportation option for AMEG revolves around Road transport and Rail transport considering the items involved and because it an internal transports (within the country) we would consider:

Cost/ reasonably priced mode

The cost of transport is another vital deciding factor that should be taken into account before making any choice. The cost of transport should comply with AMEG budget because their major concern has been cost. As a consultant, I would advise AMEG as an organization to employ the services of a transport logistics company which has to do with Steel Haulers and TT Brothers. And because we looking at cutting down cost, and with their below coated prices

Ghs2.6/cwt. for shipment between 150 and 250cwt

Ghs2.4/cwt. for shipment between 250 to 400cwt and

Ghs2.25/cwt. for shipment that weights in excess of 400 to a maximum of 450

Whiles TT brothers submitted a rate of 2.25/cwt. For weight in excess of 400cwt

Looking at this and studying their structures very well, I would advise we employ the services of both transport logistics company because their price quotations varies depending on the volume of load they have to transport..

So whiles we use steel haulers for small cargo handlings, TT Brothers only does for 400cwt to 450cwt

Employing both services will mean that smaller cargos will be handled by Steel Haulers thus cargo below 400cwt whiles bigger ones from 400cwt to 450cwt will be handled by TT Brothers or both depending on the availability and reliability level of service because their quotations for cargos within the range as stated is the same

Devising a strategy or adapting stock move consolidation is very vital here because moving of stock in smaller badges equally increases cost of transportation and that what we working to avoid. Then again, we need to device a new strategy of efficiency dispatching our cargo. And this involves maximizing of load factor. Assuming there's a cargo that has to be transported to Mankesim in small badges, a day and night before and after they should be a reasonable way of working around the volume so it transported together which will go a long way to minimize cost .

As a consult, my take on involving the services of a reliable transport logistics company will be a great development that can be integrated into AMEG system because they as a company have to concentrate on their core mandate and handling an aspect of transport will fail because it will require another of investment and want be done effectively and efficiently.

Size and Nature of Cargo

Considering the type and size of cargo that has to be transported is necessary. The type of cargo we talking about here is alloy which heavy and are transported usually large sums relatively. But considering the available and choosing the main mode of transport, would prefer we Road even though there is an alternative which is Rail transport even though it cheaper comparatively. But once reliability is one main purpose of logistics management, considering the infrastructure of Rail Transport in Ghana, that option is totally discarded or will never be an option by me in my selection process as a Consultant. Because reliability and efficiency is KEY

Time

Time is becomes really crucial and most important in the selection process. So we look out for fast, reliable dedicated and assured mode of transport to deliver our cargo to its destination on time and prompt so production can take effect as at when needed even though rail is cheap. But we would stick to Road as a reliable and timely option.

Security/safety

Safety is key, in the mode of transport selection. As a consultant, safety becomes my major priority.

How reliable is our chosen supply company which is the transport logistics company. Do they need to have the right transport equipment's, machines, vehicles to sustain and handle delicate items; they grounded enough to contain the items so they don't break down. Making sure documentations covering selected vehicles and tracks involved in transporting items in question are well documented, insured and in a good condition to be able to get the products safely to Mankesim.

It also important for us to know if our supply logistics company has qualified experts to handle vehicles and any other operation is competent enough to handle and transport AMEG's items or good safely. This will include investigating the background by doing my due diligence as a consultant and be sure we can rely on their service

In the case of pilfering which is one AMEG problem which causes shrinkage to items being transported, it becomes a requirement and mandatory for both transport logistics company to have the a technology based system. Such as: the vehicle tracking system. Cell phone apps, secret cameras which equally monitor Driver and goods in Motion such measures are present and ready at all times without default. So anytime there's a stop, we can determine something is ongoing that's if no case hasn't be reported.

AMEG must use this said companies involved. But all these security systems are required as a must with updated technology that gives visibility to see through.

Conclusion

So, these are the main factors that should be counted to choose the right logistics transport for your goods. Moreover, there are other factors too that should be taken into consideration, such as warehousing and packing services, loading and unloading services, and flexibility. Choose a reliable logistics partner who can help AMEG to make the right choice for the efficient transportation of goods.

Question 1(b)

The main issues and challenge AMEG has been facing has to do with pilfering and shipping cost.

In the case of shipping and the cost involved.

1. Employing the services of a good transport company.

Cost Efficiency

A good transport company will provide reliable and trusted service which comes with can be cost effective, they will have the best pricing which will help cut down on expenditure and work within the budget of AMEG You don't need to burden your business with the cost of running a logistics department. In most cases, it's simply not viable when you can access a wealth of quality and affordable goods transportation services. Outsourcing this function to a reputable company would be able to save an awful lot of money on vehicle tax, insurance, maintenance, and wages to say the least.

2. An organization that maintains a high standard of service

We don't have to worry that by outsourcing completely to a third party, since transport is their core mandate, they will do everything possible within their power to keep their brand Name, because they have standards to maintain their brand image., AMEG wouldn't have to worry. About entrusting their goods in the hands of a transport organization because they have drivers that are well-trained and highly professional, so we can be rest assured that every delivery will be handled with care and respect

3. In the field of expertise the transport company must be good.

Because they passionate about what they do. We their experienced logistics team, and with a host of professional drivers working around the clock. And by outsourcing that side of AMEG's business to the experts, we can focus our efforts on the business, whilst enjoying the benefits of a dedicated expertise. It's a win-win across the board.

4. Having the latest software and technology

Branching out into goods delivery is an expensive feat as discussed earlier. Not only do you have to worry about vehicles, tax, insurance, maintenance and wages, but software as well. You'll need to be able to monitor the progress of your drivers, by making sure they are technologies available which has an integrated supply chain software such as tracking devices on vehicles and any mode of transport used and use of cell phone apps such secret camera's etc. to equally monitor and will involve an investment in some form of software. Any outsourced company that proves themselves by investing into this latest form of technology in logistics transport are really on track and would be a positive one to be used by AMEG.to avoid pilfering and thievery By skipping it all together and hiring a goods transportation company to assist they should already have that software in place for AMEG to fully utilize.

For example, some organization's such as DHL, MCDAN uses a state-of-the-art application which allows you to track your goods and the driver every step of the way. You can even talk to them in real-time, make special requests and more!

Saves time for AMEG

You must consider how much time it will take for you to expand your business enough to accommodate goods transportation yourself. This will involve a lot of research, hiring and training new staff, purchasing a fleet of vehicles, and ensuring that they are well-maintained and are in the its highest standard

In all, AMEG cannot go wrong with employing the services of a good transport organization to handle their logistics and all these above mentioned factors put together, AMEG has the opportunity which saves them time and benefits of a good cost and therefore concentrates on their core mandate. Saving money in the sense that once a transport organization becomes trusted and is assured of their services to AMEG then negotiations come in and with all this and our integrated technology, AMEG is fully assured of a reliable system

Question 1(c)

Reverse logistics is all that has to do with reuse of products and materials.

is the process of moving goods from their typical final destination for purpose of capturing value or proper disposal. And in the process of capturing value, we make profit in the process instead of losing it all instead

I will look at a few opportunities for AMEG

1. Gate keeping of returns

It involves the process of screening collection and selecting of items that are returned

Having or employing experts on this field will go a long way to help AMEG, because the experts who are going to be working on this field would not just accept any returned product. And they should be systems available to record items Depending on their level of damage which goes down to,

2. Having a return policy

Having a return policy equally helps in the process which includes the warranty period, the reason for the defect, whether is a natural defect from production or was caused by customer, if these rules are applied effectively and managed properly, Managing this process with also require the good integrated software which will help with an effective outcome.

3. Collection centers

They should special department in the retail store as collections centers or outside the retail store if volumes of retains are high which well-known and communicated to customers. This collection centers will work on feedback to customers. Again they should be a system to equally record returned items.

4. Disposition

A proper way of disposal will mean crushing items, remanufacturing or to refurbish or recycle of the items or goods been returned.

A proper selection and screening will help with some component that can be sold to AMEG customers or a third party that can use. Which in a way brings back income into the organization? Again a logistics information system is needed because once it becomes another source of income for the organizations, measures has to be put in place to keep track of items received in stock, which ones are being worked on, and which ones are going on a complete disposal. It becomes necessary to keep records of all items and activities.

5. AMEG developing low-cost market

Developing a low cost market it also a great source raising income because, here, items or products are refurbished, re-manufactured.

And can be sold out again as a second version of the item for people who could not afford to buy the first produced item but still want to have a feel of how Item feel and

An example is Samsung; they have some of their phones which are re-furbished of some original versions put together to make a new fine set which people buy not necessarily at the original price,

6. Waste management

Disposing waste as in in the right way also contributes to AMEG standard as a responsible organization as it protect the environment

Because AMEG deal with materials or items that can cause hazards if not disposed as waste properly and as part of an organizations requirement, is part of their corporate responsibilities

If reverse logistics is managed properly will go a long way to help retain customers by meeting their service goals and sustain goals as well as improving customer satisfaction and creating reliability trust and satisfaction.

And also will help AMEG's growth financially, environmental and social gain.