

Policies & Practices of Logistics and Freight Forwarding Industries in the Philippines

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Presentation Outline

- ❑ Background of the Study
- ❑ Theoretical Framework
- ❑ Significance of the Study
- ❑ Statement of the Problem
- ❑ Research Design
- ❑ Respondents of the Study
- ❑ Results and Discussions



Background of the Study

3

- Logistics and freight forwarding industries in the Phil.
 - One of the many industries which support the country's cargo trade, shipping, manufacturing and production industries.
 - Has contributions to the country's economy in the various forms.
 - Composed of SME's and have its respective market or customer based on their resources.
 - Competition exist
 - Setting of standard

Theoretical Framework

4

- Anchored on System theory of Von Bertalanffy and/or Bertalanffy's General System Theory (GST)
- Serves as bridge for interdisciplinary dialogue between autonomous areas of system science itself.

Significance of the Study

5

**Government
Regulatory
Bodies**

**Logistics and
freight
forwarding
industry**

**Shippers,
importers and
exporters.**

**Professional
Customs Brokers**

**Future
Researchers**

Statement of the Problem

6

- The study assessed the policies and practices of selected logistics and freight forwarding companies in the Philippines: Basis for enhancement of existing policies. The specific problems answered by the study are as follows:
 1. Current Policies and Practices
 2. Delivery of Service
 3. Problems in Managing the Logistics and Freight Forwarding Services

Research Design

7

- Descriptive Comparative Method
- Multi-faceted research
 - Quantitative (Questionnaire with 4 Parts)
 - Qualitative (unstructured interview and observation [direct and naturalistics])
- Respondents
 - 281 Accredited/listed with the PSB;
 - 56 or 20% stratified random techniques
 - Purposive quota technique
 - Position Level and Age group

Respondents of the Study

8

	Govt.	Industry	Client	Total	Percentage
Management	27	32	21	80	18%
Technical	42	35	53	130	29%
Non- Technical or Operational	81	83	76	240	53%
Grand Total	150	150	150	450	100%

Profile of Sample Respondents by Years of Experience in Current Position

9

Age Bracket	Govt.	Industry	Clent	Total	Percentage
3 – 5	11	27	24	62	14
6 – 10	23	45	40	108	24
11 – 15	45	43	45	133	30
16 and above	71	35	41	147	32
Total	150	150	150	450	100

Results and Discussions

10

Current Policies and Practices

- The policies and practices of selected logistics and freight forwarding companies in the Philippines in four areas were on the Implemented level only.
- There were significant differences in the responses of the three groups of respondents as regards the implementation of each key policy areas.



Results and Discussions

12

Delivery of Service

- The high quality of service reliability, assurance, tangibility and responsiveness was excellent.
- The service timeliness and service factors were good.
- There were significant differences in the view of the three groups of respondents in the delivery of services.

Delivery of Service

13

Performance Area	Govt.	Customer	Industry	Grand Total
Service Quality	3.32	3.40	3.17	3.30
Timeliness	3.21	3.10	3.17	3.16
Delivery of Service	3.27	3.06	3.29	3.21
Total	3.27	3.19	3.21	3.22

Legend:

1.00-1.75 Poor (P);

1.76-2.50 Fair (F);

2.51-3.25 Good (G);

3.26-4.00 Excellent (E).

Results and Discussions

14

Problems in Managing the Logistics and Freight Forwarding Services

- All were in the “Prevalent” level”,
- Ranking
 - ▣ Freight Forwarding and Transportation,
 - ▣ Removal and Relocation Services,
 - ▣ Project and Cargo Handling Services and
 - ▣ Value-Added Services

Problems in Managing the Logistics and Freight Forwarding Services

15

Prob.	Govt.	Customer	Industry	Grand Total	Rank
Frt. Fwdg. & Transpo	3.18	3.04	2.94	3.05	1
Project Logistics & Cargo handling	3.13	2.56	3.10	2.93	3
Removal & Relocation	3.20	2.80	3.13	3.04	2
Value Added Service	3.08	2.70	2.99	2.92	4
Over-all	3.15	2.77	3.04	2.99	

Legend: 1.00-1.75 Not Prevalent at all (NP); 1.76-2.50 Less Prevalent(LP); 2.51-3.25 Prevalent (P); 3.26-4.00 Very Prevalent (VP);

Results and Discussions

16

- The four key policy areas had weaknesses due to a host of problems encountered
 - The delivery of service performance factors failed to reach the excellent level in terms of timeliness and cost of service.
 - The Quality of Service was excellent or strong and supported the key policies of the companies.
 - The weaknesses in the policies and business factors performance served as the justification for policy enhancement (Harmonization, Standardization and simplification).

Thank you very much!