XX Logistics Ltd – A Case Study

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Introduction

The XX Logistics Ltd is one of the pioneer company in India for Domestic Warehouse, Logistics and Supply chain Solutions which has more than 400 offices with various interconnected associates. It has more than 2000 locations PAN India. They basically provide 3PL services which involves multiple services like Surface, Sea, Express, Train and Air cargo services. It also offers some services for residential customers like Home shifting / Office relocation services, Factory relocation, Customs clearance, International and Domestic air cargo, sea cargo, train cargo, surface transport, packaging solutions and many other customized services as per needs of the customer.

XX Logistics Ltd is the first company to have 24X7X365 online track and trace. They have more than 5000 dedicated personnel. It was the first domestic company to have customer friendly IT apps on all kinds of mobile in order to improve operation process, accurate information flow and transparency. It provides logistics services to various top corporate brands of India. XX Logistics Ltd. has received various National awards for its initiative towards the Logistics and supply Chain solutions.

XX Logistics Ltd is ISO 14001: 2004 certified company for its Green solutions. It is known for its ecofriendly policies in order to conserve the environment. It uses various measures for environment safety and conservation like Rain water harvesting, Tree plantation, Natural lights, Air purifying plants, Educating employees, and Recycling of packaging materials.

In its successful tenure of last three decades it has expanded itself into different group of companies where each company looks after the needs of its specific clients thereby following the customer matrix of departmentalization in order to serve their customers well.

The company has different departments which have been distributed on the basis of functions: It includes Marketing, Credit control department (CCD), Coordination, Billing, Acknowledgment Delivery Receipt (ADR) & Daily Delivery Receipt (DDR) and Scanning.

In spite of the great performance by the company, there are some loopholes in the functioning of the company which should be overcome in order to excel in such a competitive environment.

PROCESSING A DEAL:

- Agreement signing
- Coordinator assigned
- Loading of Material
- Full Truck Load / Part Load
- Door of Client / Delhi Hub
- Invoice Road Permit
- Delivery
- Proof of delivery (POD)
- Daily Delivery receipt
- Scanning
- Acknowledge delivery receipt
- Billing
- Original Proof of delivery
Challenges Faced By Different Departments:

Credit control department (CCD)
XX Logistics Ltd has approx. 17 crore outstanding of single branch. It has possibility of 3-4 crore of bad debts. The major reason behind these big figures is lack of proper follow-up. The lack of follow-up by the employees in the CCD department displays irresponsible behavior on their part which makes the party to reluctant to make the payment and due to similar reasons number of clients are on outstanding. In case the damage happens while in transit, the amount worth loss of the client is not reimbursed to them and the company provides only Certificate of Fact (COF) and FIR to the client. That is considered as a big sign of dissatisfaction from clients view point. Resultantly the company loses its client.

Agreement
There is no record of Contract / agreement in database or any kind of coding for clients and companies. Hence the team finds it difficult to get the history about the clients and its relation with the company during prior deals.

Coordination
Coordination being the permanent department, the attitude of some employees is found to be lethargic and low performer while some are high performers. There is lack of coordination between the members of the department.

Billing
In some cases it is found that a wrong bill gets printed by the billing department. It is expected by the department to do the rectifications and make the corrections immediately as soon as the feedback from the customer. But the actual picture is that on the feedback of the customer in the CCD department, the customer faces a resistance, abuses and non-cooperation from the department, which actually is a not at all a customer friendly behavior.

Acknowledgement delivery receipt & daily delivery receipt (adr & ddr)
Delay in providing ADR and DDR to the client due to lack of proper and organized channel in the system.

Scanning
This is the last stage of any deal where the Proof of Delivery is scanned and uploaded on the website along with the Lorey receipt number. There are only two scanners all over India. This increases the lot of workload on the two scanner operators. No billing can be done without scanning of the Proof of delivery, hence the Billing team cannot proceed further for the billing process. Hence the lack of scanners delay the process of billing thereby affecting the payment. However the credit facility is provided for 21 days after billing.

Marketing
The Marketing team of the company is involved in building relation with the client there by bringing the business to the company. In case of material damage by the Operations while transfer of consignment, the marketing team has to face the angers and abuses by the clients. No proper action is taken by the Operation department towards damage which leads to loss of the client. And as a result, the company loses its client.

Operation department
There are number of cases identified regarding Misroute/damage/theft of the material of the client. In spite of the existing problems, no proper action is taken and hence the problem remains unresolved.

Behavioural Challenges
a) The problems related to different department never reaches the top management due to office politics.
b) The customer material damage issues cannot reach the top management.

e) Proper verification and cross checking of bills.
f) Few more scanners should be made available to center to avoid the delay of billing process.
g) In case of Damage/ Theft of consignments, the client’s complaints should be addressed properly.
h) The Operations should be made more attentive towards addressing the issues related to manhandling of material.
i) The top management should be approachable for problems and issues related to different functions of company.

Suggestions & Recommendations:
a) Proper follow-ups by the Credit Control Department for recovery of the outstanding amount.
b) Proper record maintenance of all the clients for future reference.
c) Proper coordination amongst the employees of Coordination department.
d) Proper verification and cross checking of bills.
e) Proper grievance redressed cell for clients.
f) Few more scanners should be made available to center to avoid the delay of billing process.
g) In case of Damage/ Theft of consignments, the client’s complaints should be addressed properly.
h) The Operations should be made more attentive towards addressing the issues related to manhandling of material.
i) The top management should be approachable for problems and issues related to different functions of company.
j) The company should have an unbiased policy for suggestions and advices from the employees, so that they canthere reach them. It can be done through the suggestion box.

k) Time to time motivation to marketing team through recognition and appreciations.

l) Proper system for ADR and DDRs.