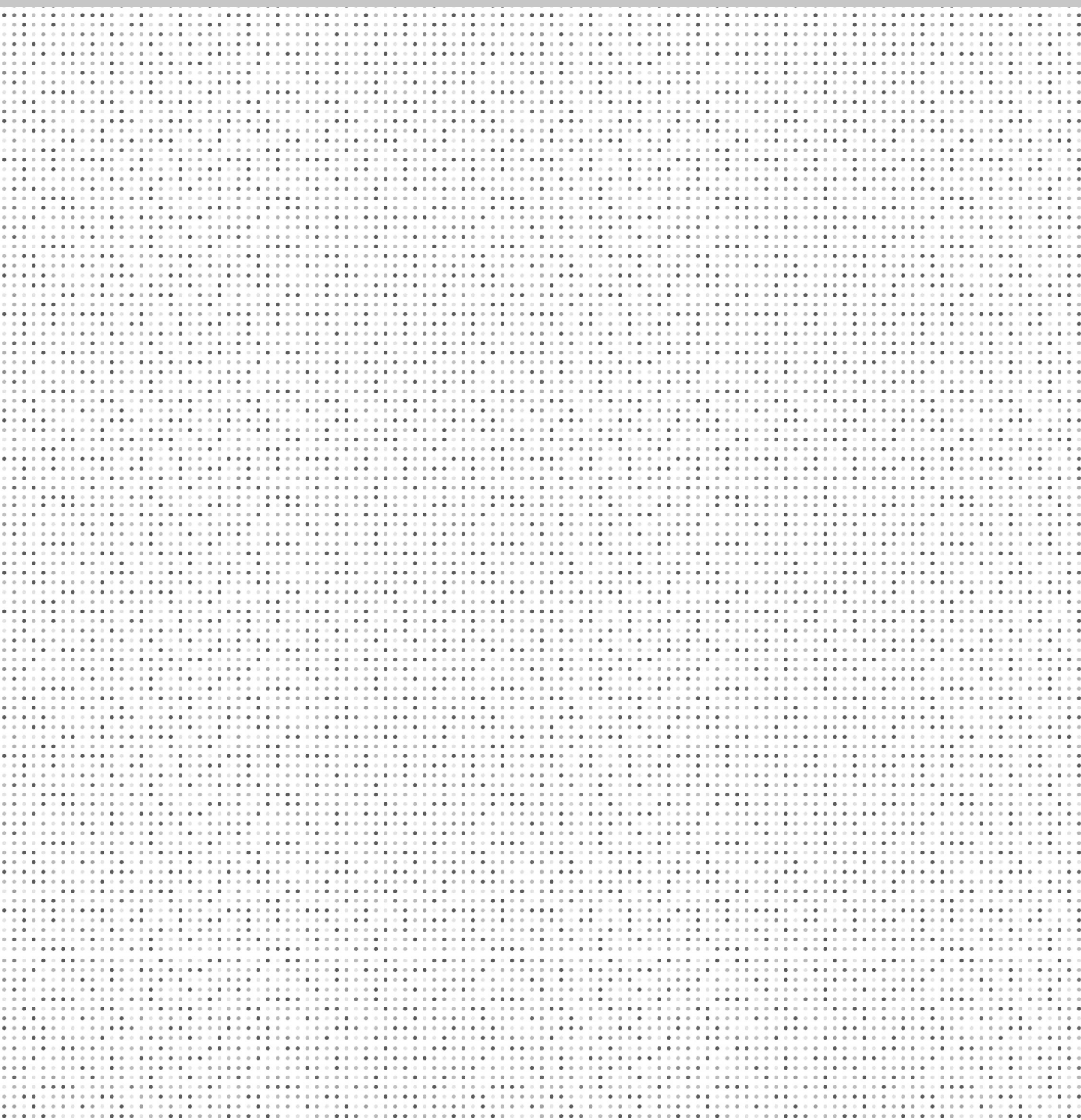
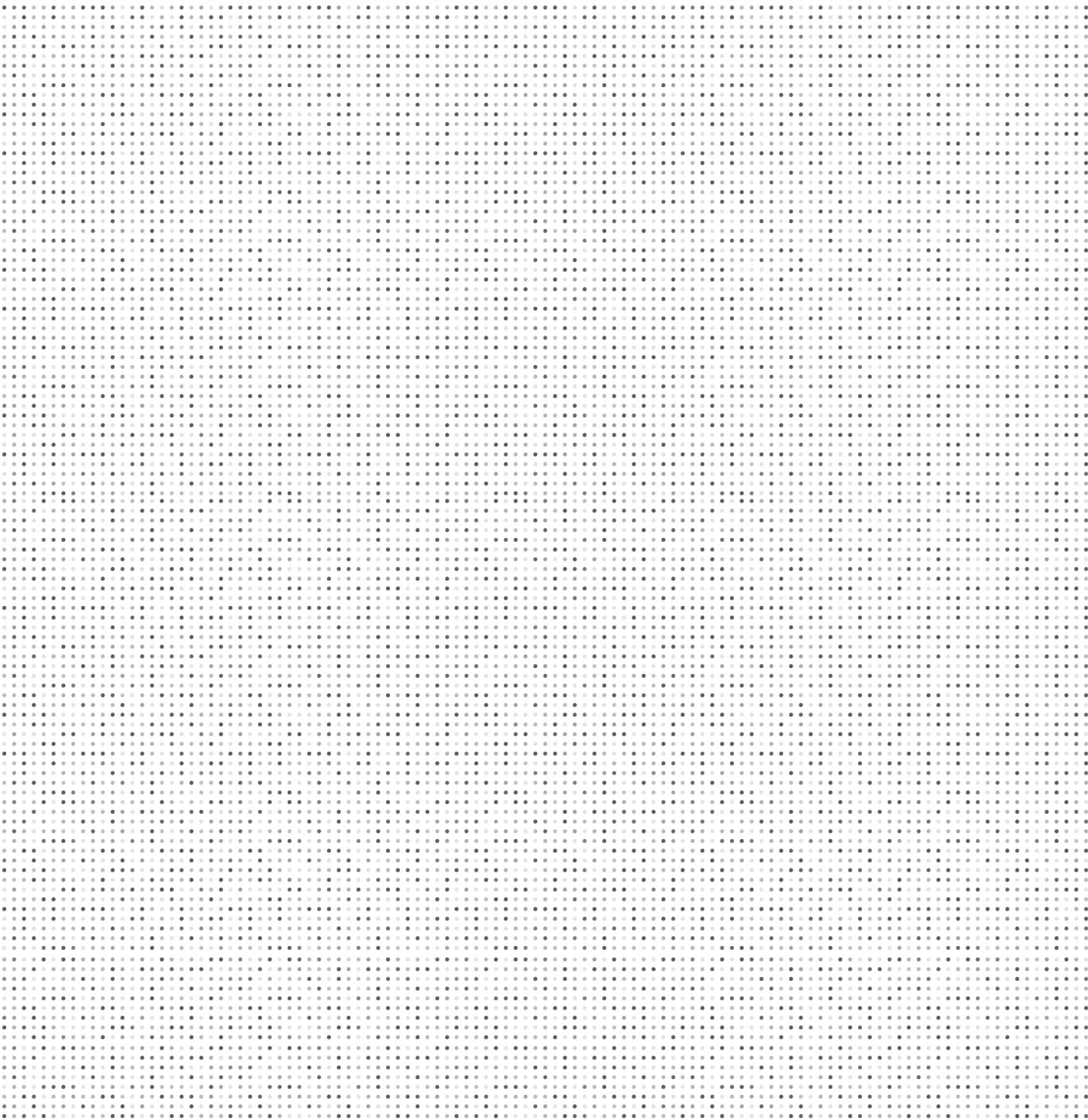


Management of Production, Transportation and Supply Chain





CASE STUDY TO MANAGEMENT OF LAEM CHABAND PORT

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Abstract

The purpose of this independent study is: 1) To analyze the management style of Operation Management, Marketing Management, Financial Management and Human Resource Management of to Laem Chabang Port (LCP) and 2) To study the impact of the Dawei port in Myanmar to LCP. By interviewing executives of LCP 2 person, the result of study found that LCP is state-owned enterprises and the private sector into administration under control by LCP, the port is facility under The Port Authority of Thailand (PAT) and main gateway of international cargo transport of Thailand. So, it is commercial ports and destination port, the port of destination is a point of origin - the destination of the cargo to transport goods import - export the country. Currently, the cargo container throughput of port is 6.459 million TEUs and capacity for cargo container throughput of port is 11.1 million TEUs then it will be overcapacity of the port in 2020. So, phase 3 is fully complete, the port will have a total container cargo capacity of same 18 million TEUs per year. LCP, there is 18 terminal and Operations Management can be done on the standard of a world-class port, Average Berth Occupancy is 70%, Ship Turnaround Time is between 8-10 hours, Crane Productivity used to do up to 43 containers per hour and Truck Turnaround Time is average 18 minutes. A pattern is similar operating characteristics of Deming's Quality Cycle and Deming's Cycle. Marketing Management is specifying positioning is a world-class port, however phase 3 is undertaken on the EHIA which cannot implemented. Financial Management is under Port Authority of Thailand's condition then revenue delivered to The Port Authority of Thailand (PAT) and budget adjustments. Human Resource Management is not enough manpower. Since it had not restructured power since 2534, which be comply regulation with the reference from the Port Authority of Thailand. And the impact of the Dawei port in Myanmar is enhance the production industry and supply chain, transportation in the region more effectively, welding project logistics in the Southern Economic Corridor from Laem Chabang Port to the Dawei deep-sea port to contribute to the economic strength of the region together. So, be proposed guidelines for the management and improvement 1) Development of Information Technology 2) Increase Inland Container Depot (ICD) 3) Collaboration with social 4) Result-Based budgeting 5) Human Resource Planning and Development. To be able to drive organizations more effectively move forward and sustainable competitiveness.

Keywords: Port, Destination Port, Operation Management, Marketing management, Financial Management, Human Resource Management, DWT, TEUs



Introduction

The ASEAN Economic Community will be opening on 31 December 2015, is the gateway to free trade in ASEAN countries, which brings together the country's 10 countries, include Thailand, Myanmar, Laos, Vietnam, Malaysia, Singapore, Indonesia, Philippines, Cambodia and Brunei to be increase the bargaining power of trade and increase competitiveness in the global economy. As a result, moving goods between countries and currently trading around the world's most popular marine cargo essentially about 90 percentage of the total volume of international cargo. So, the port is especially important as the gateway open to trade and foreign investment. In Thailand, there are currently about 147 harbors but the Trade Port is international shipping in high volume with just a few locations and the main international shipping Thailand's is Laem Chabang Port. LCP is currently ranked fourth of ASEAN's in terms the potential for freight service and ranked 20th of a Port with cargo containers through most of the world's by The American Association of Port Authorities. The container is likely to be increasing in Table 1. By targeting the ports is transportation Hub Port of Indo-China and important commercial gateway of the Greater Mekong Subregion. Along be a World-Class Port is able to attract shipping lines and international transport of goods.

Dawei Port of Myanmar in the future becomes new gateway are critical to ASEAN and global trade. Dawei Port will be Gateway to the Andaman Ocean and also to receive the destination goods of the Indian Ocean, goods coming from Europe and the Middle East to pass through Thailand to the Indo-China countries destination Da Nang Port of Vietnam is exported to East Asia. In the past, gateway to the Indian Ocean is required to pass Singapore Port. So, Dawei port will become a major competitor in the region and a major competitor of Thailand. LCP is necessary to adapt to raise the challenge competitive and support the rapid growth of ASEAN. Preliminary data is interested style and guidelines for the management of LCP in the present and in the future in the environment is changing constantly and rapidly changing. Also have grown steadily is interest corporate model to be used as a guideline for the development and management of enterprise business in the future.

Objectives

1. To analyze the management style of Operation Management, Marketing Management, Financial Management and Human Resource Management of to Laem Chabang Port.
2. To study the impact of the Dawei port in Myanmar to LPC.

Methodology

Depth interviews with unit of analysis who is executives of Laem Chabang Port 2 person and the method to select units of analysis is Judgment Sampling that can provide valuable information on the study. The instrument used in this independent study is an interviewing and conduct interviews at LPC. then analysis the interviews and summary the result and gathering information from various sources, such as textbooks, books, research reports, articles and information on the Internet.

Results

Laem Chabang Port is a state enterprise under the Ministry of Transport and under the supervision of the Port Authority of Thailand. The first terminal in Laem Chabang Port began operations in 1991 spent a total of 43 years and the private sector into administration and investment under Control by LPC or Landlord Port. Ports as the port of destination is a point of origin - the destination of the cargo to transport goods import - export the country. An area of LCP is about 6,340 acres. Currently, opened operational phase 1 and phase 2, there are 18 terminals. In 2014 the cargo container throughput of port is 6.459 million TEUs and capacity for cargo container throughput of port is 11.1 million TEUs. Predictions are that by the year 2022 the cargo containers through LCP about 11.96 million TEU which surplus maximum capacity of the port. So, were planning the construction of a port in the third phase to accommodate the growing container [1].

LCP can't stand alone must include these things is industry to enter goods to Port, housing for people who work in the ports and industrial estates and terminal whom port management and operation by private operators. The LCP is responsible for directing all private operators to operate the port according to the defined policies and contracts. Consist of Operations Management can be done on the standard of a world-class port. By Japanese standards requiring one meter of quay length can accommodate 1,000 cargo containers but LCP port whom are managed by privately can run average cargo container capacity up to 2,200 containers per one meter of quay length, which is higher than Japanese. The LCP is based on indicators of operational efficiency port below.

- Average Berth Occupancy is 70% (The standard is 60 -75%)
- Ship Turnaround Time is between 8-10 hours (The standard is 8 -10 hours)
- Crane Productivity used to do up to 43 containers per hour (The standard is 30 containers per hour)
- Truck Turnaround Time is average 18 minutes (The standard is 30 minutes).

Operations Management [4] can be done on the standard of a world-class port and a pattern is similar operating characteristics of Deming's Quality Cycle and Deming Cycle which is planning base on KPI port ,done according the planning, check every procedure to find out issue and action. The finding problem of LCP is the not modernization of information technology then it can't connect with each terminal.

Marketing Management [5] set positioning is a world-class port. LCP will be development projects for planning the construction of a port in the third phase to accommodate the growing container in the future as shortening waiting time of Ship Turnaround Time, using machinery and technology such Automated Stacking Crane (ASC), Automated Guided Vehicles (AGV), Electric Dredging, Cold Ironing, Green Port and e-Port etc. to raise pier potential the international equivalent. Planning the construction of a port in the third phase will focus on reducing fuel consumption converted into electrical energy instead. LCP will be the Leadership of Energy and Environment Design (LEED) to keep the environmental impact to a minimum. LCP will seek international cooperation by a government to government to help private operators to be able to find customers and investment. Without interfere with the marketing of private operators.



Financial Management [2] calculated cost of port using the net present value spread over the next 30 years under the risk out of the system at 12 percent to the median price in the auction. LCP is a fee obligation for the private sector to follow and revenue below.

- Concession fees from private
- The performance of the private sector (Fix fee and Additional fee)
- Revenue from Services
- The services provided by utilities
- Gate Charge

Then revenue delivered to The Port Authority of Thailand (PAT) and Disbursements via the project cost by fiscal Year from Treasury, so it isn't convenience to develop facility in LCP.

Human Resource Management [3] does not restructuring the manpower since 1991. Organizational structure divided into eight departments has number 270 people. LCP is responsible for monitoring, control and supervise the implementation of the operations of the private operators. The current manpower are inadequate to the task as a result, can't check the operation of private entirety.

Key success factor of transport is a must on time, to plan operations effectively to encourage ports to lower operate costs, generate revenue and increase profit. For example, AA ship boat will be docking into the B4 terminal on August 2, 2015 at 8:00 am and number of 1,500 containers. Thus, must to forecast manpower planning, crane, container trucks and other equipment, etc. and export cargo container of customer arrive to B4 terminal 1 day in advance. From the above information, the B4 terminal get the cargo container of 1,500 containers to Ship turnaround time within 10 hours of landing and a crane productivity is 30 containers per hour, so the guidelines consider in planning by preparing a gantry crane to lift a container of 5 (1,500 containers) within 10 hours or if a gantry crane is less than 5, must increase crane productivity and to increase the number of container trucks or the addition of container trucks incoming cargo from the crane, manpower planning to operate in terminal by LPC have access to direct operations in the B4 terminal according to the indicators of the operational efficiency of the port.

And the impact of the Dawei port to LCP is the project logistics in the southern economy. Laem Chabang Port - Dawei port allows the transportation system in the region more effectively, reduce costs and transit time, the shift of production and the supply chain has changed. To should accelerate the exclusive economic zone border in Kanchanaburi connecting the Dawei special economic zone and Dawei port in. To promoted as a manufacturing base to strengthen the SME businesses in the long term and to raise the confidence level of border trade between Thailand and Myanmar to Marketing support for free trade between ASEAN countries.

Conclusion

Ports as the port of destination is a point of origin - the destination of the cargo to transport goods import - export the country. Currently, the cargo container throughput of port is 6.459 million TEUs and capacity for cargo container throughput of port is 11.1 million TEUs. Good

Practice Management according Figure 1 can help LCP can operate according International Port KPI and higher cargo container throughput of port will be a world class port. To be able compete with ports worldwide.

Suggestions

- 1) Development of Information Technology to be e-port.
- 2) Increase Inland Container Depot (ICD) around main province in Thailand.
- 3) Collaboration with partner in all sectors to accept planning the construction of a port in the third phase to accommodate the growing container.
- 4) Result-Based budgeting
- 5) Human Resource Planning

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Table 1 The number of cargo containers through LCP.

Year	Number of cargo containers (million TEU)	Increase percentage
2553	5.07	12.00
2554	5.66	11.64
2555	5.83	3.04
2556	5.98	2.49
2557	6.46	8.10

From: Annual report of Port Authority of Thailand in 2014

