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# Diary of the delivery coordinator

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## ABSTRACT

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I have been working in Company X as a delivery coordinator since October 2021. In the beginning I was trained as a delivery coordinator with focus on courier and truck deliveries. I receive basic training regarding procedures implemented in the department and accumulated knowledge about common organizational structure. Starting from January 2022 I was assigned to coordinate deliveries to Brazil. Due to Brazilian legislation all deliveries to Brazil require additional procedures.

The aim of this thesis is to describe the work of a delivery coordinator and find ways to improve everyday tasks. The focus will be on deliveries to Brazil. Brazil legislation requires additional checks and procedures which should be implemented in the processes of packing and shipping of the goods. Brazilian custom requires special marks and stamps on the documents.

I will describe three phases of my work in Company X from October 2021 till September 2022.

In conclusion I will provide recommendations and suggestions in order to increase productivity and reduce unnecessary action from the global distribution side during preparation and dispatching of the materials to Brazil.

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# 1 INTRODUCTION

This thesis work will be written in a diary format and it will describe three phases of my work in Company X as a Delivery Coordinator with theory background and development recommendations. This work will cover the period from October 2021 to September 2022.

It is hard to imagine the daily routine in an international enterprise without using SAP or other ERP system. Most of the procedures take place in the SAP system, but due to specific requirements of the Brazilian legislation, part of the work take place outside of the SAP system.

Company X Global Logistics Services orchestrate the entire logistic chain of Company X spare parts deliveries, from order intake to customer delivery. They also have a crucial role in enabling sales by maximizing availability and on-time delivery.

The Global Distribution team consisting of 22 persons, is located in Vaasa, Finland. The other part of the team, which consist of 24 persons, is located in the Netherlands. In the Netherlands Company X has its Central Distribution Center (CDC).

Company X uses as 3PL logistic provider. The SAP system is integrated with the Transportation Management System (TMS) operated by logistics provider.

Third party logistics, or 3PL, is a combination of different logistics services provided by a logistics operator to a targeted company. These services cover entire logistics chain from inbound deliveries, warehousing to outbound deliveries.

3PL companies provide the whole range of services related to logistics: inbound transportation, warehousing, picking and packing, stock forecasting, outbound forwarding. (Matilda Pilkington, 2020. Top 5 benefits third party logistics.)

### **1.1.1 Thesis background**

I started my work in Company X on the 11th of October 2021. I had been working in the logistics sphere for 10 years. It is my first work in European Union and in Finland particularly. I will access way of working in Company X based on my previous experience and knowledge and of course on the theory base which I acquired during my studies at VAMK. Implementation of existing skills and gathering new knowledge will be my main priority. Diary format of the thesis is the best option for me because I have a wide range of tasks and responsibilities. Referring to these tasks I will describe way of working of delivery coordinator with the aim to provide to the reader the clear picture of necessary skills and knowledge in this position. The main part of the thesis will be dedicated to special procedures and ways of working related to Brazilian deliveries.

### **1.1.2 Purpose of the thesis**

The main goal of the thesis is to reflect on my everyday work and through this reflection find spheres for improvement. This is part of lean thinking which I will be implementing in order to provide continuous improvement in my daily work. The findings will eliminate waste of resources. Time reduction for particular procedures eventually will lead to more customer satisfaction which is one of the main goals for Company X.

I will propose areas of development regarding FCA deliveries, consolidations and tasks rotation which can be implemented in Company X. Such development projects can be implemented in any logistics companies in order to increase customer satisfaction and employees' efficiency.

## **1.2 Company X**

I want to give you overall understanding of the roots of Company X and provide you information regarding current situation.

Company X was established in the middle of the 19<sup>th</sup> century in Finland. Since then, it has been a growing and successful business. Now company X is an international

enterprise with more than 200 locations in 68 countries. Over 17,000 professionals working in company X globally.

Focus areas for company X are innovative technologies and lifecycle solutions for the marine and energy markets. One of the main goals is to help customers continuously improve their environmental and economic performance. In 2021, Company X's net sales totaled 4.8 billion euros. Company X is listed on Nasdaq Helsinki.

## **2 PHASE I ONBOARDING AND THE FIRST STEPS AT WORK**

In this chapter I will describe the onboarding process and provide information regarding my everyday tasks and responsibilities during my first months as a delivery coordinator.

### **2.1 Weeks 41-42**

My first day at work was on the 11th of October 2021. I was extremely excited and nervous simultaneously. For me it was the first work in Finland in a completely unfamiliar environment and requirements. As a delivery coordinator you must perform a wide range of task related to logistics hence theory knowledge of in-terms, different modes of transportation are vital for accurate and efficient work.

My journey with Company X starts with onboarding process provided by two Key users, special position in the team. Key users responsible for a wide range of tasks outside the daily workflow, assist delivery coordinators in solution of unusual issues occur during the delivery planning and training of new members of the team.

Here I will provide definition and refer to importance of the onboarding process. Onboarding is a process through which new employees gain new necessary skills and relevant knowledge to become efficient and effective in new working environment.

Onboarding is a vital process for an organization to provide new employees information regarding overall business processes, company's culture and employees' responsibilities and tasks. Eventually it forms employees' perception of the company.

The duration of the onboarding process can be different depending on the number of employees in the organization, the tasks, and the position for which an employee was hired. (Training Industry, 2013.)

According to Roy Mauer the two main goals on the first day should be setting expectations and introducing objectives. It is crucial to provide new employees clear

and unequivocal information about their new tasks and responsibilities. (Roy Mauer, 2022. New employee onboarding guide.)

Also, he mentioned that it is important to create new connection with co-workers. Social interaction is critical.

Onboarding process in company X was provided in accordance with the principals mentioned before. I received clear information regarding my responsibilities and tasks. Introduction to the team was arrange in proper manner with mutual respect and introduction.

I got my working laptop and was granted access to SAP and TMS, which are crucial in delivery coordinator daily work. Information regarding overall structure of the team was provided.

Training took two weeks and was based on the skill set which is the combination of skills, qualities and abilities that you have achieve through your life and work. It is an integration of two types of skills: soft skills and hard skills. (Alison Doyle, 2020. What is a skill set?.)

Of course, to acquire new skills and competence during the training process I had to have wide range of hard and soft skills.

### **2.1.1 Hard skills**

Hard skills are part of the skill set that is required for a job. They consist of technical skills and expertise necessary for employee to efficiently perform responsibilities and tasks.

Hard skills are gained through education, trainings, courses, programs, and job rotations. (Alison Doyle, 2022. What are hard skills?.)

This position requires expert knowledge of logistics processes: Incoterms, understanding of possible transportation of different kinds of goods, understanding limitations according to dimensions of goods and different modes of transport. You will find accurate definition of Incoterms below.

International Commercial Trade Terms, or Incoterms, are selling terms which are used in international trade and define which party is responsible for the tasks, costs, and risks connected to providing the goods to the receiver in international trade. These are legally binding agreements published by the International Chamber of Commerce (ICC) and followed by most of the countries.

International Chamber of Commerce constantly updates the Incoterms to align them with the current processes of international trade. Incoterms were last updated on the 1<sup>st</sup> of January 2020 and include 11 types.

When international cooperation takes place parts of the business process will often include one of the Incoterms to define terms of the trade. These terms represent various tasks, costs, risks, and logistics of getting goods by various types of transportation.

Each Incoterm defines the following:

Point of delivery – This section defines where the goods will be transferred from the seller to the buyer.

Liability party for transportation costs – The section clarifies which party will pay the freight costs.

Export and import requirements – Each term defines which part of international trade seller or buyer is liable for export and import procedures and corresponding costs.

Insurance – In some Incoterms, insurance is a requirement. Each Incoterm will define who is liable to pay for insurance. (Guided Imports, 2020)

Types of Transport	Any Mode or Modes of Transport			Sea and Inland Waterway Only			Any Mode or Modes of Transport				
INCOTERMS 2020	EXW	FCA	FAS	FOB	CFR	CIF	CPT	CIP	DAP	DDP	DDP
Transfer of Risk	At Buyer's Disposal	On Buyer's Transport	Alongside Ship	On Board Vessel	On Board Vessel	On Board Vessel	At Carrier	At Carrier	At Named Place	At Named Place (Unloaded)	At Named Place
Responsibilities & Charges											
Export Packaging	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Loading Charges	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Delivery to Port/Place	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Export Duty, Taxes & Customs Clearance	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Origin Terminal Handling Charges	BUYER	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Loading on Carriage	BUYER	BUYER	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Freight Charges	BUYER	BUYER	BUYER	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER	SELLER
Insurance	Negotiable	Negotiable	Negotiable	Negotiable	Negotiable	SELLER	Negotiable	SELLER	Negotiable	Negotiable	Negotiable
Destination Terminal Handling Charges	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	SELLER	SELLER	SELLER	SELLER	SELLER
Delivery to Destination	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	SELLER	SELLER	SELLER
Unloading at Destination	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	SELLER	BUYER
Import Duty, Taxes & Customs Clearance	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	BUYER	SELLER

**Figure 1.** Incoterms Chart (Guided Imports, 2020.)

On that position I should control import and export limitations according to different countries and customers.

I should issue diverse types of customs documents: certificate of origin of goods, delivery notes, suppliers declaration, ATR certificates, custom export declaration, T2L/T2LF.

Control of right classification and implementation of ship supply procedures also part of my responsibilities.

Right tax classification also controlled in the process of delivery. Including implementation of VAT simplification procedures.

Issuing several types of invoices require understanding of different types of selling scenarios.

Communicating with diverse types of internal and external stakeholders which can be considered as soft skills.

All processes take place in software enterprise resource planning system SAP and TMS (Transport Management System) that also require special qualification to operate.

Working processes in SAP and TMS were the main topic during the first two weeks training provided by key users.

Ability to operate within ERP is crucial for efficient and consistent performance. All delivery tasks are managing in SAP.

This is a definition of ERP system by Microsoft. ERP system is a software which helps enterprises automate and handle crucial business processes for better performance. An ERP coordinates flows of information between business department of the enterprise. It orchestrates all core elements of business: finance, supply chain, manufacturing, sales, human resources on a single platform. (Microsoft, 2022.)

Company X uses SAP as an everyday tool to manage business processes. GD coordinators working in the supply chain module of the system.

SAP is of the world's leading ERP systems which provides effective data processing and information flow in the enterprise. (SAP, 2022.)

All mention above requires expert knowledge and experience in different fields of business processes.

### **2.1.2 Soft skills**

Under any circumstances you should not underestimate importance of soft skills. Team spirit and working environment based on soft skills of team members hence severely affect productivity and efficiency of the team

Soft skills do not only improve climate in the workplace but also provide improvement through the whole organization, that is why they are in high demand in the labor force. (Maria-Teresa Lepeley, Nicholas J. Beutell, Nureya Abarca, Nicolas

Majluf, 2021. Soft Skills for Human Centered Management and Global Sustainability.)

Soft skills are the personal skills which enable employee to communicate efficiently and balanced with internal and external stakeholders.

Conscious focus on your soft skills will give you a significant advantage in career. Developing soft skills will make a better professional. (Zsolt Nagy, 2019. Soft Skills to Advance Your Developer Career.)

During these two weeks of onboarding and training I obtained information regarding departments structure, everyday tasks, working processes in SAP and TMS. Such training only possible to persons which possess' specific skill set referring to logistics and international trade.

### **2.1.3 Simplified process of delivery creation**

There are several steps which should be done before delivery will be created in SAP and physically packed in warehouse.

Quotation provides to the customer with necessary information: prices, lead time, incoterms, shipping address, payment terms etc.

After customer accept the quotation official purchase order from the customer should be provide to PCM.

Sales order is created based on purchase order. Several sales orders can be created based on one purchase order.

After SO is/are created order acknowledgement send to the customer.

After order acknowledgment has been sent and SO complete delivery can be released. Several deliveries can be released based on one SO

After delivery has been created and packed it appears in GD workflow.

Important to mention that according to internal information on average 60% of packed deliveries managed by automation and do not require special actions from delivery coordinators.

## 2.2 Weeks 43-46

After two weeks of training my main responsibility was to plan deliveries with DAP or DDP incoterm and mode of transportation courier or truck. Company X uses five modes of transportation in delivery planning: courier, truck, airfreight, seafreight, to be collected (FCA). I will give brief explanation of mentioned Incoterms:

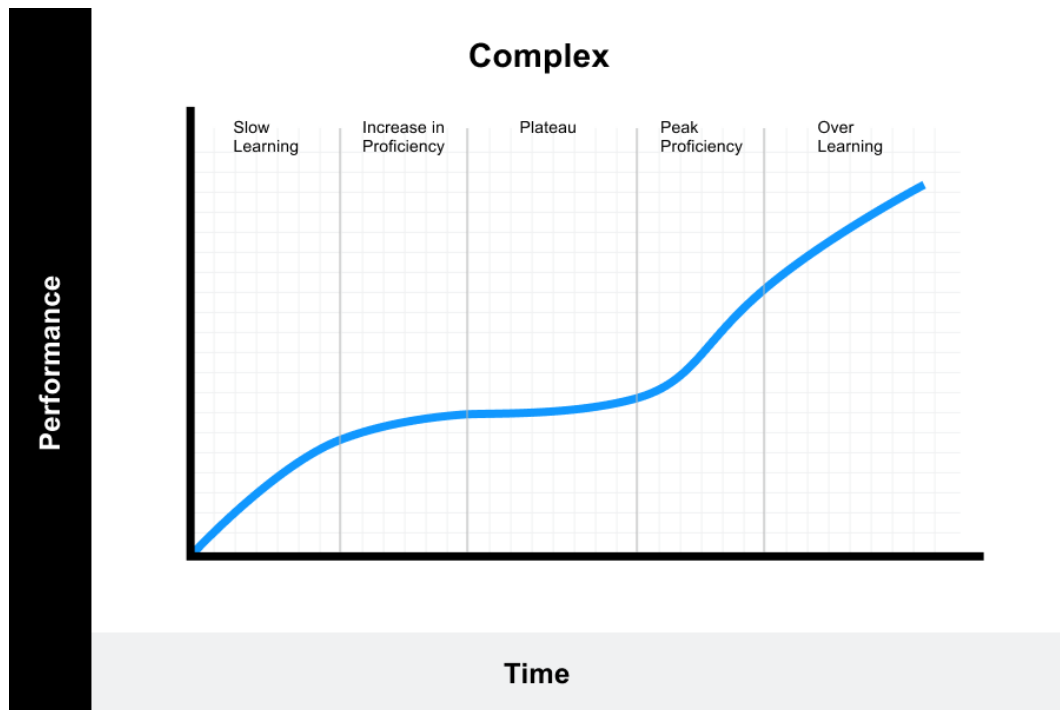
**DAP – Delivered at Place:** The seller must deliver the cargo to the final, defined destination. Once delivered the cargo transfers to the buyer. The buyer must unload the shipment from the truck. The buyer is also responsible for import duty, taxes, and customs clearance. (Guided Import, 2020.)

**DDP – Delivered Duty Paid:** The seller is responsible for delivering the cargo to the final destination, and paying the import duty, taxes, and customs clearance. Once the cargo arrives at the destination, the responsibility transfers to the buyer, who must cover the costs to unload the shipment. DDP is the only Incoterm that requires the seller to pay all duty charges. (Guided Import, 2020.)

It was a challenging time for me even though I possessed a necessary skill set a variety of different destinations and specific requirements often forced me to seek assistance from other delivery coordinators. According to Robby Vanuxem no doubt you felt settled, comfortable and knew everything in your previous position, now you are the newcomer who is asking a lot of questions. This is one of the hardest adjustments to be managed in a new position (Robby Vanuxem, 2022. Five adjustments to new job).

Important to mention that willingness to help and advise between experienced team members are high which stressed importance of soft skills of team members.

I started with less challenging tasks. I had to gain more knowledge and proceed more deliveries in order to increase my proficiency and efficiency. This was the time of slow learning according to complex learning curve.



**Figure 2.** Complex learning curve. (Valamis, 2022.)

These three weeks were an example of Company X's approach to provide new knowledge to employees, 70% of new knowledge should be obtained during work with the assistance from more experienced colleagues, 20% learning by sharing your own knowledge regarding different processes and 10% learning by external or internal training programs.

### 2.3 Weeks 47-52

During the first weeks of training, I was also informed how to plan CIP, CPT, DAP, DDP airfreight deliveries.

**CIP – Carriage & Insurance Paid:** The seller must cover the costs to transport and insure the cargo to the defined place of delivery. The shipment transfers to the buyer after the cargo is unloaded and delivered to the terminal. After

the goods are unloaded and delivered to the defined terminal, the shipment transfers to the buyer. The buyer must import and fulfill the remainder of the shipping process to move the goods to the final destination. CIP requires the seller to purchase freight insurance. (Guided Import, 2020.)

**CPT – Carriage Paid To:** The seller must ship and unload the cargo at the defined place of delivery. Once the goods are unloaded, the cargo transfers to the buyer, who is then responsible for importing and transporting the freight to the final destination. (Guided Import, 2020.)

Due to the end of the year a lot of customers wanted that their materials were delivered till the end of the year which created a significant increase in packed deliveries hence created increase in workload for delivery coordinators.

During the last weeks of the year 2021 in addition to my main area courier and truck I was also managing airfreight deliveries. This was a challenging but interesting task which gave me new knowledge and improved my skills to handle airfreight deliveries.

The most common question during these weeks was question regarding ship supply. Ship supply is a special procedure which can be implemented if the cargo will be delivered on board of the commercial ship located in the EU and operating in the international traffic within 150 days after CO-A type of export declaration will be issued. I will provide definition of ship supply according to the EU legislation below.

Ship supplies are ship stores, supplies and spare parts delivered on board of vessels that are exempted from VAT and where applicable excise duties under Article 14(2) of Directive 2008/118/EC. They cover for instance:

- foodstuffs as well as other items that are consumed or sold on board or used by crew, as well as passengers.

- items for incorporation as part of or accessories in vessels and for the operation of the engines, machines and other equipment on-board. Consumption, use, incorporation and operation of ship supplies must take place on board.

Ship supplies are therefore not to be taken off the vessel again, except as part of tax-free allowances for passengers leaving the vessel in a third country or third territory. (European Commission, 2019.)

Due to complexity of the taxation exemption and overall understanding of the procedure a lot of inquiries occurs to part coordination managers to clarify with the customers places of delivery on board. Such information is crucial in order to issue correct type of export declaration, implement suitable point of exit EU and correct VAT implementation.

During the last week of the year, I was informed that from the beginning of the year 2022 I will be trained to manage Brazil deliveries. Process of training and outcome I will describe in the net chapter.

Overall phase one I can describe as a training and gaining basics of SAP and TMS in order to planning deliveries with assigned Incoterms and modes of transportation.

### 3 PHASE II TRAINING FOR BRAZIL DELIVERIES

In this chapter I will describe training process for Brazil deliveries, Brazil legislation related to import process and daily tasks in connection with Brazil deliveries.

#### 3.1 Weeks 1-3

From the first days of the 2022 I was assigned to plan deliveries to Brazil. My training started from the common FCA deliveries. Process of planning FCA deliveries closely related to communication with customer's forwarders and requires special procedures in SAP and TMS.

**FCA – Free Carrier:** The seller is responsible for transporting the cargo to a defined destination within the seller's country, usually a shipping terminal. Once the load has arrived at the designated destination, the shipment transfers to the buyer, the buyer then must pay the freight charges and fulfill the importing and delivery process. Depending on the named place, the cargo is either exported by the seller or the buyer. (Guided Import, 2020.)

Company X do not provide any transportation to FCA deliveries, material should be collected from Company X's premises in the Netherlands in specific scheduled time from 7 to 14 or from 18 to 22 Central European Time.

In order to proceed FCA and other deliveries to Brazil I was granted access to common mailboxes for FCA and Brazil related deliveries. These mailboxes created specifically to split flow of emails to specifically dedicated delivery coordinators and allow better identify workload for specific destinations.

During training to Brazil deliveries, I was gained knowledge regarding special procedures connected to Brazil legislation. Also, I was trained how to proceed CIF sea freight.

**CIF – Cost, Insurance & Freight:** The seller is responsible for the costs to ship and insure the cargo to the buyers requested port. Once the goods arrive at port, the responsibility of the goods transfers to the buyer. The buyer then

must cover the costs to unload, import, and deliver their shipment. CIF requires the seller to purchase freight insurance. (Guided Import, 2020.)

My responsibilities and performance increased I can state that I was at stage of Increase proficiency according to complex learning curve.

After these weeks of training, I was able to proceed all types of deliveries to Brazil. In order to give better understanding why Brazil destination is different from all other word I will cover in following chapters Brazil legislation and provide clear instruction how to handle different types of Brazil deliveries.

### **3.2 Weeks 4-9**

These weeks were challenging time for me. Even though I got help from delivery coordinator which trained me increased workload and responsibilities had a serious effect on my wellbeing. It was stressed time for me.

The main differences between daily delivery planning and to be dedicated delivery coordinator for special task are increased workload and responsibilities. You must manage all deliveries dedicated to this specific task and do not have space for maneuver.

Overall phase two was highly intense in terms of trainings and stress. It gives me solid basis to handle Brazil deliveries of all types. Of course, I still had a lot of question for more experienced colleagues to Brazil destination but day by day I became more confident and efficient.

#### **4 IMPORT PROCESS TO BRAZIL**

According to Annastasya B. Dunda import is a process in international trade of buying products or services from abroad. This should be done in alignment with the countries' legislation. One of the main reasons of international trade is to make profit.

An importer is a private person, legal entity or government that brings goods into the country. Importation process takes place with assistance from the customs. The government imposes taxes and customs duties on the imported goods in accordance with applicable policies. (Annastasya B. Dunda, 2022. Definition of import.)

Import process to Brazil is known for its complexity and unpredictability. Great attention for details required from the delivery coordinators managing Brazil deliveries. It is still common issue that decisions regarding cases depend not only on clear legislation and standardize procedures but also on the opinion of the customs employee. In order to reduce risk of delays and additional cost during the customs clearance process procedure of double green light is implemented in Company X's delivery planning to Brazil.

Foreign exporters and Brazilian importers must register with the Foreign Trade Secretariat (SECEX), a branch of the Ministry of Industrial Development and Commerce (MDIC). Companies importing goods into Brazil must obtain a RADAR license. The RADAR license grants access to the Brazilian Integrated Foreign Trade System (SISCOMEX). The SISCOMEX is an electronically integrated trade documentation system created by the Brazilian Government to manage the Brazilian Foreign Trade. The RADAR license can be limited, unlimited or express depending on the imported goods. License applications must be submitted to tax authorities and the type of license is determined after a review of the financial capacities of the company. Other documents are necessary for customs clearance: the commercial invoice, transport documents, import declaration and proof of import. Depending

on the goods, Brazilian customs may require more documentation. (Santander Trade Markets, 2022.)

Company X uses its own customs compliance team in cases when consignee is Company X Brazil in order to provide customs clearance of the goods to reduce any possible risk during the customs clearance process.

During the transportation process forwarders must provide amount of freight cost to electronic integrated trade documentation system Mantra. Freight cost on the AWB or B/L should be the same as on the invoices. If any discrepancies occur

Freight costs on the invoices should be adjusted, hence any discrepancies lead to severe increase in lead time due to complicated procedures for adjustment of the invoices.

Overall importation process to Brazil can lead to severe increase in lead time hence delivery coordinators handling Brazil deliveries do not provide any estimate time of arrival for Brazil destinations.

**5 CONFIDENTIAL**

**6 CONFIDENTIAL**

**7 CONFIDENTIAL**

## **8 PHASE III CONTINUOUS IMPROVEMENT IN WAY OF WORKING**

In this chapter I will introduce my findings and adjustments to the way of working with weight check and consolidations to Manaus.

### **8.1 Weeks 10-18**

These weeks I can describe as a period of gaining increased confidence in every day procedures related to Brazil deliveries. I noticed that less questions occurred during my work.

I finally could say that I have adjusted to my new role as Brazilian deliveries handler. All procedures became more routine than challenging. It was a suitable time to start evaluate procedures related to Brazil deliveries in terms of efficiency and productivity.

The greatest number of deliveries during this period were FCA's which required additional communication with the forwarders. Sometimes it was challenging due specific requirements for Brazil deliveries some forwarders required additional documents and checks which are not necessary according to Brazil legislation or can be performed in other way than they requested. This discrepancies in approach to importation process led to a long chain of emails. This was a terrific opportunity to improve my communication skills. I was able to prove and convince forwarders to use our approach.

Company X has standard way of working with all forwarders. After delivery got green light and returned to GD workflow delivery coordinator triggers sending of the email to the forwarder that the delivery is ready for pick up and they should provide requested information in order delivery coordinator will be able to prepare delivery. The requested information are: date of pick up, time slot, mode of transportation and point of exit. Mode of transportation and point of exit will be used to issue export declaration with correct data. After forwarder provides all requested information export document will be issued and confirmation email will be sent to the forwarder with all necessary documents.

## 8.2 Weeks 19-36

After workload became less challenging for me, I started thinking about possible improvements in Brazil delivery handling. I noticed several areas which required improvements.

First area is a weights issue. The problem was not only with incorrect total weight on the proforma and packing list but even though delivery coordinator changed it, total weight of the items for some deliveries was changed automatically by SAP to the previous value when deliveries returned from C4 task. Such possible changes required double check from delivery coordinators and in case weight was changed by SAP it led to delivery coordinator must correct it one more time. This situation led to not only waste of time but also to a frustration of a delivery coordinator because of necessity of double check and adjustment.

All such cases were marked by me and reported to key users. Eventually they were reported to operation support team. Now this issue under investigation and should be resolve in foreseeable future.

Second area for improvement is consolidations to Manaus.

Consolidations to Brazil require special split of the costs between deliveries according to items net weights.

First case occurred in the middle of July when previously checked and processed 14 deliveries CPT Manaus, freight costs were requested separately for each delivery, were consolidated by PCM when deliveries were in C4 hence severe additional workload was formed for GD coordinator handling Brazil deliveries. All proformas for these deliveries were redone and new freight costs were requested and split according to Brazil legislation among the deliveries. PCM team was informed that such situation created a major waste of time and drop in productivity of the delivery coordinators handling Brazil deliveries.

Consolidation for Manaus was prohibited due to issues occur during the customs clearance which led to delays and additional costs.

There are several highly beneficial incentives in the Manaus Free Trade Zone. It is worth highlighting the following:

1. 88% reduction in Import Duty on the inputs of industrial goods
2. For electronic products the Import Duty is reduced proportionally to the local added value
3. No tax on industrialized products (IPI)
4. 75% reduction on the income tax. Exclusively for reinvestments
5. 0% COFINS for incoming goods and inter-industry internal sales
6. 0% PIS for incoming goods and inter-industry internal sales (Egil Fujikawa Nes, 2012. Manaus Free Trade Zone.)

Such reduction in import duties lead to additional and thorough customs control. After Company X had been in green light corridor for several years decision of possible consolidation was made. However, this decision was not discussed with GD department handling deliveries to Manaus.

In order to prevent such situation new way of working was proposed to PCM responsible for these orders.

All deliveries with CPT Incoterms to Manaus should be proceed for green without freight cost in proforma. Decision of possible about consolidation should be made by the customer and informed to GD coordinators in order to request consolidation freight cost and provide new proformas with split freight costs according to Brazil legislation.

This process is still on the stage of approval from PCM side.

These two examples were implementation of the lean thinking. The base of lean thinking is that every employee should identify wastes of all types: time, financial, material, and improve processes to eliminate such wastes. The result will be delivering more value at less expense while developing confidence and competences in every employee. (Ohio University, 2020.)

Overall, these weeks allowed me to provide two tangible proposes to improve everyday tasks, eliminate waste of time and reduce risks connected to providing inaccurate information on Company X's commercial documents.

## 9 CONCLUSION

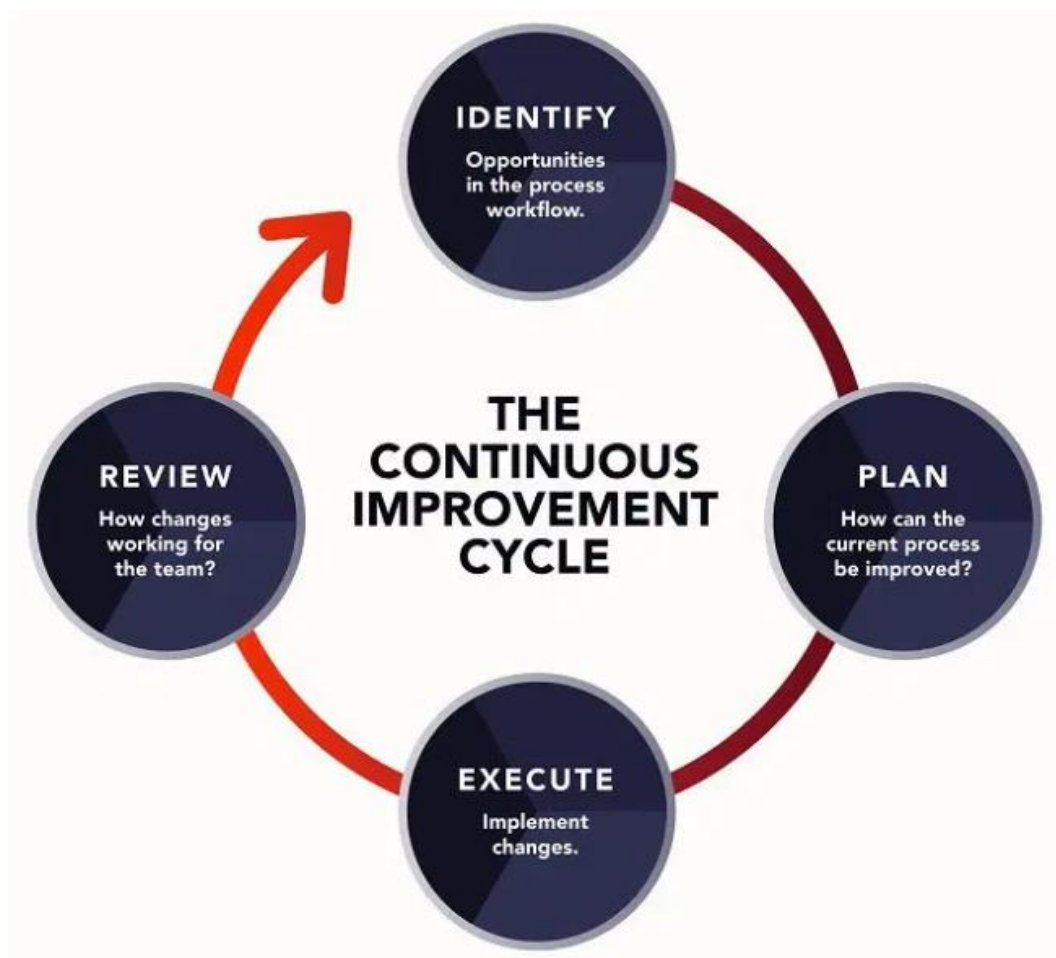
In conclusion I would like to present the outcome and improvements which took place during my work since October 2021 to September 2022.

As of September 2022, I still obtain new knowledge every day which is the most valuable thing for me in every activity. Even though some tasks became routine, the overall process gives you opportunity to professional growth and obtain new skills.

The main upcoming improvements are elimination of the issue with total weight and new ways of working with consolidation to Manaus. Both these cases were thoroughly described in previous chapter. As you may notice these are still ongoing processes. Unfortunately, due to backlog in the operational support team tasks and an overall complicated process of approval, any adjustments required from weeks to several months to be implemented.

It is important to mention that after I became more confident in my everyday tasks, I found areas for improvement. Continuous improvement should be one of the goals for every employee not only in Company X but in every company.

Continuous Improvement is the ongoing improvement process, which should be used in business, manufacturing practices and everyday life. The aim is to continuously make customer satisfied and to have successful, sustainable and profitable business. Continuous improvement in communication is a crucial part of any improvement process due to the need for cross-functional integration of employees. (Tina Agustiady, 2013. Communication for Continuous Improvement Projects.)



**Figure 3.** The continuous improvement cycle. (Planview, 2022.)

According to the continuous improvement principle I observed several areas in which this approach may lead to possible benefits to Company X.

I noticed that the most common Incoterm for Brazil deliveries is FCA, which means that customers prefer to use 3<sup>rd</sup> party forwarders and do not rely on Company X's logistics service. This opens a great opportunity for improvement our services and convince customers to use Company X as a logistic provider. This is a challenging task and can be considered as a separate project in Global Distribution Department. The main goal is to improve our customers' satisfaction.

From my perspective as a delivery coordinator dedicated to a special task inside the GD such dedication may lead to exclusion from the overall process. You improve your skills in one certain area and can benefit it the most, but on the other hand all other tasks become more challenging for you. To reduce this effect, an

efficient rotation policy should be implemented. From my perspective it is challenging and crucially important to consider the correct and most beneficial schedule for rotation. Creation and implementation of such schedule can become a new project for developing. In a broader way creation and implementation of such schedules for different departments are an excellent opportunity for improvement existing ways of working and possibility to bring fresh approach to everyday tasks. Important to mention that it is not a job rotation as it usually defined: job rotation is a practice of regularly transitioning employees between different departments to ensure they gain knowledge of different procedures of the company while learning and improving their skill sets (Valamis, 2022). It is rotation inside your department with different assigned tasks.

The main beneficiary of this thesis is Company X. Because this reflection allows me to improve the way of working with Brazil deliveries. Improving everyday procedures with Brazil deliveries eventually lead to more satisfied clients for Company X which of course is one of the main goals for every successful business. I will continue analyzing existing procedures in order to eliminate as much resources waste as possible.

This thesis also provides a solid basis for continuous improvement not only for Company X's procedures but for every company providing logistics services for its clients in case of FCA's shipments, consolidations and rotation inside logistics department.

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APPENDIX 3

WARENVERKEHRSBESCHEINIGUNG		
<b>1. Ausführer</b> (Name, vollständige Anschrift, Staat)		<b>A.TR.</b> Nr. <b>L 870852</b> <b>2. Frachtpapier</b> (Ausfüllung freigestellt) Nr. _____ vom _____
<b>3. Empfänger</b> (Name, vollständige Anschrift, Staat) (Ausfüllung freigestellt)	<b>4.</b> ASSOZIATION zwischen der EUROPÄISCHEN UNION und der TÜRKEI	
	<b>5. Ausführstaat</b>	<b>6. Bestimmungsstaat</b> <sup>1)</sup>
<b>7. Angaben über die Beförderung</b> (Ausfüllung freigestellt)		<b>8. Bemerkungen</b>
<b>9. Laufende Nr.</b>	<b>10. Zeichen, Nummern, Anzahl und Art der Packstücke</b> (bei lose geschütteten Waren je nach Fall Name des Schiffes, Waggon- oder Kraftwaggennummer); Warenbezeichnung	<b>11. Rohmasse</b> (kg) oder andere Maßeinheit (hl, m <sup>3</sup> , usw.)
<b>12. SICHTVERMERK DER ZOLLSTELLE</b> Die Richtigkeit der Erklärung wird bescheinigt. Ausfuhrpapier <sup>2)</sup> : Art/Muster _____ Nr. _____ Stempel _____ Zollstelle: _____ Ausstellender Staat: _____ _____ _____ (Ort und Datum) _____ (Unterschrift)		<b>13. ERKLÄRUNG DES AUSFÜHRERS</b> Der Unterzeichner erklärt, dass die vorgenannten Waren die Voraussetzungen erfüllen, um diese Bescheinigung zu erlangen. _____ _____ (Ort und Datum) _____ (Unterschrift)

<sup>1)</sup> Anzugeben ist der Mitgliedstaat oder „Türkei“

Bestell-Nr. 10750

<sup>2)</sup> Nur auszufüllen, wenn im Ausführstaat erforderlich.