



English Capacity Building in Preparing Competent Logistics Sector's Staff in Indonesia

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Abstract

Logistic sectors are moving forward day by day, year by year. Their evolution brings big changes in the economic growth of countries. It drives the significant improvement in human life includes human life style, human's needs, and human capacity. Their services has to be in agile and effective ways to reach the customer's satisfaction. This research observes the capacity building of human resource in logistic sector in supporting the performance development of logistic companies in Indonesia especially about English capacity. The researchers use qualitative research in logistics sectors by observing, interviewing, and disseminating questionnaire to the owner, director, manager, supervisor of logistic company. Based on the research's result, English capacity had by operational and administration staffs of a logistic company influence the business because a staff that has good English skills will run the communication as well to the customers directly and indirectly. It is because the customers of a logistic company are international customer and foreign company which have representative office in Indonesia. Explicitly, the results show that a maritime academy should prepare the human resource or in this context is a logistic sectors' staff candidate must understand about the use of English before working in logistic sectors to support the moving forward of the company.

Keywords: logistic; English; capacity; staff; academy.

Introduction

Logistics sectors consist of warehouse, transport, and information technology. There are some types of warehouses, those are: warehouse of producer, warehouse of logistic provider, and warehouse of e – commerce business. Besides, the types of transport are: land transport, sea transport, and air transport. In the land transport consists of trucking and railway; in the sea transport we have containerized shipping and non – containerized shipping. Then, in the air transport, we have airline cargo. The business of logistic sectors can run effectively and efficiently supported by the

implementation of an excellent service of information technology department by using platform (IT application).

All of logistics sectors mentioned above such as warehouse and transport can be operated by the owner of warehouse and transport, also can be operated by logistics service provider or freight forwarder. For each of them, they have the common organizational structure, those are: logistic manager, supervisor (trucking supervisor and warehouse supervisor), transport staff and warehouse staff. For those staffs, each of the sectors has operational staff and administration staff.

The one who runs the daily working activities are operational staff and administration staff. They have different job desk in running their works. For the operational staffs, they have an important role in the field of work. The operational staffs run operational jobs in the working field, communicate and make daily working report, communicate with the goods owner and customer in the work field. Besides, the administration staffs input the data to the application used by the company, communicate with the goods owner and the customer in the office, and make the goods status report. The goods owner and the customer come to the warehouse to check the goods and the condition, so the operational staff must have good communication skills. They must be able to speak English both written and spoken to solve the problems that can be happened and make daily report. While the administration staff will meet and communicate with the goods owner and the customer in the office both direct meeting and indirect meeting. Those activities include making inquiry order, making email, making reports, and having a business call with the goods owner and the customer. Administration staff is the key communication in the logistic sectors because usually the goods owner and the customer will directly call the administration staff to solve the problems so that the administration staff must have good English skills in facing the various customers. It is because the administration staff does the big part in communication activity.

Information technology system in logistics sectors consist of Warehouse Management System (WMS), Transport Management System (TMS), and Enterprise Resources Planning (ERP) in supply chain system. All of information technology system in logistics sectors operated by administration staff and the decision will be made by the manager and supervisor of the logistic sectors.

The types of the customer in logistics sectors are international customer and foreign company which have representative office in Indonesia. Even though the working activities are happened in Indonesia but the customer both the exporter and importer are coming from all over the world and also the distributor can be local and international distributor. It is the exact reason of why the administration staff and operational staff must have good English skills both spoken and written. There are some research questions based on the reasons mentioned before as the main focus of the research, those are the explanation about: logistic sectors, the needs by each sector on English, how should Maritime Academy prepare the human resource in building the English capacity as the preparation as a logistic sectors' staff, and what should logistic sectors' staff candidate understand about the use English before working in logistic sectors.

Enemark & Ahene in Merino (2012) explained that capacity building is human resource development includes knowledge, skills, and attitude for the purpose of developing and managing certain areas in society. Enemark & Williamson in Merino (2012) stated that capacity development as another name of capacity building as *"the process by which individuals, groups, organizations, institutions and societies increase their abilities to: (i) perform core functions, solve problems, define and achieve objectives; and (ii) understand and deal with their development needs in a broad context and in a sustainable manner"*.

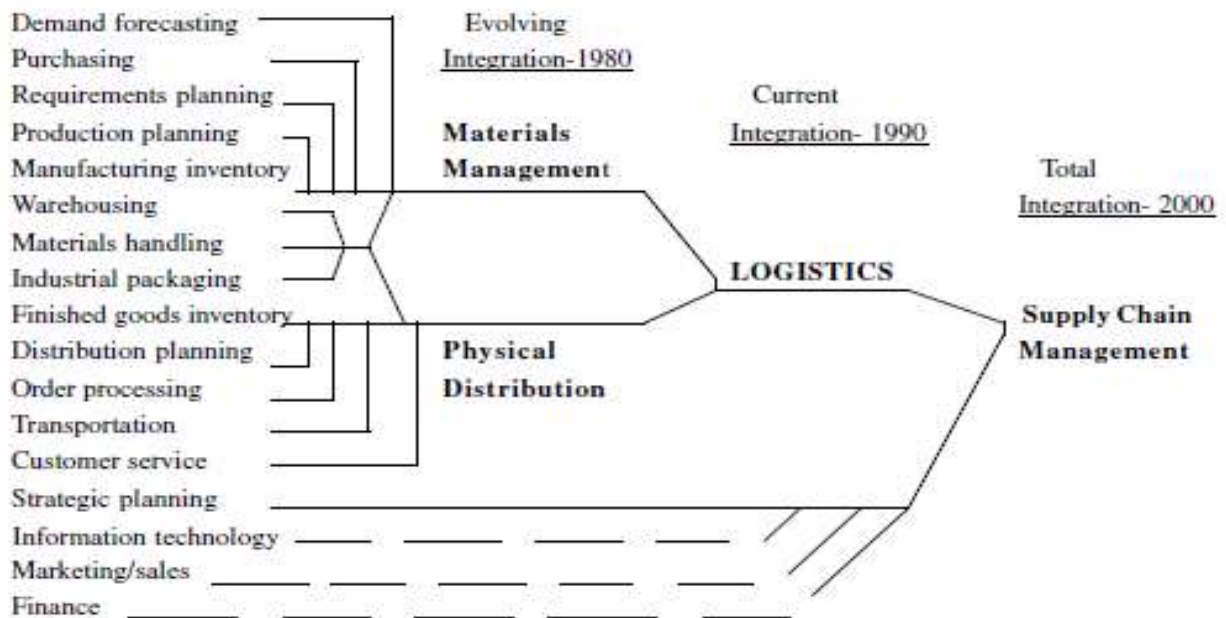
According to Ncube (2005) that capacity building is building the internal institutional capacity of an organization or using that internal institutional capacity to service an organization's membership (the extend of its ability to influence the external environment through acquired competencies).

Those theories provide big support that the capacity building concept, for the workers in all levels including the staff and operation level, can be executed by offering necessary training by dedicated experts on the topics pertaining to appliance of the relevant language, digitalization and resilience in operation effectively.

Essex (2019) said that *"logistics is the process of planning and executing the efficient transportation and storage of goods from the point of origin to the point of consumption"*. Logistics is a process of delivering goods and storage of the goods which covers effective operation to ensure the goods can be delivered to the

customers in the best condition on time. According to Council of Supply Chain Management Professionals in USAID DELIVERY PROJECT (2011) mentions logistics management is an integrating function, which coordinates and optimizes all logistics activities, as well as integrates logistics activities with other functions including marketing, sales manufacturing, finance, and information technology. Ballou (2007) describes the logistics activities into demand forecasting, purchasing, requirement planning, production planning, manufacturing inventory, warehousing, material handling, industrial packaging, finished goods inventory, distribution planning, order processing, and transportation and customer services.

Fragmentation 1960



Source: Ballou (2007)

CSI-Coalition of Service Industries (2004) defined logistics as the process of planning, implementing, managing and controlling the flow and storage of goods, services and related information from point of origin to the point of consumption.

Based on above, we can then conclude the 3 (three) main activities in the logistics sectors into the 1) goods movement (transportation and distribution), 1) storage the goods start form the supplier premise, while in transit and at the production as well at the distribution level before delivered to the consumers, and 3) managing the related information sufficiently to all stake holders.

The broader scope of logistics is called as supply chain management, as United nation Field Support (2015) explains supply chain management is the planning and management of all activities involved in sourcing and procurement, conversion, and all logistics management activities to meet the customer's needs. An effective supply chain is when the goods and services are provided at the right time, at the right place, in the right quantities and quality to meet the requirements of customers.

Opatha (2009) defined a human resource is an employee who work for the organization being concerned. Human resource commonly become the motor of the company; they can build and manage the company based on their capacity in mastering the work field so that they will easily make the company become better in the business performance. A good company will hire the best human resource from high level education which has same focus of knowledge with the company's main business. Let say, if the company is logistics service provider company, so the company should hire the employee's candidate who have basic academic knowledge about logistics service provider or logistics sector.

"*The man behind the gun*" is the most appropriate word to illustrate that the people involved in the area of works are the main asset in work execution. It is mandatory that in all business sectors to have the right people on the right jobs and positions. This will ensure in reaching the needed service level as agreed with the customers.

English become the standard language to communicate and to be used in many sectors of information and technology industries. Husain (2015) explained that language is essentially a skill which has four sub – skills, those are speaking, listening, writing, and reading. Listening and reading are included in receptive language skills while speaking and writing included in productive language skills. Speaking and writing are the most important skills to serve the customers.

How to build an English capacity building is the focus of interest in this research especially in preparing a competent logistics sector's staff in Indonesia. When the students taking their study in higher level of education, the lecturers must make a good teaching learning planning that have a relation with the future workplace especially in logistic sectors. In this case, for the first, the lecturers must understand the future workplace of the students so the lecturers will understand the needs of the knowledge for the students. By understanding the students' needs in their future, the



lecturers also will be able to deliver a right and proper material (in this case is English) very well. It will be very useful and bring a big and good impact for the students when they want to learn and walk their process of study then the good impact will be implemented in their future workplace. As the four English skills, the lecturers must prepare the syllabus which includes speaking, listening, writing, and reading with the knowledge needed. As it is explained by Nishanthi (2018) that English is called as major window on the world which means English gives us the view of various progress taking place in the world because English is commonly spoken language in the world.

Within the business, especially in the services industry, good communication between all related parties will ensure every message can be delivered effectively. In the global era, where all industry has no other choice but to communicate will people from all around the world, English skill becomes very important and mandatory thing to support the success of whole business. By this reason, graduated who starts joining in the real business has to be competent and able in mastering their English to support their upcoming work successfully.

Darius (2016) assessed the importance of foreign language (English) in transport and logistics market got 8, 29 points of 10 – point grading system. The research results indicated that respondents lack foreign English skills which cause difficulties in communicating with foreign customers and partners. The problem that happened in that case is in line with the objectives of this research. The focus of attention is finding the importance of English as the needs of the students in their future workplace. As it was explained by the previous study that English is very influence the smoothness of the transport and logistics working process. That is the reason why the researchers try to find the needs of English capacity building in preparing a competent staff in logistics sector especially in Indonesia.

Research Methodology

The researchers use case study as the qualitative research design for this research. The researchers interested in how English is being implemented and used by operational and administration staffs in logistic sectors then the result will promote the quality of teaching learning activities of a maritime academy in preparing a good human resource based on the needs of the users. The researchers use qualitative research

because the researchers assumed that qualitative is the best way in identifying the needed information related to the English capacity building as the preparation of a maritime academy in preparing their students before touching down the working field or another way starting their job as operational and administration staff in logistic sectors. In this research, the researchers use observation, individual interview, papers survey, and online survey. The researchers do direct observation in some logistic sectors in Indonesia. The researchers do individual interview to owner, director, manager, supervisor of logistic companies to get the deep information needed. In the papers and online survey, the researchers use open – ended questionnaire to gain the data needed. The participants of this research are the owner, director, manager, supervisor of logistic companies in Indonesia.

The procedures of data collection method used by the researcher are the researchers go to some logistics sectors to do direct observation. The researchers prepare questionnaire that will be delivered thru papers survey and online survey. Then, the researchers prepare questions that will be delivered to the participants of this research. The followings are the questions delivered to them in gaining the needed data:

1. How many foreign companies in Indonesia served by the company?
2. How many International customer which managed by the company?
3. What kinds of international goods which are served by the company?
4. How frequent the company serves international customer related to storage and delivery of the goods?
5. How frequent the operational and administration staffs communicate with the clients in English?
6. What are the job positions which have relation with process on storage and transporting goods?
7. What are the job desks of the staffs which have correlation with the use of English?
8. How many operational and administration staff who have good English skills both spoken and written?
9. What kinds of English skills needed for operational and administration staff in the company?

10. What are the suggestions for a maritime academy in building the English capacity for the staff candidates?

The researchers analyze the data by preparing the data, exploring the data, finding the points, reviewing the result, and presenting or explaining the data found. In this research, the researchers use simple random sampling in collecting the data. As Taherdoost (2016) explained that there are two sampling techniques those are probability sampling and non-probability sampling. In this research, the researchers used simple random sampling as one of the methods in probability sampling. It is because every item of the population has an equal probability. As Malhotra and Birks (2006) describe that simple random sampling is easily understood and the results are projectable.

The researchers take 10 (ten) logistics companies in Indonesia because it will make a similar perception in seeing the needs of human capacity development in supporting the development of each company in running the business with smooth way and eliminating the common problem which is language as the basic tool to communicate with international customers and make the needed documents.

Findings and Discussion

Findings

This research found some facts about the need and the use of English in logistic sectors to ensure the business being able to provide sufficient support to the economic development and growth. The results can be described as follow:

a. Logistics business as the enabler of supply chain management concept covers the effective operations to ensure goods can be delivered to the consumers in the best condition on time. The operation includes the jobs in 3 (three) main activities which are transportation/distribution, warehousing/inventory, and managing the sufficient information to the stake holders.

The job roles of the effective operation in logistics sectors cover from the top management level to staff level who face daily activities in providing best service to the partners and/or customers

b. Every job level needs to communicate effectively to their partners/customers. Where the international trade and or international communication occurred, all

levels from directors, managers, supervisors, staffs have to be able to communicate effectively. The research found out that certain level especially in staff level in logistics companies in Indonesia, often facing difficulties in providing sufficient communication in English especially in writing and speaking.

Based on the research done by the researchers that the followings are the data that the researchers got from the interview section with the leaders of 10 (ten) logistics companies in Indonesia. The researchers interviewed the management level in each of the company and the followings are the findings:

- 1) The numbers of foreign company in Indonesia served by each company;
- 2) The numbers of international customer which managed by each company;
- 3) The numbers of international goods which are served by the company; and
- 4) The numbers of operational and administration staff who have good English skills both spoken and written.

From the 10 (ten) companies, some of the companies serve for about 8 (eight) foreign companies in their working activities. It can be shown by the following bar chart. From here we can understand that the frequency of using English is high in the daily working activities of a logistics company, because the staffs must serve the customers and communicate with foreign companies in English.

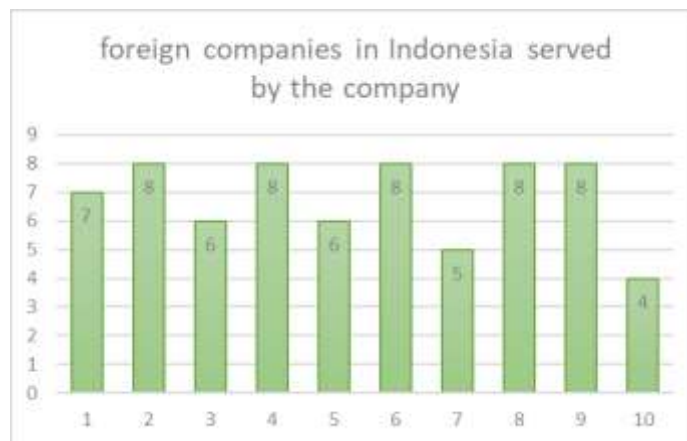


Chart 1. The numbers of foreign company in Indonesia served by each company

From the 10 (ten) companies, some of the companies serve many international customers in their daily working activities. The bar chart as the result of the interview sections said that there are 20 (twenty) international customers serve by one of the ten companies as the research objects. From this case, we can see the

frequency of using English both spoken and written is quite high. The staff both administration and operational staff in that logistics company use English in most for a whole day of their working hours. They also make the needed documents in English format. The data is as follows:



Chart 2. The numbers of international customer which managed by each company

Besides serving foreign companies and international customers, each of the logistics company in Indonesia also serving international goods in their daily working activities. Here also we can conclude that English becomes the crucial part in managing the goods itself. All the documents are written in English and the way to negotiate with the international customers are also using English as the most understandable language.

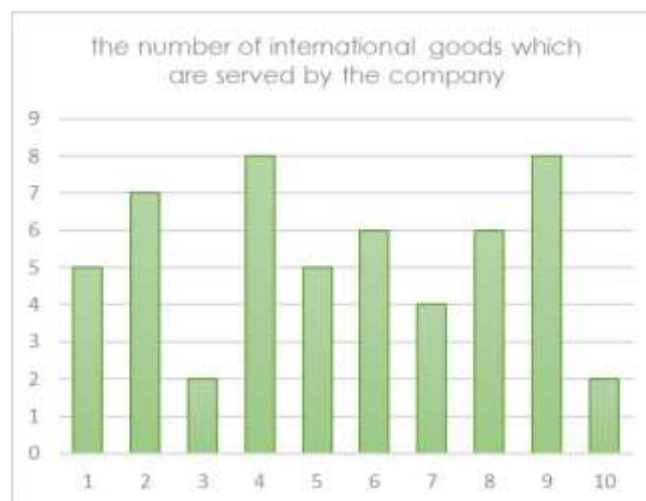


Chart 3. The numbers of international goods which are served by the company

The last chart below, provided by the researchers, is showing us about the numbers of the operational and administration staff who have good English skills both spoken and written. Each of the company shows different result, but some of them are having 5 (five) staffs who have good English skills. As we know that they have to serve many customers from foreign company, international customers, and also domestic customers every day. From here we can draw a conclusion that in reality, the companies need to improve the quality of the English skills of the other staffs so they can support the competent one to do the job as well.

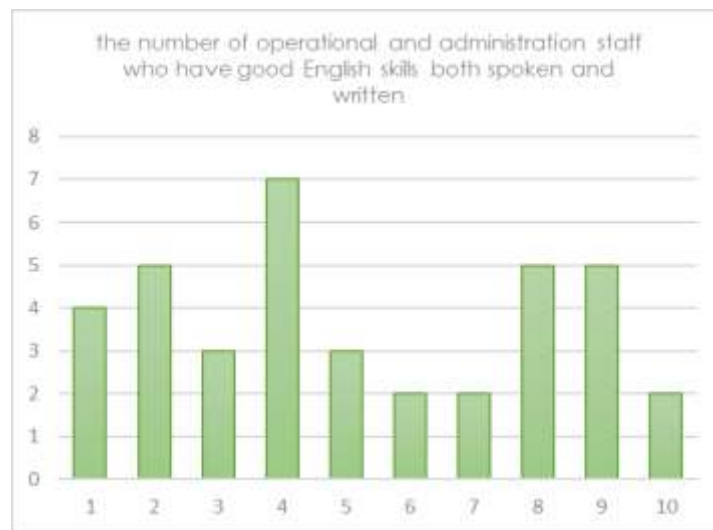


Chart 4. The numbers of operational and administration staff who have good English skills both spoken and written

From the findings shown by the chart that there are big opportunities of the logistics company's staff in using English in their daily working activities. Unfortunately, not all of the staffs are having good English skills both spoken and written. It is better to build the capacity of the human resource of each logistics company to make sure all of the staffs have good English skills both spoken and written so not only some of the staffs who are able to complete the jobs because of the inability of English skills in other staffs. It calls as company investment when the company build the human capacity regularly or build the capacity in the needed sectors so the company will improve and develop.

- c. The research found that there are some constraints in creating effective communication with partners and customers from abroad or freight countries. In staff level, both administration and operational staffs, they often face some difficulties in delivering and accepting messages using English. This happens for communication in direct conversation or in writing messages such email and reports. This may cause some un-effective communication during completing their daily job and duties. In staff level both administration and operational in the field of transportation and warehousing, there should be a capacity building program especially in improving the ability of English both writing and speaking.
- d. In the process of recruitment and also the existing staffs, they need to be encouraged with capacity building such as training program on English both writing and speaking especially for daily communication with simple English applied in the logistics industry.

The conducted research results most of respondents served more than 7 (seven) foreign companies in Indonesia. They also managed more than 14 (fourteen) International customers in their company. The international goods which are served by the company are wood furniture, garment, ceramics, electronics, and tire rubber. Most of respondents said that they serve their international customers related to storage and delivery of the goods every day. The operational and administration staffs of the respondents' company communicate with the clients in English every day. The job positions which have relation with process on storage and transporting goods in the respondents' company are warehouse manager, trucking manager, warehouse supervisor, warehouse operational staff, truck operational staff, warehouse administration staff, and warehouse operation staff. The job desks of the staffs which have correlation with the use of English are having direct communication when a client come to the office, writing e – mail to the customers, making report to the customers and partners (agents) abroad. From the respondents' result, there are 4 (four) operational and administration staff who have a good English skill both spoken and written for each company. The respondents said that there are some English skills needed for operational and administration staff in the company, those are speaking/conversation, writing emails/reports, good grammar both in logistics sector and transport. The suggestions from the respondents for a maritime academy in



building the English capacity for the staff candidates are the maritime academy need to prepare the students to have a fluent conversation in logistics/transport, the students must be able to make sufficient report and able to make effective e-mail, the students able to input the data to the logistics application program (WMS/TMS).

Discussion

The backward and forward linkage of the logistics sector to the industry is very strong. This means, if there is a decrease or increase in industrial activity, the logistics activities will experience a greater decline or increase.

English as international language plays a big role in running the logistics business since English become the tool to communicate between the logistics performers and be the language uses in all logistics documents. Those documents are sales contract, commercial invoice, export declaration, packing list, bill of lading, letter of credit, quality statement, and certificate of origin.

In this research, the researchers focus in English for Specific Purposes (ESP) in preparing the students of vocational higher school for the future needs which is working in logistics sectors as administration and operation staffs. It is in the same line with Knight et.al. (2010) explains that in English for Specific Purposes lesson, students will study to enter professions, focusing on the language of academic performance in specific discourse communities and preparing for near-future identified work place. Furthermore, Rahman (2015) says that English for Specific Purposes is ESP centers more on language in context than on teaching grammar and language structures. Cambridge (2016) states that English is the language of international business, so increasingly it is just as important for businesses in native and non-native English-speaking countries. The survey shows English language skills are important for over 95% of employers in many countries and territories where English is not official language. It can be concluded that English is the important thing that is used in logistics company and crucial thing for the higher education institution to prepare the needed and closet material for the lesson especially English for Logistics as the main point of this

research. In addition, Rao (2019) mentions speaking skills is the most important skill to acquire foreign language learning. Among the four language skills, speaking is deemed to be the most important skill in learning a foreign language. As English lecturers in vocational higher school, they have to focus in the language skills improvement of the students because the students are usually not confident because of being afraid of making mistakes. So, the English lecturers must provide not only appropriate teaching learning process but also enjoyable teaching learning process. As described by Yang (2014) that there are many reasons why students don't want to speak English because they are afraid of making mistakes, they can't express their real meaning easily, they are shy, they are afraid people will laugh at them.

PLS Logistics Services (2015) Everything in logistics management is done in the name of customer service. 70% of consumers are willing to spend more money for good customer service. It can be assumed that as a logistics company, they must have employees who have good English skills especially in spoken because they have to serve the customers as well to support the development of the company especially in serving the customer in the customer's convenient.

Based on CIPP (2015), there are four types of capacity, those are: human, organizational, structural, and material. Human capacity includes both the intellectual capacity (e.g. knowledge, skills) and the will (e.g. interest, patient, and persistence) to implement needed changes. Organizational capacity involves interaction, collaboration, and communication among people within organization. Structural capacity exists independently of the people working within the organization and includes elements like policies, procedures, and practices. Material capacity includes the fiscal resources, materials, and equipment needed to meet the organizational goals and implement change. Building capacity of the employees of the logistics company should be encountered the four basic aspect of capacity building. In this case, the knowledge and skills in English communication to give the proper and excellent service for the customers.

Conclusion and Suggestion

Logistics and transport connectivity, where recently this involves all parties in domestic and global coverage, need plans with a focus on resilience and sustainability, contributing to the implementation of effective logistics service. Qualified human resources and appliance of IT connectivity become the most important dimension for the success of the whole services of the logistics sectors.

In preparing the human resource within logistic sectors, a maritime academy should educate the students to have a good English capacity includes the skill in conversation and the written skills to run the logistics business very well. The mentioned reasons are because English is an international and the most understandable language to be used to communicate with foreign customers directly and indirectly in logistics sectors. By mastering English, especially in writing and conversation, the workers or staffs will be able to provide their duties as expected by their partners and/or customers in the operation level. In Indonesia, we found out that English still become one of the barriers in executing excellent communication with other parties. Sufficient capacity building in this area will ensure the excellent service of the whole logistics performance.

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