

Executive Summary

The prime intention of this management skills project was to improve profitability of GAC Contract Logistics department. It is a shipping and logistics company under the wing of its Swedish mother company Gulf Agency Company. GAC CL as a third party logistic company, add value to their customers through shared resources and economies of scale. At the moment GAC CL ranks as one of the top five companies among the providers of similar services in Qatar.

It was evident that CL department is experiencing a decline in profitability and its operating income growth on a year on year comparison, 2015 vs 2016/2017. Along with that the cost has increased and it eroded the gross profitability. This situation hindered the growth of the department and thwart the market share improvement. It gave competitors the advantage to grow their market share in a perceptible manner. At the same time, the competitors were able to offer value added products such as cold chain and hazardous commodity storage, which exacerbate the situation for CL. These aspects impacted the company to derail from its position in the market and set an unhealthy trend in terms of its financials.

In the intention of rejuvenating the company's position, the causes for the company's unhealthy trend was identified within various areas. Subsequently, corrective measures were set for revenue generation and cost optimization. Then the plan was executed in order to achieve a profitability growth of Qar 848,000/- by July 2018 compared to July 2017.

Through a gap analysis the significance of the problems was identified. Thereafter, with techniques such as; cause and effect analysis and strategy canvas the root causes of the problems were delved. In the same vein the point of parity/differentiations compared to its competition were recognized. As the next step, the problem was referred through a theoretical background in order to obtain deeper insights. Concurrently, techniques used in solving similar problems in the past were learnt. Accordingly, objectives were derived in the aspects of operating income growth and cost optimization. With these basis six project components were articulated. Namely; current situation analysis, introducing new services, cost optimization, restructuring the sales department, increasing brand visibility and product knowledge training. Introduction of new services was focused on co-packing and value added services, cold chain services, starting up container fabrication and solution for chemical storage. Cost optimization

measures were to; increase utilization of warehouse space, vehicle mobility monitoring system, re-negotiating supplier and warehouse lease costs. In terms of increasing brand visibility; delivery vehicles and the main wall of the warehouse were branded. Moreover, under sales restructuring measures; the new recruitments took place and trainings were organized to improve their soft skills.

Techniques used during the process of executing the project plan were; Cause and effect analysis, Gantt chart, Ansoff marketing grid, Porter's five forces, Keller's brand equity model and strategy canvas were. Finally, a 74% completion of the main project objective was achieved by 31 July 2018. The project team were able to improve their conceptual, interpersonal and technical skills through gaining broad practical knowledge on the concepts that were learnt only as theory in the MBA curriculum.