

ABSTRACT

Third Party Logistics provider is becoming a famous outsource for supply chain solution. Secure logistics provider is considered as outsourcing logistics service that mainly focusses on valuable products.

Delivery in Full on Time (DIFOT) is the most concern of the customers as gems and jewelry are highly valuable products. Customers expect the goods to be delivered on time especially before noon (by the same date of flight arrival). While the company has set up KPI at 95% effectiveness for morning flight arrival (flight arrival before 7.00 AM), but the company has never succeeded the goal. The purpose of this project is to improve delivery performance of shipment arrival before 7.00 AM.

This research starts from data collection using the data of import shipment from January – December 2014 and January – April 2015 which are the most up to date. Second is analyzing the current import working process. Third is defining the factors that affect the low delivery performance. After analyzing the current process of the company, controllable and uncontrollable factors are found. The company has focused on controllable factors only which are working process and sorting skill. The last is conclusion.

To eliminate these factors, shipment consolidate is the first chosen alternative. Shipment consolidation is the process of combining various shipments with various Master Air Way bill (MAWB) from the origin to one Master Air Way bill which helps reduce the time of process. Review and revise training procedure is the second chosen alternative to improve the sorting skill. The chosen alternatives were used from May until December 2015. The effectiveness of delivery performance has increased to 95% compared to the same period in 2014 with 72% only. Overall performance in 2015 is read as 90% while KPI is set as 95%. This shows the chosen alternatives are worked well for the company as the result has changed to positive way.