

FPP BizNewz

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MANAGEMENT • INVESTMENT • ECONOMICS • ENTREPRENEURSHIP • TECHNOLOGY

**Mengapa Pelaburan
Emas Menjadi Pilihan?**

Telur Mana Telur?

*you
are
what
matters*

**An Affair of Online
Learning and Covid-19**

**Pembasmian Kemiskinan Dalam RMK
Ke-12**

Bukit Harimau Menangis
Tarikan Pendakian di Kemaman



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Material handling economy is typically proportional to the size of the load handled. As the size of the load increases, the fewer the number of trips required to store a given quantity of goods, the better the economy. The number of trips is connected directly to the labor time required to move the goods as well as the time that the material handling equipment is in service. Efficiency can often be enhanced by consolidating a number of small packages into a single load and then handling the consolidated load.

Containerization

The ideal in load unitization and materials-handling system compatibility is the container. A container is a steel framed box, with a strong floor and paneled sides, ends, and roof. The door at the open end can be secured and sealed, giving good protection against pilferage. The steel frame must be strong enough to support other containers stacked above it, since on some ships, they are stacked seven high. The goods are stored and transported in the container, which can be waterproofed and locked for security, so that ordinary warehousing is dispensable. Standardized materials-handling equipment can be used to move them, and they are interchangeable among different transportation modes.

Advantages of Containerization

The usage of containerization is rising due to the various advantages of using it. These may be listed as follows:

Consolidation of cargo

A container consolidates cargo and brings into a unit load what was previously a number of smaller packages or crates. With consolidation, it also reduces loading and unloading time as it unitizes cargo and handles it more quickly and easily, thus reducing time.

Less packing and economical

When using containers, it requires less

packing and packaging, requiring less labor and handling movement. So it reduced the labor cost and saved money for the company. A fully loaded container also represents an economic unitization of that volume of cargo space, whether in a ship, a railway waggon or a road haulage vehicle. Furthermore, the goods are carried easily since they are better controlled than loose cargo.

Reducing pilferage

Because the container is bulky and has a thick lock, unlike loose cargo, the sneak thief cannot pick it up and walk away with it. So the goods can be easily delivered to consignees safely because of the use of containers as part of packaging. Insurance costs will also be reduced when there is no pilfering of containers.

Simpler documentation

Simpler documentation can be accomplished since containers require less documentation and the group firm that specializes in unitizing the cargo from a number of small consignors will prepare documentation for the customer as a single unit.

Logical way to forward cargo

Containers make transit the logical and economical way to forward cargo. Thus, we see the development of integrated door to door or depot to depot services by rail – sea-rail, rail – sea – road, road – air – road etc.

However, even though the benefits of using a container are considered much more favorable than the pitfalls, we have to take into consideration the problem involved in using a container.

Disadvantages of Containerization

Some of disadvantages of using containerization can be traced as follows:

Technical Problems

An important aspect of container operations is the need to plan special ships, berths,

container parks, handling facilities, and vehicles. It required special services with additional costs to deliver certain freight in good condition.

Operational Problems

The operational problem is to offer an integrated system based on standard ISO containers and maximize the advantages accumulated to their use.

A typical problem concerns the difficulties of unloading containers at ports that are without special cranes.

A problem faced by rail and road haulage companies using specialized equipment is how to secure the container to vehicles not equipped with appropriate twist-lock devices.

Getting back empty containers or getting as many as possible reloaded on the return journey also creates a problem.

Financial Problems

Using gantry cranes for special purposes to load and unload containers requires a

high capital investment as this equipment is usually expensive. However, only the initial costs will be expensive as the variable costs will be slightly reduced when the company uses the containers regularly.

As a conclusion, even though using containers has disadvantages, the benefits of using them outweigh the costs of using them. Therefore, we could see a lot of container usage in international trading for better business acumen.

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