

Misc sponsoring excessive number of cadets commerce essay



**ASSIGN
BUSTER**

The existence of shipping and merchant trading since 15th century has made shipping the means of transportation which goes on to build up the shipping industry as what it exists today. Nowadays, many shipping company were established. Malaysia, one of the major countries contributes for the maritime industry development. MISC one of the well known shipping company in Malaysia that produce many competent officer by sponsoring cadet as their apprentice. The major institute that provides seafaring training for the cadets is Malaysia Maritime Academy (MMA) or known by the locals as Akademi Laut Malaysia (ALAM). Most of the cadets sponsored by MISC were trained in ALAM.

In ALAM got two courses, Diploma in Nautical studies (DNS) and Diploma in Marine Engineering (DME). To complete the training in ALAM, the cadets have to finish two years study in ALAM and one year practical onboard the ship. To become Watch Keeping Officer (WKO), the cadets have to sit for oral examination to get the Certificate of Competency (COC) from Marine Department of Malaysia (MARDEP). After the COC has been endorsed, a company will provide ship to the cadets as the junior officer. Now the junior officers already begin their carrier as certified officer and will develop until they become the member of the shipboard management.

STATEMENT OF PROBLEM

MISC sponsoring excessive number of cadets whiles the economy in good growth. The company sponsored huge number of cadet because they expecting the economy growth better and have to employ more officers onboard. They estimated that many ship will be in operation hence, need to get many seafarers to run the ship. Unfortunately, the world facing economy

<https://assignbuster.com/misc-sponsoring-excessive-number-of-cadets-commerce-essay/>

crisis in 1998 and 2009 and MISC now is shrinking their fleet from the nonprofit operation, the liners business.

These dilemmas make the sponsored cadet to face the reality where many of MISC cadets lost their opportunity for first ship berth as Junior Officer. Hence, the excess junior officer will remain ashore without any sign of ship berth opportunity. This research will focused on the effect of having excess officer sponsored by MISC at ALAM, action for MISC can take to overcome the problem with excess officer and officers plan after being released or dismissed from the company.

One of the effects that may be raise is that there will be a large amount of the officers stayed on shore and cannot join on board to work. Due to MISC shutting down the liner fleet, the ship needed to be in operation may be reduced and the excess officers on shore will not get ship to serve other than need to wait for a long period before they do so. Some of them might go to another shipping company to work with. Last but not least, ALAM also may perhaps be affected. MISC is a major company that sponsored cadet at ALAM, soon they may stop sponsoring cadet due to the excess officers produced and ALAM will face shortage of cadet.

To handle the situation, MISC need to find solutions that will satisfy all parties. There are several actions the company can take to overcome the effect of the excessive officer. Since there are many officers left ashore, the competition between them to get a ship is great. With this MISC can increase the requirement for an officer to join a ship. MISC also can tighten up the promotion criteria for officers in each rank. MISC might shorten the serve

period for an officer. This will allow the officer on shore to join on board just in time. MISC can stop sponsoring cadet. This is to the company stop from producing anymore officers and after a while, they may resume back the sponsors. If they do not want to stop sponsoring cadet, they can do so but sponsors in small figure. Another option is dismissing the excess officers or cadets by terminating their contract.

For officers that already dismissed or their contract terminated they can find other shipping company to work with. They can quit from sailing and find work on shore based. For example, join ALAM as a lecturer. For the proactive officers, while with MISC, they can start a business or do part time job so that if they were dismissed from MISC, it will not burden them much.

PURPOSE OF THE STUDY

To reveal the effect of the excess officers sponsored by MISC in ALAM

There are several effects that will be digging up. The effects may be related to the MISC itself, the officers and cadet they sponsored and ALAM.

To determine the expectation from MISC in sponsoring officer in ALAM.

To find solution for the problem regarding the effect of the excess of officer sponsored by MISC in ALAM.

After all the effect of the excess officers discovered, it will be easy to find the solution and overcome the situation.

SIGNIFICANCE OF THE STUDY

This research will benefit the officers and cadet sponsored by MISC. By this research, they can open up their mind and thinking toward their work. They will know the problems MISC facing and plan for the future. When they look at the effect of the excess officers, they know they need to do something about it. For example, improve performance in work in order to get ship because the company surely looking for the best officers when they have plenty left. The research also provides some guidance for the officers and cadet whose may be dismissed by the company. It will help them to survive in the maritime industry. Since maritime industry is big, many works can be found rather than sailing. Also the actions MISC will take to overcome this excess officer situation can be verified.

RESEARCH QUESTIONS

What is the effect having excess officer sponsored by MISC at ALAM?

What action can MISC take to overcome the effect of excessive officer?

What can the officers do after being released or dismissed from MISC?

SCOPE OF THE STUDY

The thesis is a study of seafarer condition and problem they may face due to the excess officers situation especially MISC sponsored. This research is mainly focusing about the effect of the excess officer to MISC and their people such as officers and cadet. Furthermore, the research will create awareness among the officers and let them to think and take own action regarding this matter, the excess officers.

DEFINITIONS OF TERMS

“ Effect” is a change or result that is caused by something (Cambridge Essential English Dictionary, 2004)

“ Excess” is a more of something to someone than is usual or needed (Cambridge Essential English Dictionary, 2004)

“ Officer” is someone who has an important position in an organization such as the government (Cambridge Essential English Dictionary, 2004)

“ Sponsor” is someone who officially agrees to help someone else or to be responsible for what they do (Longman Dictionary Of Contemporary English, 1995)

“ MISC Berhad” is known as Malaysia International Shipping Company. Malaysia’s leading international maritime corporation.

“ ALAM” is known as Akademi Laut Malaysia or Malaysian Maritime Academy Sdn. bhd. Wholly-owned subsidiary of MISC Berhad.

CHAPTER 2 LITERATURE REVIEW

2. 1 INTRODUCTION

This second chapter discussed on the regulation that encourage workforce planning, the theory of workforce planning, vision and mission of MISC berhad, the significance of workforce planning to MISC berhad and lastly the conclusions.

2. 2 REGULATION THAT ENCOURAGE WORKFORCE PLANNING

International Labour Organizations (ILO) having the general conference at Geneva on 7th February 2006 under Maritime Labour convention, 2006 comes out the regulation and code title 1- minimum requirements for seafarers to work on a ship under regulation 1. 4-Requirement and placement stated that on Guideline B1. 4. 1 – Organizational and operational guidelines on the paragraph number 3(e) “ workforce planning, taking account of the supply of and demand for seafarers and the requirements of the maritime industry” (ILO, 2006). From this regulation, show that ILO is encouraging the members of ILO to implements this workforce planning. Besides that, it shows that the important of workforce planning in order to build the quality organization with smooth operations of business. Moreover from the stated guidelines shows that, ILO require each organization or company to always monitoring their supply of and demand for seafarers working under their organization and also any requirements of the maritime industry. This matter rises due to avoid any excess of officer inside any organizations or company that will affect the maritime industry generally.

2. 3 THEORY OF WORKFORCE PLANNING

Workforce planning is not just a theory about supply and demands. “ Workforce planning is a systematic systems and covering all areas for planning including identifying, acquiring, developing, and retaining the employees to meet the needs require by the company” (unknown, Strategic workforce planning, 2003). Besides that, workforce planning is an effort to focus on developing information and data that can help the organizations or

company in deciding decisions for short or long term visions, yet allow for flexibility in changing of environment or situations. This workforce planning build a long term directions in short term decisions making, creating plans in response to changing strategies, whenever change is discussed that means critical actions in immediate reactions.

Workforce planning consists of four main steps which is demands, supply, analysis and strategy plan. First of all identifying the demands, the type of workforce needed to accomplish the future visions and missions of the company. To determine the demands, it is taking into account the future company plan and how the work will be done due to technology development, environmental changing, economic growth movements, and political circumstances. In determining the acquire supply, the company have to assess the current competencies in the organizations to identify that can the current competencies fulfill the demands or require the company to appoint new employee to carry out new demands requirements.

The analysis should be carrying out after determining the demands and supply. This step is to find out the gap between demands and supply. The different between demands and supply can be either demands is higher than supply or supply is higher than demands. When the supply is higher than the demands the excess employee will become surplus and will affect the objectives of the company. That is a hope of every company to have a right person with the right competencies on the right time.

Strategy plan for future to avoid any excess employee by giving the current competencies additional other competencies to fulfill future demands. So the

employee can improve their competencies in other field and the company should appreciate it by promotion or increase in salary. The strategy plan should include with the backup plan for any undesired events such as death, retirements, and offer from other company. It is important for any company to have the apprentice for future visions. The apprentice should be with the competencies requiring by future company visions.

2. 4 VISION AND MISSION OF MISC BERHAD

2. 4. 1 VISION OF MISC BERHAD

“ To be the preferred provider of world class maritime transportation and logistics services” (misc berhad, unknown).

2. 4. 2 MISSION OF MISC BERHAD

“ We are a logistics service provider, maritime transportation is our core business and we support the nation’s aspiration to become a leading maritime nation” (misc berhad, unknown).

2. 5 THE SIGNIFICANCE OF WORKFORCE PLANNING TO MISC BERHAD

“ With over 40 years of experience in the industry, MISC is also one of the leading carriers in the Liner Intra-Asia trade” (misc berhad, unknown). In other words, MISC is one of the well known companies in liner business. But on 24 November 2011, “ MISC issued a statement through the local stock exchange, Bursa Malaysia, announcing its decision to exit the liner business (container shipping) via cessation of the liner business and anything related to said business” (BERNAMA, 2011). The causes of these unexpected actions due to major changes in operating patterns which is high operating cost and

rapid changes in global trade design. These decisions also support by the liner business suffering a total financial loss of USD 789 million over past three years impacting overall performance of company. The cessations of liner business will be by the end of June 2012. Hence it will affect the current employees who serve onboard or onshore that related with liner business. It also will cause large amount of employees in MISC who in liner fleet lose their job including officer serve onboard liner fleet. Besides that, while MISC shrinking their business, MISC still sponsoring cadet in ALAM as apprentice to serve on onboard the ship. From this situation, the chances for them to join on board the ship as an officer become lesser because the excess officer for liner business with more experience will take over their opportunity. So, the junior officer with less experience will stay ashore for longer time waiting for first ship berth.

In order to overcome the problem from being excess officer waiting ashore for ship berth, MISC should comply with supply and demand workforce planning theory. The simplest term for workforce planning is getting “ the right number of people with the right skills, experiences, and competencies in the right jobs at the right time.” (unknown, United State Department of Health and Human Services, 2009). This definitions covers in decision making in hiring people based on an organization’s mission, strategic plan, budgetary resources, set of desired workforce competencies and future succession investment.

2. 6 CONCLUSION

As conclusion, the MISC will not having the excess officer if MISC manage to sponsor only for their demand on current vacancies and also taking into <https://assignbuster.com/misc-sponsoring-excessive-number-of-cadets-commerce-essay/>

account the future vision and mission of the company in order to sponsor new apprentices.