



## Employees skill set and knowledge as a success factor in Malaysia Freight Forwarding Industry

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### Abstract

A freight forwarder connects a liner and its supply chain partners with its customers. The shipper appoints them to handle all related matters, such as documentation, route planning, and customs clearance. The majority of Malaysia's freight forwarding companies place a high priority on improving their operational performance and sustainable competitiveness. For this to happen, the company must have enough competent employees. A freight forwarder's biggest challenge is always finding a competent employee. Finding a skilled and knowledgeable employee who can serve their customers professionally is hard. To address this issue, semi-structured interviews were conducted in this study to identify the skills and knowledge a competent freight forwarder needs, the reasons it is difficult to hire competent employees, and ways to resolve this issue. A total of seven respondents from Johor, Selangor, and Pulau Pinang contributed valuable information to this study. The authors have utilized a thematic analysis technique for data analysis. The research findings are believed to help solve talent shortage problems in the freight forwarding industry.

**Keywords:** Freight Forwarding Company/ Freight Forwarder, Talent Shortage, Skill, Knowledge

### 1.0 Introduction

Lower barriers to trade, increased emergence of technology, and increased vertical specialization have resulted in considerable growth in world trade that has been established globally today

(UNCTAD, 2021). To support the increased international trade, the logistics sector plays the main integral role in facilitating international trade between countries (Çelebi, 2019).



In Malaysia, there is a positive sign of growth in the logistics market. According to a market research report by Mordor Intelligence (2022), the market was USD 37.60 billion in 2020, and it is estimated to exceed USD 55 billion by 2026 at a rate of CAGR 4%. The reason is the COVID-19 pandemic because customers are forced to switch their shopping habits to online during the pandemic to reduce the chance of infection. The authors of Mordor Intelligence have also pointed out that Malaysia's logistics industry has evolved over recent years. More and more companies are capitalizing on this industry with the rise of e-commerce. Logistics such as cold chain logistics and last-mile delivery services are getting more emphasized due to rising demand and high profit. With this trend, the demand for human resources in Malaysia's logistics industry is expected to increase 41%, from 393,000 workers in 2016 to 554,000 workers by 2022 (Mordor Intelligence, 2022). Generally speaking, the logistics industry in Malaysia is experiencing positive growth, and it is estimated that it will maintain its growth momentum in the future.

In such trends, high-quality logistics services appear essential to maintain the connection between domestic and international economies. As a result, one of the essential logistics services, freight forwarding, plays an integral part in making the process more systematic and organized (Hamat et al., 2019).

According to Jamaluddin et al. (2021), the authors describe a freight

forwarding company as a legal body responsible for transporting cargo timely and keeping its quality and quantity simultaneously. The complete definition of freight forwarding services can be defined as:

*"The services of any kind relating to the carriage, consolidation, storage, handling, packing or distribution of the Goods as well as ancillary and advisory services in connection in addition to that, including but not limited to customs and fiscal matters, declaring the Goods for official purposes, procuring insurance of the Goods and collecting or procuring payment or documents relating to the Goods"* (FIATA, 2007).

It is leading more and more new entrants to enter this industry because it has lower capital investment and entry barriers than carriers (Huang, Bulut and Duru, 2019). This has resulted in the market being saturated and having fierce competition. Therefore, to stand out in the industry, every freight forwarder must provide high-quality service to satisfy the consumer.

To give high-quality services, one of the aspects that the freight forwarding company can start from is the competency of employees. This is because employees as the backbone of a company, their skills and knowledge (competency) become crucial to the company's performance (Rodriguez and Walters, 2017). The failure or success of the company relies on the competency of employees. It is also a critical factor in increasing the company's competitive advantage. It brings unique value to the company.



However, Malaysia's freight logistics industry faces the challenge of hiring competent employees with appropriate skills and knowledge (Ong, Zailani and Kanapathy, 2020). Hiring a competent employee with the appropriate skills and knowledge to be qualified for the position is extremely difficult, as there is a talent shortage in the freight forwarding industry of Malaysia. This problem cannot be underestimated in the current context, where the demand for logistics and human resources (including freight forwarding) is rising intensively in Malaysia.

Therefore, to address this issue, this study aims to: (1) identify the skills and knowledge of competent employees which is necessary for a freight forwarding company, (2) investigate the reasons for difficulty in hiring competent employees, and (3) propose the way to reduce talent shortage.

## **2.0 Research Methodology**

### **2.1 Primary and Secondary Research Materials**

This study has used the qualitative approach to gather data intended to answer the research objectives. In this study, both primary and secondary research sources were used. Primary research sources included semi-structured interviews, where the data collection is done through semi-structured interviews by asking respondents open-ended questions to explore and gain a more comprehensive discussion of the topic. All interview sessions were recorded and transcribed

into text form for analysis. Secondary research sources include a set of materials necessary for preparing case studies. The written sources from e-books, reports, journals, and conference papers were used to study the skills and knowledge required by competent employees, the reasons for talent shortage, and the solution acquired in other countries. The main library services platforms used to obtain the information included Universiti Tunku Abdul Rahman (UTAR), Science Direct, Google Scholar, Springer Link, and Research Gate. All sources collected are said to be reliable and credible.

### **2.2 Methods**

As mentioned, a semi-structured interview was conducted to probe the respondents' views of the topics, which were conducted online between June 25 and July 20, 2022. The online interview sessions were recorded and then transcribed into text for further analysis. The demographic information of the respondents is shown in Table 1. The sample size was seven (N=7), which believed that the data collected was saturated enough to answer the research objectives. The respondents have different positions ranging from middle-level to top-level management, such as the CEO, operation manager, human resource manager, operation executives, or managers of Malaysian freight forwarding companies from Pulau Pinang, Selangor, and Johor.



**Table 1:** Demographic information of respondents

Respondent	Date of Interview	Company	Position of Respondent	State
1	25/06/2022	A	Operation Manager	Johor
2	25/06/2022	B	Director	Pulau Pinang
3	25/06/2022	C	Business Development Manager	Johor
4	28/06/2022	D	Business Development Manager	Selangor
5	29/06/2022	E	Forwarding Manager	Selangor
6	07/07/2022	F	Managing Director	Selangor
7	20/07/2022	G	Customer Service Executive	Pulau Pinang

Source: Created by the author

Subsequently, the transcribed conversation from the interview sessions that were in text form was processed by summarizing them into short paragraphs and coding to establish the interrelated theme among respondents' narratives. After that, the data was assessed and examined by using logical system approaches to acquire valuable and constructive information.

### 3.0 Findings and Discussion

#### i. Skill and knowledge requirement

Based on Table 2, both the primary and secondary data illustrate the skills and knowledge requirements needed from a competent employee in the freight

forwarding industry. This table showed that there are some mixed results between the primary source and the secondary source. Regarding skills, nine skills are similar to the answers obtained from primary and secondary sources. For knowledge, there are only four similarities between primary and secondary sources.

According to the primary data collected, four similar skills and two kinds of knowledge some of the respondents mentioned are essential for a competent employee in the freight forwarding industry.

The first skill is problem-solving, where Respondents 3, 6, and 7 said it is an essential skill for a competent employee as when employees encounter a problem, they should first come out with a possible solution, then propose it to their superiors and carry out a good conversation with them to solve the problem effectively.

Besides, Respondents 4 and 5 stated that effective communication is essential for employees in the freight forwarding industry. The employee can avoid misunderstandings with other parties, such as customers. However, if there is miscommunication between them, it will result in numerous expensive freights forwarding procedures. The ability to effectively communicate internally is also crucial because the freight forwarding company has a variety of departments, and employees must communicate well with each other while working concerning a shipment operation. Subsequently, Respondents 5 and 7 claimed that competent employees must acquire negotiation skills while dealing with customers by knowing how to persuade



and deal with them effectively. The last important skill agreed upon by both Respondent 5 and 7 is working independently. Employees should first use their creative thinking to address any problems they meet because they cannot always rely on the assistance of others every single time as everyone is busy with their work.

In terms of knowledge, Respondents 2 and 5 pointed out that good English is crucial in the freight forwarding industry as most of the logistical terms are expressed in English. Not only that, but English is also the international language, so when employees conduct international logistics operations, they need to communicate with the other country's agents in English. Respondents 3, 6 and 7 claimed that INCOTERMS are significant to be known well by each freight forwarding employee since they need to be aware of which party oversees the movement of cargo from point A to point B, who is responsible for the cost of insurance, shipping, customs clearances fees etc.

**Table 2:** Information obtained from the primary source and secondary source



Theme	Primary data (Interview)	Secondary Data (Literature Review)
Skill	<ul style="list-style-type: none"> <li>- Administering client relationship</li> <li>- Analytical thinking skills</li> <li>- Brainstorming</li> <li>- Computerization</li> <li>- Data analytic skills</li> <li>- Documentation methods</li> <li>- Effective communications skills</li> <li>- Have a good behavior and mindset</li> <li>- Maintaining good relationships with different parties (e.g., customers, customs, shipping lines, and transport companies)</li> <li>- Multi-tasking skills</li> <li>- Negotiation skills</li> <li>- Personal integrity</li> <li>- Planning ability</li> <li>- Problem-solving skills</li> <li>- Research skills</li> <li>- Time management</li> <li>- IT utilization (e.g., Excel)</li> <li>- Work independently</li> <li>- Working smart (the most efficient technique of work)</li> </ul>	<ul style="list-style-type: none"> <li>- Administering client and supplier relationship</li> <li>- Airport or seaport management</li> <li>- Analytical skills (e.g., information management, data collection and analysis, process mapping, and project planning)</li> <li>- Cost control</li> <li>- Customer service</li> <li>- Data analytic skills</li> <li>- Distinguishing opportunities and threats</li> <li>- Distribution requirement planning</li> <li>- Functional skills (e.g., demand forecasting, support of SCM operations, demand planning, and inventory management)</li> <li>- Global logistics and supply chain management skill</li> <li>- International trade and regulation skill</li> <li>- IT tools (e.g., big data analytic, artificial intelligence, and real time data transactions)</li> <li>- Managing returned products</li> <li>- Material handling</li> <li>- Negotiation skills</li> <li>- Oral communication skills</li> <li>- Personal integrity</li> <li>- Problem-solving ability</li> <li>- Risk management</li> <li>- Time management</li> <li>- Transportation management</li> <li>- Warehousing and inventory control</li> </ul>
Knowledge	<ul style="list-style-type: none"> <li>- Comprehend the latest shipping news</li> <li>- Customs clearance procedures</li> <li>- Customs code</li> <li>- Customs, import and export procedures</li> <li>- Different ports systems</li> <li>- Good command of English language</li> <li>- HS code</li> <li>- Incoterms</li> <li>- Constant update with the latest news from the customs authority</li> <li>- Knowing about the current market situation</li> <li>- Knowing more than one language</li> <li>- Knowledge of physics, chemistry, and biology</li> <li>- License matters</li> <li>- Liner process</li> <li>- Logistics knowledge (e.g., total</li> </ul>	<ul style="list-style-type: none"> <li>- Any transport modes, services, and factors in the logistics markets</li> <li>- Big data knowledge</li> <li>- Contracts and legal aspects</li> <li>- Customs, import and export</li> <li>- Documentation</li> <li>- Finance and accounting</li> <li>- Impact of climate change on logistics operation (green logistics)</li> <li>- Incoterms</li> <li>- International business regulations</li> <li>- Key software (e.g., SAP, and Microsoft Office) and barcode technology</li> <li>- Knowing two or more languages</li> <li>- Logistics information system</li> <li>- MRP knowledge</li> </ul>

	logistics) - Regulations of OGA (Other Government Agencies)	
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ii. Reasons for difficulty in hiring competent employees

Theme	Primary Data (Interview)	Secondary Data (Literature Review)
Reason for talent shortage	<ul style="list-style-type: none"> <li>- Problem in curriculum design</li> <li>- Insufficient information on career orientation and development</li> <li>- Low or unmatched salary</li> <li>- Challenging industry</li> <li>- Lack of digitization</li> <li>- Attractive alternative career choices</li> </ul>	<ul style="list-style-type: none"> <li>- Problem in the curriculum design of Universities and colleges</li> <li>- Insufficient information of career orientation and development</li> <li>- Bad basic image due to poor CSR performance</li> <li>- Absence of interest in training staffs</li> </ul>

The causes for talent shortage in Malaysia's freight forwarding industry can be summarized into these six reasons: problems in curriculum design, insufficient information on career orientation and development, low and unmatched salary, challenging industry, lack of digitization, and attractive alternative career choices, as shown in Table 2.

The first similarity between the primary data collected from the interview

and the literature review is the problem with curriculum design. This aspect was mainly investigated in the process of data collection. The readers can refer to the table below for their views on this reason, as summarized in Table 3 below.

**Table 3:** Summary of respondents' comments towards the problem in the curriculum design of universities and colleges.

Respondent	Is there any relationship between curriculum design and talent shortage?		What is your satisfaction level towards the current curriculum design of universities and colleges in Malaysia?		
	Yes	No	Not Satisfied	Neutral	Satisfied
1	?	?	?	?	?
2	?	?	?	?	?
3	?	?	?	?	?
4	?	?	?	?	?
5	?	?	?	?	?

6	?	?	?	?	?
7	?	?	?	?	?

In terms of attitude toward the current curriculum design of universities and colleges, 'Satisfied' is defined as being satisfied with the current curriculum design without any doubt. In comparison, 'Neutral' is an excellent current curriculum design. 'Not satisfied' is defined as thinking the current curriculum design is unacceptable and must be amended.

As shown above, all the respondents unanimously acknowledged a strong relationship between curriculum design and talent shortage. The respondents who are dissatisfied with the current curriculum design of universities and colleges in Malaysia (Respondents 1, 2, 5 and 7) have comments that are very similar to the condition described in the literature review. All of them mentioned that the fresh graduates' competency is not up to the expectations required by the freight forwarding industry. Practical teaching in the education system still needs to be improved. It claimed that the cooperation between schools and companies is inadequate, leading to the student's practical skills not being solid enough to accomplish the tasks of freight forwarding industries. For example, universities and colleges do not teach holistic customs processes.

Moreover, Respondent 7 mentioned that many things taught by the university could not be used for students' future careers, and there are also overlapping repeats or similar things taught in different courses. However, it is still a positive note to mention that most recruiters are still willing to accept students who graduate with a logistics certification rather than those without. This is because the logistics certificate holders would have at least some fundamental knowledge, knowing some basic terms and the concept of this freight forwarding industry, allowing them to catch up faster than non-logistics certificate holders. On the other hand, Respondents 3 and 6 are quite satisfied with the curriculum design of Malaysia regarding the freight forwarding industry. They claimed that the fresh graduates are quite fit with the knowledge and skill that their company requires.

The second similarity would be the insufficient information on career orientation and development. This similarity was also specially investigated in the process of data collection. The opinions of respondents towards the topic are summarized in the table below.



**Table 4:** Summary of respondents' comments towards insufficient career orientation and development information.

Respondent	Do you think that the information regarding to career orientation and development is insufficient now in freight forwarding industry?		Would it increase the difficulty of hiring a competent employee?	
	Yes	No	Yes	No
1	?	?	?	?
2	?	?	?	?
3	?	?	?	?
4	?	?	?	?
5	?	?	?	?
6	?	?	?	?
7	?	?	?	?

As shown in **Table 4**, all of the respondents collectively agreed that the current information about the career orientation and development of the freight forwarding industry is insufficient and strongly agreed that it will increase the difficulty of hiring a competent employee (except Respondent 3) as proved in the literature review that the job seekers might not know what the skills and knowledge that are required by the current freight forwarding industry are. As Respondent 4 said, it would give a "shock" to the workers when they blindly step into this industry and eventually quit this industry. However, there are some reasons explained by the respondents why this insufficiency would happen in this industry. As Respondents 1, 5 and 6 stated, it is impossible to list all the information regarding career orientation

and development on the Internet, such as skills and knowledge required by the industry. This is because the coverage is too comprehensive in this freight forwarding industry. Freight forwarding is not only about moving the cargo from point A to point B, but sometimes it requires the employees to have the extra knowledge to ensure that the cargo moves safely to the destination, such as knowledge of pharmaceuticals or chemistry, depending on the characteristics of the cargo.

Only one respondent (Respondent 3) does not agree that the lack of information regarding career orientation and development would hinder job seekers from joining this industry. The actual reason would be the interest and mentality of the job seekers. If job seekers are interested and passionate about this

industry, they will join regardless of career orientation and development information.

The third similarity is about the low or unmatched salary. This is linked to one of the Corporate Social Responsibility elements, labour responsibility. It is a concept that a company should treat their employees well by giving them fair pay and a comfortable and safe working environment. According to data retrieved from the literature review, poor CSR performance would not be able to attract millennials to enter this industry. The reason for low or unmatched salary can be found in the interviews with Respondents 1, 2 and 7. Three of them acknowledged that the salary of fresh graduates or new industry joiners is relatively low in the market, but respondents have given a reason for it. Respondent 1 and 7 claimed that the salary is low for fresh graduates because the fresh graduates' or new industry joiners' skills and knowledge does not match the expectation. In other words, the value offered by fresh graduates' or new industry joiners' is not valuable enough for the recruiter to offer a high starting salary compared to other industries.

Moreover, the process for them to reach the expected competency level often takes a long time. The root cause is the incompetence of employees. On the other hand, it would sabotage the image of this industry if there were a case, as mentioned by Respondent 7, who mentioned that although they often worked overtime (OT), they could not get the OT pay from the company.

Based on the primary data collected from interviews, three profound findings were not found in the literature review: challenging industry, lack of digitization and attractive alternative career choices. First, the challenging industry. According to the primary data, all the respondents collectively admitted that Malaysia's freight forwarding industry is too challenging. They have claimed that the working hours are too long, busy, and stressful. The examples given by them are that sometimes the employees are required to stay overnight to give immediate replies to the overseas parties who have a different time zone when managing an international shipment, thus prolonging their working hours.

Moreover, there will be many unexpected situations in this industry whereby the employees must be on standby at any time to solve these problems, even if sometimes it is beyond working hours. In addition, as Respondent 3 mentioned, employees must pay close attention to documentation details to ensure that all information on a specific document is complete and correct to avoid getting any extra charge or penalty. All of these have shown that the stress and difficulty level of the freight forwarding tasks is high, which causes it to be challenging for the employees. Overall, this situation is not friendly to the new entrants. Most importantly, these challenging conditions do not cater to the present generation because, as Respondents 2, 4, 6 and 7 stated, teenagers nowadays focus more on pursuing a life with a work-life balance. They are not willing to work very hard and engage in much overtime, which makes it

difficult for them to relate to the current situation of Malaysia's freight forwarding industry. This situation can be linked to another reason: lack of digitization.

This is the reason which has been mentioned by Respondent 5, who claimed that most companies in the freight forwarding industry are still using the traditional ways (manpower) to perform the entire tasks. In such a case, without the help of technology, the task of freight forwarding is busy, stressful, and less efficient. As a result, the difficulty in hiring competent employees will become more serious as it cannot attract the current teenagers to join this industry when they are aligned more towards work-life balance.

The last differential reason would be the attractive alternative career

choices. Respondents 2, 4 and 7 mentioned that there are too many alternative career choices in today's world. For instance, as Respondent 2 stated, people can get even higher salaries with lesser efforts in other industries, such as food delivery services. Moreover, as mentioned above, teenagers nowadays prefer digitized jobs. As a result, they are more inclined to other industries when other industries are highly prone to offering digitized roles. Additionally, Respondent 7 also stressed that the labour market in neighbouring countries, like Singapore, is more attractive than Malaysia due to the higher wages and high exchange rate of Singapore. It shrank down the labour supply in Malaysia and exacerbated the difficulty in hiring in the freight forwarding industry.

**Table 5:** Information obtained from primary sources and secondary sources.

ii. The solution to resolve the talent shortage

Theme	Primary Data (Interview)	Secondary Data (Literature Review)
Ways to reduce talent shortage	<ul style="list-style-type: none"> <li>- Collaboration between university, association and freight forwarding industry</li> <li>- Input necessary knowledge into the syllabus</li> <li>- Provide exchange program</li> <li>- Standardize the policy</li> <li>- Simplify the import and export rules</li> <li>- Do not frequently revise the rules</li> <li>- Reduce charges on error</li> <li>- Organize various types of seminars</li> <li>- Encourage people to join this industry through</li> </ul>	<ul style="list-style-type: none"> <li>- Build a strong linkage between education institutions and companies</li> <li>- Comprehend the recruitment need in this industry</li> <li>- Experienced logisticians design training programs</li> <li>- Help to deal directly with the issue</li> <li>- Deliver the talk to the student</li> <li>- Provide a variety of professional training courses</li> <li>- Help people assess their</li> </ul>

	<p>workshops and training</p> <ul style="list-style-type: none"> <li>- Raise awareness</li> <li>- Provide subsidies for courses or seminars related to freight forwarding</li> </ul>	<p>career choice</p> <ul style="list-style-type: none"> <li>- Provide subsidies for Singaporean</li> <li>- Encourage company or individual to go for training courses</li> <li>- Subsidies as reward</li> </ul>
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Based on the primary data, Respondents 2, 5 and 7 mentioned that the education syllabus should be enhanced and added with some critical courses. Meanwhile, Respondents 2 and 5 have a similar point that suggested that the government should encourage and facilitate freight forwarding companies and associations to be involved in academics. This is because the association and the companies are the parties that know the requirement and the need of the industry. Respondent 2 suggested that the government should create a meeting place between the industry and universities to encourage more experienced logisticians to contribute to the academic aspect to generate students' interest in this industry, such as allowing the student to visit the port. Moreover, Respondent 2 thinks an exchange program should be provided to the university lecturer and company's manager. Respondent 5, on the other hand, thinks that the government should create a good learning syllabus for the university by adding some required courses needed in the freight forwarding industry, such as customs courses, and the government agencies need to set a

guideline for the university to follow the standard of the syllabus.

Similarly, Respondent 7 suggested that the government add some basic logistics courses to the university education system to let students understand the customs, rules and regulations. Institutions have been constantly encouraged to invite logistics experts to provide logistics awareness talks to students, but it was not suggested by all the respondents. However, the other suggestions are mostly the same as the literature review, for example, a collaboration between the university, association, and industry to reduce this challenge.

The primary data collection obtained through the interview concluded that three respondents (Respondents 1, 3 and 6) feel that the Malaysian government should provide standard exportation rules and regulations. Overall, respondents agree their previous encounters whereby the government frequently revises the rules and regulations. This frequency of the shipping process changes affect the productivity and efficiency of the entire industry.

Respondent , 2, 4, and 6 mentioned that simplified importation rules could help to attract more talent to join this industry. Respondent 6 further stated that the government should provide workshops to guide the forwarding company to avoid misunderstanding and avoid the stress of getting a penalty. This is because all of them mentioned that all information on the documents should be accurate. Otherwise, it will incur a lot of inconvenience and charges. Hence, the government should provide a standard import policy so that people do not feel stressed about entering this industry. However, the opinions from these interviews cannot compare with the literature review because there are no solutions from the government to standardize the import rules and regulations.

Besides that, the data collected observed that the government can organize various types of seminars and training to build awareness of people and understand the freight forwarding job scope. The information provided by Respondents 2 and 3 mentioned that the government should organize various types of seminars and workshops to reduce this issue. This can help to encourage more

people to join too. This can build awareness and allow more people to apply for this job. Respondents 4 and 6 also stand on the same point as those Respondents 2 and 3. They reiterated that the government should organize job fairs and stimulate the interest of job seekers to enter the freight forwarding industry. Government should also provide workshops and seminars or talk to inform the public that freight forwarding starts at the secondary education level. Through the data obtained, their points are likely to be the same points which were discussed in Chapter 2 of the literature review. Respondent 7 suggested that the government should provide subsidies to the company. This solution was provided by the literature review about the Singapore government providing subsidies and rewards to Singaporeans to attend the talk or seminars to enhance their skills and knowledge regarding this industry.

Moreover, it was found that practical training is an effective way to reduce the talent shortage. Therefore, it was mainly investigated in the process of data collection. The comparisons between the suggestions collected from respondents and the literature review are summarized in **Table 6** below.

**Table 6:** The comparison between the opinions of respondents and the literature review towards the practical training

Theme	Primary Data (Interview)	Secondary Data (Literature Review)
Practical training	<ul style="list-style-type: none"> <li>- Internship</li> <li>- Should be at least for the period of 6 months</li> <li>- Focus on practical training</li> </ul>	<ul style="list-style-type: none"> <li>- Dual apprenticeship</li> <li>- Should expand and upgrade the existing training program</li> </ul>

	<ul style="list-style-type: none"> <li>- Need sufficient time to teach internship students</li> <li>- Practical training help students become experienced and skilled</li> <li>- Obtain more skills and knowledge</li> </ul>	<ul style="list-style-type: none"> <li>- Focus on theoretical and practical to acquire skills and knowledge</li> <li>- Provide school-based vocational training</li> <li>- To make school to work transition smoothly</li> <li>- Ensure students have the right competency</li> </ul>
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The primary and secondary data in Table 6 illustrate that practical training can reduce the talent shortage issue. This table shows that the interview and literature views have similarities. A total of 7 respondents have expressed that practical training is crucial for students to gain more knowledge and skills in this industry or company.

All the respondents mentioned that practical training could help reduce the talent shortage issue. Besides that, most respondents think that the internship duration is short because, based on their hiring experience, the internship for students is usually conducted for less than six months. Hence, Respondents 1, 3, 5 and 7 strongly emphasized that the university should lengthen the duration of the internship to at least six months. They think practical training can let students obtain more profound practical knowledge and learn more skills and experience from the company. At the same time, this can ensure that the company can provide sufficient time to cultivate the students. This result indicated that the respondents' point is consistent with the suggestion in

the literature review to reduce the issue of talent shortage. The skills and knowledge needed to acquire based on practical training from the company to reduce this issue because, at the end of the training, students know what requirements are needed by the industry to become competent employees.

**Table 7:** Summary of respondents' comments towards Corporate Social Responsibility.

Respondent	Do you think that CSR could help to reduce talent shortage?		Explanation
	Yes	No	
1	<input type="checkbox"/>	<input type="checkbox"/>	It depends on the individual's interest in this industry, and if the person works for some time, they may consider it but not for a fresh graduate.
2	<input type="checkbox"/>	<input type="checkbox"/>	This respondent thinks CSR generally helps but needs support from the government because it is not worth it if they do not get any return.
3	<input type="checkbox"/>	<input type="checkbox"/>	It does help, but it is not suitable for the logistics industry, as all the documentation is currently in paper form. Hence, it is hard to go green unless the government takes proactive action.
4	<input type="checkbox"/>	<input type="checkbox"/>	It does help, but not for the freight forwarding industry. Because there is not enough time for them to conduct. It is suitable for a big company to contribute if they have diverse departments, such as the HR department.
5	<input type="checkbox"/>	<input type="checkbox"/>	This respondent disagreed that CSR could attract more competent employees because job seekers are more aligned to searching for a good working environment that positively impacts them.
6	<input type="checkbox"/>	<input type="checkbox"/>	Respondent does not think CSR effectively attracts more competent employees because not every individual will look into whether the company has good environmental protection.

7	?	?	CSR does not help attract more competent employees because Respondent 7 thinks a company should focus on providing workers with a good salary and self-development opportunities.
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In terms of CSR discussed in the literature review, it showed that CSR is a way to reduce the issue of talent shortage. However, the primary data collection indicates that most respondents do not think that CSR could help attract competent employees in the freight forwarding industry from their own personal perspectives. In addition, three respondents (Respondent 2, 3, and 4) agreed that CSR could help reduce the talent shortage issue. However, Respondents 3 and 4 think that CSR is not suitable for this industry as they are always busy at work and hard to fulfil via paperless mode, whereas Respondent 2 thinks that if they want to contribute to CSR, they need to get some fund support from the government otherwise it is not worth for them to implement CSR. As a result, CSR can be considered to reduce this issue in other countries. It is suitable for big corporations but seldom focused on the Malaysian freight forwarding industry.

#### 4.0 Implication of Study

This study delivers a clear picture of the current situation regarding employees' skills and knowledge in Malaysia's freight forwarding industry and its impacts on solving the talent shortage issues for this industry. Through this research, the freight forwarding practitioners, policymakers, Ministry of Education

Malaysia and other related parties will gain insight and consciousness by viewing the relationship between employee's skill and knowledge and the success of a freight forwarding company. By doing this, they will gain a thorough understanding of how the skill and knowledge of employees will impact and contribute to the successful performance of the freight forwarding industry. Hence, based on the suggestions made by the respondents and the literature review in this study, the relevant parties may use those suggested methods to address the talent shortage problem in their company. As a result, the freight forwarding company's operational performance can be improved, fostering the expansion of Malaysia's freight forwarding industry. The information and opinions provided by the respondents are significant and valuable to reinforce the research result since all of them are active players in the industry who have been involved in freight forwarding operations for years. Furthermore, this study can serve as future guidance or a source of reference for academicians or researchers who wish to pursue further research on the problems associated with the skill and knowledge of employees and the talent shortage in Malaysia's freight forwarding industry.



## Conclusion

In conclusion, the talent shortage is a pressing issue that needs to be addressed urgently in the logistics industry, including the freight forwarding industry, because many negative consequences could occur if there is a lack of competent employees. Thus, the novel findings of this research, combined with the literature review, are believed to provide holistic ideas on how to address these issues effectively.

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