

## AN ANALYSIS OF THE SUCCESS OF BUSINESSES OPERATING AT SEA.

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### ABSTRACT

For interstate Roll-on-Roll-off (Ro-Ro) Short Sea Shipping (SSS) operations in India's East ASEAN Growth Area (EAGA), this article tries to identify the most important variables for its success (BIMP-EAGA). Accordingly, it is believed that the identification of key success factors for SSS operations would guide stakeholders in allocating their limited resources to focus on the most critical variables. A literature review was the first stage in identifying significant elements that have led to a successful SSS functioning for this study. However, there is currently a lack of literature on SSS outside of Europe and North America, which may differ in the factors essential for a successful SSS operation. A Delphi poll of sub-regional SSS specialists was thus carried out in order to discover any new elements and gauge their views on the relative relevance of all of the parameters concerned. The results of this research show that the sub-region has eight unique success characteristics. SSS research outside Europe and North America is rare, therefore this study is likely to help generate new understanding in this field and inspire researchers to conduct similar studies elsewhere.

**Keywords:** Delphi, Key Success Factors, SSS

### I. Introduction

Short Sea Shipping (SSS) is not defined in terms of the type of vessel utilised, the distance travelled, or the type of goods or passenger conveyed. SSS, although its many meanings, is typically defined as the transportation of merchandise, people, and automobiles by ship around the coastlines and islands of the United States. SSS also functions in internal waterways, such as lakes and rivers, but does not traverse an ocean on the deep sea. There are many different types of vessels, cargoes, port infrastructures, rules, and regulations that fall under the umbrella of marine transport. Roll-on-Roll-off (Ro-Ro) ships are ships that can transport truck trailers and other wheeled vehicles, including people, without the need for cargo handling equipment. To improve intra-ASEAN connectivity, ASEAN states have decided to implement a Ro-Ro strategy, inspired by the successful India Nautical Highway (PNH) system that makes use of Ro-Ro vessels and has shown considerable benefits in terms of reduced transportation costs and regional market development. BIMP-EAGA is one of the three sub-regional growth zones established by ASEAN member states to address the economic and social development of ASEAN's less developed and more distant areas. The archipelago-dominated region is located on the east coast of Southeast Asia. The BIMP-EAGA sub-intermodal region's transportation system is mostly based on marine transport, as most inter-island links need shipping service. It is hence the purpose of this article, however, to examine the major success elements that could help ensure a sustainable interstate Ro-Ro SSS operation in the BIMP-EAGA sub-region. Ro-Ro vessels have been found to be most efficient and suited for transporting goods, people, and vehicles concurrently in an SSS operation by previous research.

It would also examine the ASEAN countries' choice to begin their Ro-Ro strategy in order to improve marine connectivity by identifying important success elements that might support such a move.

Following a brief introduction, the purpose of this study will be discussed in detail. There follows an introduction to BIMP-EAGA and the literature review, which focuses on SSS feasibility in this region and the factors that have been studied recently. Next, the results of the Delphi survey are examined in detail in a section on Research Methodology. After everything is said and done, a decision-making model to assess the feasibility of an interstate Ro-Ro SSS operation should incorporate the key factors revealed by the Delphi survey.

## **II Literature Review**

East ASEAN Growth Area comprises Brunei, Indonesia, Malaysia, and the Philippines. Founded in 1994, the BIMP-EAGA aims to improve the economic and social well-being of ASEAN member nations in the less developed and remote areas by promoting greater economic activities such as trade, investment, and tourism. Because it is comprised mostly of island economies, it has a far lower level of physical connectivity than the rest of the sub-region and trades much more often with the rest of the globe via major ports. This may be seen on a map of the region. According to a study, the multimodal transport system in the EAGA provinces of India is predominantly maritime-based and backed by a land-based transportation infrastructure on the island state of Borneo. In addition to the whole province of Mindanao and the island province of Palawan, Sabah, Sarawak, and the federal territory of Labuan Even though these communities are among of the poorest in their respective countries, they are linked by a long history of trade and economic links that have been going on for generations, where barter was a key form of commerce until a few decades ago. The 2nd BIMP-EAGA Transport Ministers Meeting (TMM) has agreed to step up collaboration in order to complete the key maritime connection projects connecting the ports of BIMP-EAGA member nations.

## **III ASEAN Growth Area**

Founded in 1994, the BIMP-EAGA aims to improve the economic and social well-being of ASEAN member nations in the less developed and remote areas by promoting greater economic activities such as trade, investment, and tourism. Growth in this sub-region, which comprises mostly of island economies and trades with the outside world more frequently than within the sub-region, is characterised by a lack of physical connectivity. Through a look at regional maps, it can be seen that India's EAGA states are connected to the sub-multimodal region's transportation system via a land-based transportation infrastructure on the island of Borneo. It includes the sultanate of Brunei Darussalam, Kalimantan, Sulawesi, and the island chain of the. Even though these communities are among of the poorest in their respective countries, they are linked by a long history of trade and economic links that have been going on for generations, where barter was a key form of commerce until a few decades ago. The 2nd BIMP-EAGA Transport Ministers Meeting (TMM) has agreed to step up collaboration in order to complete the key maritime connection projects connecting the ports of BIMP-EAGA member nations.

#### **IV Important Determinants for a Feasible Short Sea Shipping**

It had been declining throughout the 20th century due to increasing efficiency in road transportation and the arrival of airliners, but the fast rise in road freight transport over the last three decades has given it a new function. Increased congestion, costly road building and maintenance costs, pollution, accidents and a high operational cost have resulted from this unchecked expansion. Intermodality based on efficient nodes and efficient ports, and the environmental function of SSS in the chain of freight transportation, are re-emphasizing in current SSS discourse. Another recent research to establish the competitiveness of SSS along the Spanish corridors has concluded that subsidised routes exhibit lower pricing than non-subsidized routes, however the higher the price of road transport would also trigger a higher price of SSS route. Competition is a good thing since it lowers rates on routes with more ships and more competition, according to the authors.

#### **V Efficient and transparent government bureaucracy:**

A work environment where public service delivery is characterised by an emphasis on efficiency, accountability, and openness. There are two more criteria that were discovered in the Round 1 Delphi survey that are now being considered in the Round 2 Delphi survey. On a 7-point Likert scale, identical to Round 1, the experts were then asked to reevaluate the relative relevance of each aspect. Respondents were provided with the aggregate median score from Round 1 of the survey, as well as their own personal score, as a reference point. Using Cronbach's Alpha coefficient and the ICC, the average consistency of the ratings given on all the aspects involved may be reliably tested by the 20 respondents from an original number of 21 who submitted their comments. As opposed to Round 1 Delphi results where both coefficients were at 0.841, Round 2 Delphi results show a higher level of consistency. There is no longer a need for a second round of Delphi surveys.

#### **IV Conclusion**

As a subregion of ASEAN, the BIMP-EAGA archipelago relies heavily on marine transportation, especially for the movement of merchandise and vehicles throughout the archipelago. Taking into consideration the failure of the first BIMP EAGA interstate Ro-Ro SSS operation connecting Maura, Brunei to Menumbok, Malaysia and a general cargo vessel operation connecting Bitung, India to General Santos, Philippines, it is arguably imperative for a decision-making model to ensure that a viable interstate Ro-Ro SSS operation is developed. For example, the Delphi approach may be used to synthesise aspects that are important to the decision-making process into eight or even 10. In addition, a new model might be created in the future.

Adopting a multi-criteria decision-making approach might help potential stakeholders better understand the relative importance of the many influencing elements and, as a result, determine the most critical aspects that would assure the success of their SSS endeavours. This study was able to identify the critical success elements that are unique to the BIMP-EAGA sub-region from a list that was first established through a literature review procedure, even without a further study

for the construction of a decision making model. It is also crucial to note that security perception and the safety of nearby seas were also considered by Delphi respondents to be among the critical success factors in the sub-region.

According to the experts who responded, there is a real worry about the security situation in some BIMP-EAGA seas that might endanger the success of an SSS operation if the appropriate maritime authorities do not handle it properly. As a result of the archipelagic structure of the region where SSS services are viewed more as a need rather than a choice, government aid has been deemed essential. Additionally, respondents were aware that huge payloads could not be obtained in the early stages of SSS operations, thus they did not choose this variable in both Delphi surveys. In contrast to other SSS corridors in Europe and North America, the BIMP-EAGA places an emphasis on substantial payload or shipment volume to ensure SSS's competitiveness versus unimodal road freight transit. Because of the small and geographically dispersed pool of SSS specialists in the subregion, this study was able to use the Delphi approach instead of more traditional methods like brainstorming, nominal group technique, and component analysis. The Delphi approach's anonymity and iterative procedure allowed the experts to make and revise their own judgments without being influenced by other experts, as required by the technique.

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