



# EXAMINER'S REPORT

## NOVEMBER 2020

### PORT AND TERMINAL MANAGEMENT

#### **Overall Comments Guidelines**

The overall standard for the Port and terminals examination in November 2020 was very high. Students seemed comfortable with the questions asked, with the exception of the questions on financial aspects where some students struggled with investment appraisal techniques and the concept of cash flow.

#### **Overall Comments**

The questions were chosen from a wide range of subjects within the syllabus:- Port marketing, port ownership structures, port finance, trades and cargo routes, port facilities, port operations, port abbreviations and the effects of Covid-19 on port and terminal operations.

#### **Question One**

The question on the equipment to be found at an export grain terminal was very well handled by the students. The majority of students were able to offer details of the conveyor belts, bucket loaders, silos, weighbridges, drying facilities that are common to export grain terminals around the world.

Students appeared very comfortable with this question.

### **Question Two**

The question on the global LNG trade was generally well handled if some of the students struggled to give accurate vessels dimensions and tonnages.

The students were able to give consistent answers on the major export and import areas of the LNG trade, and were also able to pinpoint these areas on the map provided.

The quality of the mapwork was generally of a high standard.

### **Question Three**

The question on the application of investment appraisal techniques was not a popular question with the students.

Students tended to give a vague commercial argument for the requirement of the new warehouse, and not offer a complete economical appraisal.

Many students were unaware of any form of investment appraisal techniques. This is concerning as investment appraisal techniques are a key component of a port managers skillset

### **Question 4**

The question on port performance ratios was very well handled by the students and the vast majority of students could offer a number of relevant examples. This was a very popular questions with students and a number of students achieved a high mark.

The students were able to offer a number of excellent examples used within the port management industry.

### **Question Five**

The question on social media and marketing was a slightly unique twist on the more common marketing question tabled in previous years. This was well handled by the students, many of whom could offer a number of social media platforms that their message could be conveyed on.

The quality of the general message was also well thought through and constructed by the students.

#### **Question Six**

The question on private port ownership was very well handled; the majority of students were able to offer a well balanced answer which offered relevant examples of the positive and negative aspects of private port ownership.

Some students chose, as an introduction, to discuss the other major types of port ownership structures which are used globally, which created a good background to then go on and discuss Private port ownership in greater depth.

Students seemed very comfortable with this type of question.

#### **Question Seven**

The question on Covid-19 and its specific negative effects on the cruise liner industry were very well handled by the students. This question was non syllabus, but was so obviously a major issue within the port and terminal environment globally, that there was logic in its use. Students appeared to be very comfortable with the question and the vast majority were able to offer a number of relevant examples to indicate the issues that the industry faced in 2020

Students who achieved the highest marks were also able to indicate how the industry may be able to function in a socially distanced manner in the years to come.

#### **Question Eight**

Students seemed to struggle with the concept of cash flow and there were a number of very poor answers which seemed to relate cash flow to profitability. There were a significant number of students that held this view, which was concerning given the vital importance of cash flow to any business entity.

Other students were able to give better examples of how debtors and creditors could best be managed to improve the Ports cash flow, but strangely very few opted for a blanket pre funding position to be taken with all port calls.