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# Supply Chain & Logistics

# HR Trend report 2019

# **Supply Chain** and **Logistics**

## HR Trends Report 2019

The supply chain and logistics industry is growing fast, thanks to expansions in globalisation and technology. Over the past two decades, these advancements have led to increased outsourcing and job openings.

Supply chain & logistics employers are having to change their recruitment strategies around these industry shifts. That's why we've put together all the statistics and research affecting the sector in 2019 into one concise Supply Chain and Logistics HR Trends report.

- High demand for broader qualifications in the supply chain industry

- Skills shortage in the supply chain industry

- The potential impact of brexit on the supply chain industry

- Attracting and retaining top talent in the supply chain industry

# High Demand for **Broader Qualifications** in the Supply Chain Industry

According to a research study conducted by the **University of Northampton**, **55% of employers are struggling to recruit supply chain professionals with the right skills**. This is due to a demand for a different and complex skill set in the industry.

More companies are using big data for industry insights, so hiring teams are seeking candidates with mathematical and data driven backgrounds. According to a **DHL** report, **the new ideal supply chain employee would have both tactical and operational expertise as well as analytical skills**. However, **58% of employers say that they struggle finding candidates with this combination**.

The report predicts that new industry talent will be required to excel at:

- Leadership
- Strategic thinking
- Innovation
- High-level analytic and technological capabilities
- IT procurement and transformation
- Market data procurement

# **Skills Shortage** in the Supply Chain Industry

This new demand for skills, however, is exacerbating recruitment problems in an industry that is already experiencing a skills shortage.

**Ajilon Professional Staffing Agency** reported that there was a **45% increase in demand for logistics and supply chain jobs in 2016.** While the demand for skills continues to grow, the amount of people that can perform these skills is decreasing. The two main factors affecting this shortage is a lack of education and training, and an aging workforce.

## 1. Education shortage

According to a study by **Judd Aschenbrand**, the research director at **Peerless Research Group**, **78% of supply chain professionals report that the number of responsibilities that they've been asked to perform has increased over the past year**. This is because there are not enough educational courses and programmes to keep up with the demands of the industry.

According to **Hau Lee**, a professor of Supply Chain Management at **Stanford**, *"There just aren't that many universities finding the number of people needed."* This has resulted in fewer full-time supply chain professionals worldwide, despite the growing demand for new skills and positions.

## 2. Aging workforce

According to **DHL**, **industry demographics in the UK, Europe and the US are causing the skills shortage**. As the baby boomer generation retires, employers are struggling to find skilled employees to replace them.

While millennials are available to fill entry-level positions in the industry, they don't yet have the training or expertise to take leadership positions. According to **Elementum**, **this is because of the disconnect between the skills taught in higher education and the skills that employers are looking for**. Many employers require candidates to have on-the-job experience, which limits the number of new workers that they can recruit.

# The **Potential Impact of Brexit** on the Supply Chain Industry

While there is no final decision about Brexit just yet, supply chain employers are actively preparing for its potential impact. This is because changes in the border between Ireland and the UK would have a direct impact on the supply chain industry for both countries. According to Brightwater, **supply chain professionals will have to come up with innovative ideas to manage cost efficiencies and business needs in the case of Brexit**.

According to a report by the National Skills Council, Brexit would cause noticeable skills gaps in areas such as:

- ⓧ Customs expertise
- ⓧ Financial management
- ⓧ International trading

The change would also cause a higher demand for professionals in sectors such as:

- ✓ Freight transport
- ✓ Distribution
- ✓ Logistics

In the case of Brexit, the National Skills Council encourages supply chain employers to work on reskilling and upskilling current employees in order to prepare for any potential impacts.

# **Attracting** and **Retaining** Top Talent in the Supply Chain Industry

Because of the industry's high demand for new skills and its consequential skills shortage, supply chain employers are focusing on better ways to attract and retain top talent in the sector.

According to **DHL**, **70% of supply chain professionals believe that they are struggling to attract and retain talent because of the negative perceptions about career growth in the industry**, especially with younger workers.

Because of this, more employers are offering better learning and development opportunities, according to a 2019 **Morgan McKinley report**. They are also attracting and retaining talent by:

- **Improving the image of the industry**
- **Ensuring that supply chain positions are financially rewarding**
- **Engaging the education sector**

However, employers must also be aware of what current employees are searching for. According to the 2019 **Morgan McKinley report**, the top career goals for supply chain professionals in 2019 are:

- **36%** **Earn more money**
- **32%** **Improve job satisfaction**
- **23%** **Improve work/life balance**
- **9%** **Progress within the industry**

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**Occupop** is a recruitment software built with your hiring needs in mind. With the help of AI technology, Occupop increases job exposure and removes recruitment admin, resulting in a reduced time-to-hire, improved hiring team collaboration and an enhanced candidate experience.

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