



Emphasis on training rises as recruits look for career paths

The cargo labour market has rebounded from the severe shortage of job seekers two years ago, although some shortages remain and the priorities of employers and applicants have changed, reports Ian Putzger

Charting the employee numbers at Menzies Aviation in the last few years highlights what a wild ride it has been for air cargo handlers and aviation service providers, and their respective human resources departments.

At the height of the pandemic, Menzies' head count bottomed out at 18,000 active employees, down from about 32,000 before the advent of Covid. Today, Menzies Aviation employs over 40,000 people around the globe, including around 10,000 gained via its merger a year ago with National Aviation Services (NAS)

when Menzies was acquired by Agility.

This marks the company's highest employment number in its history, remarks chief people officer Juliet Thomson. Last year saw a massive focus on recruitment drives, which have raised staffing levels to 97%, she adds.

Indeed, the cargo labour market

has rebounded from the dearth of job seekers two years ago to a more balanced situation, observes Helmut Berchtold, head of the US arm of logistics recruitment specialist adi Consult.

Members of the US Airforwarders Association have also confirmed that supply and demand have been fairly balanced recently, notes Brandon Fried, the organisation's executive director. "We're not in the dire situation that we were in. This opens the door to looking more to the quality of applicants," he adds.

The labour markets in Europe and the US were particularly challenging, but have now eased, Thomson says. In other areas such as the Middle East, where Menzies expanded its presence when it joined forces with NAS, "we have not faced the same challenges", Thomson notes.

For her team, a big focus has been on bringing back employees that had been laid off; but Menzies is also exploring some new avenues to find recruits, such as the Tent Partnership for Refugees, which is made up of over 300 companies with a commitment to integrating refugees. Military veterans are also a good pool for recruitment, Thomson says.

Diversity is another factor to broaden the talent pool, as women are still a small minority in the industry, she points out.

Removing barriers

Menzies has taken steps to facilitate the application process and bring new recruits on board. For instance, applications now can be submitted from handheld devices. There are still external factors that slow down the process, though, notably the time it takes to obtain security clearance. This has been a headache for the aviation sector, Thomson says, adding that it varies from airport to airport. Some have been more successful than others.

While labour availability has improved, there are still positions that are challenging to fill. Good sales people are hard to find, reports Berchtold. "Successful people are even more highly sought," he adds.

Fried concurs. While there are sufficient responses to openings in operations and warehousing, recruitment of qualified

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sales staff has remained challenging, he says, adding: "We get frequent calls from members looking for leads."

Professionals still find the job market slanted in their favour. According to this year's global 'Salaries and Careers' report of the Association for Supply Chain Management (ASCM), 76% of job seekers in the US as well as 70% of US college graduates have found employment in the industry in less than three months.

The report, which was based on input from nearly 4,000 professionals, shows a high degree of job satisfaction among respondents, with 82% expressing pride in their work and 58% reporting that they felt appreciated.

Salary inflation

It did not hurt that remuneration has been good. Nearly three quarters (74%) of European supply chain professionals had salary increases last year, with an average rise of 11%. In the US, 32% reported rises between 8% and 15%, and 16% had even higher increases.

While the balance of supply and demand has largely reverted to pre-pandemic levels, salaries remain elevated, notes Berchtold. "You can't take these [increases made in recent years] away," he says.

Thomson notes: "We're continuing to see a strong push for competitive wages, particularly in markets where the labour situation is tighter. We work with our airline customers to make sure wages are competitive."

Changing priorities

Whereas pay was the chief factor in applicants' decision whether or not

to accept a job offer when the labour shortage was at its peak, this has since given way to a more nuanced mix of priorities, observes Berchtold.

Candidates want to make sure that the working environment is right, they ask what the company is doing in terms of innovation and in regard to sustainability and corporate responsibility, remarks Thomson.

Menzies is striving to improve flexibility as well as transparency and visibility around work rosters. It has instituted a pledge from station managers to make rosters available as early as possible.

A huge focus among applicants is on career development and training.

"Especially early in their career people are more educationally focused. They look to further their career and get training. In the past you learned on the job and good luck to you," says Fried.

Career paths

Candidates who have a higher education background – many of them with a degree in logistics – view job openings in terms of a career path, he points out.

"Now we see more people come in who are college educated. They see this as a career," he says. "Today an individual walking through the door is likely better educated and probably more sophisticated, and they have knowledge how the business works."

For their part, employers also have a stronger focus on training today than before the pandemic.

"Companies are offering career paths to keep people," says Berchtold.

Digital skill sets required

It's not just about employee retention. The past few years have wrought or accelerated significant changes in the way the industry operates, which require new skill sets.

For one thing, there is the push to digitisation, which got turbo-charged during the pandemic. As the industry comes to rely more and more on the flow of data, the associated skills become essential to perform most jobs.

In May, the ASCM introduced a technology certificate course for entry- and mid-level supply chain professionals

to gain a basic understanding of emerging technologies. This covers blockchain, advanced analytics and automation, the internet of things, cyber security, demand planning technologies and 3D printing.

More training is also necessary to cope with the proliferation of compliance requirements. Douglas Kent, ASCM’s executive vice-president of strategy and alliances, warns that this is bound to increase as regulations around risk management, cyber security and sustainability multiply.

Supply chain emphasis

The disruptions wrought by the pandemic taught companies the need for end-to-end supply chain visibility. Charles Edwards, vice-president of consulting and training firm Strategic Aviation Solutions International (SASI), emphasises the need for a broader understanding of supply chains beyond the horizon of individual actors.

“This industry has to stop gazing at its own navel and start benchmarking with other supply networks, other transport industries. We have to look at other industries. The marine side is so far ahead of airports,” he says.

Fried observes: “Forwarding used to be a very reactive industry. We’re more proactive now. This requires more awareness of what’s going on; of wars, strikes, and other things that affect supply chains.”

Poaching fears

In some regions the prevailing attitude to training is characterised by reluctance out of fear that employees who have gone through such programmes will be poached by rivals, notes Edwards. On the other hand, firms like Kuehne + Nagel and DB Schenker have their own training academies, he points out.

This summer, DB Schenker launched a supply chain apprenticeship programme in the US that combines practical work and school-based learning. The candidates learn on the job and spend two days a week at Harper College outside Chicago. The full-time programme lasts two years and includes full pay, health insurance and paid

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vacation plus coverage of the college costs.

Lufthansa Cargo is also exploring new avenues in training. In partnership with the Kuehne Logistics University it has launched a 12-month cargo management programme for employees from the sales and handling areas. According to a company spokesperson, participants learn new skills to tackle current and future challenges.

Lufthansa Cargo’s apprenticeship programme reaches its 25-year milestone this year. “It’s remarkable to see how many former apprentices have chosen to stay with LCAG and further developed to expert, manager and leadership positions,” the spokesperson says.

Menzies employees completed an average of 54 hours of training last year and training compliance stood at 97%, reports Thomson. For her, training has to be consistent within the organisation. Menzies has invested in technology like 360-degree video in order to make training as interactive and accessible as possible.

Fried says companies now have to offer an online training option. “Employers don’t want to lose people for a lengthy period,” he notes. “That’s not to say there can’t be in-person components.” On-the-job learning remains an important element too, he adds.

Training vs education

Edwards emphasises the distinction between training and education in order to broaden the scope of what an employee can achieve.

“Forget about this repetitive training, for example how to load a ULD. Now we have robots that stuff containers,”

he says. “Rather than reproduce certain processes in an electronic format, the new generation of air cargo employees needs to understand what technology does and what benefits it brings so they can leverage it in creative ways.”

Moreover, modern professionals need to be aware of innovative developments in other sectors, he adds. “If you’re educated, you’re able to look at things from a different perspective.”

For SASI’s training courses, the organisers insist that all disciplines are involved, from handling and forwarding to finance and customs brokerage.

“We want the audience to cross-fertilise, to educate each other,” says SASI president and CEO Stan Wraight.

This approach is in line with the realisation that silos hamper the flow of information in and between companies in a supply chain, something that rapidly became apparent in the days of disruption that characterised the experience of the pandemic. Supply chain consultants and business managers called for the dismantling of silos in the quest for flexibility needed to respond quickly to disruptions.

According to Edwards, the concept has





Juliet Thomson
Menzies



Douglas Kent
ASCM



Helmut Berchtold
adi Consult



Brandon Fried
AFA



Charles Edwards
SASI



Stan Wright
SASI

not made a lot of headway in the air cargo sector. “In some cases, we see a move away from silos, in others, no,” he says.

Logistics layoffs

The rapid slowdown in e-commerce at the end of the pandemic prompted the likes of Amazon and Walmart to lay off tens of thousands of workers. Carriers like FedEx have also cut their workforce numbers. Forwarders, on the other hand, have largely refrained from laying off people, notes Berchtold.

“The attitude has been more like: ‘We’re still busy. Let’s see what the future brings,’” he says. “Companies are not in a panic to lay off people.”

A new report on nearshoring from ASCM points to fresh changes in labour needs and availability. The shift in sourcing to areas closer to markets, such as Mexico for US companies, entails

a rising need for professionals in land transits and trucking, whereas port and intermodal work, along with customs clearance, are expected to experience a decline in demand.

“This is going to put pressure on already-strained resources, both infrastructure and labour,” warns Kent. Already the situation is critical in some sectors, notably trucking, where the existing shortage of drivers will be exacerbated by demographics. The average age of truck drivers is high, pointing to large numbers of retirements in the years ahead, which will be challenging to replace, he says.

Volatile environment

There is broad agreement that volatility is here to stay in the post-pandemic ‘new normal’.

Fried urges people to step up training to be prepared for fresh disruptions.

“The pandemic has taught us that black swans can ride into your life very quickly,” he says. “Shippers need alternatives in these situations, and they look to their forwarders to provide them. We’re telling our members to provide training to their staff. You’ve got to be ready for anything.”

“Use this period of relative stability to make sure the knowledge level of your people is adequate. If there’s a spike in demand, you won’t have time.”

Wright sees fresh disruption under way from the large shipping lines like CMA CGM and Maersk that have pushed into the air cargo arena.

“These guys will change the way the industry works, because of the competition with Amazon and Alibaba,” he warns, pointing to the disruption that the e-commerce giants have brought to the logistics business. ■