



**AUS4SKILLS**

# Skills Development in Logistics During a Recession

---

A Logistics CoP Online Session

*Dr Devinder Grewal - Dr Greg McMillan*

# | Supplementary Papers

*Concepts raised in this session draw upon the following Aus4Skills Concept Paper*

## **01** Skills Development in Logistics During a Recession

by Dr Devinder Grewal

# Session Overview



**01**

**Introductions and Welcome**  
*(5-10 min)*



**02**

**Short Presentation**  
*(Dr Devinder Grewal) (15-20 mins)*

- Combination of various effects
- Change in worker profile
- Role of industry and VET
- Issues require holistic response



**03**

**Supplementary comments** *(Greg)*



**04**

**Respond to any pre-submitted questions**  
*(Devinder and Greg)*



**05**

**Open Question and Answer and Discussions**



**06**

**Close and summary** *(Devinder)*

# | Current situation

- Global socio-politico-economic situation
  - European war
  - Trade war
  - Covid
  - Effects of forced isolation
- Reduction of trade
- Exodus from industry



# Effects on skills utilisation

- Two main effects:
  - **unemployment** – tip of iceberg
  - **underemployment** – far reaching
- Gendered effects – **more men lost employment**
- Government focused on skills development



result in recruitment freeze,  
slow/stop wage growth

- **Groups most at risk**
  - young
  - poorly educated
  - minorities
  - disabled

# The case of logistics



## Benefits greatly from business trends

automation, shift to Asia, new trade patterns, e-commerce, increased consumption, machine learning



## Value created by people

innovations, change have to be implemented by people



## T&L companies understand risk and opportunity

small companies may not be able to invest in innovations



# Strategic weaknesses in logistics

- Low levels of skills of employees, leading to
- Low investment in innovation, leading to
- Strategic targets not being met
- Companies tend to cut staff during lean times
  - Helps competition
  - Hurts reputation

# Logistics skills during a recession

- Professional development and technical skills
- Cross functional training and upskilling
- Mentoring of new by experienced employees
- Enhanced networking
- Informal on-the-job training
- Specialisation
- Mix of hard and soft skills
- Language training
- Staff as ambassadors





# | Key issues for VET

- Lack of integration with industry and HE providers
  - Inability to provide a clear career path
  - Variability of demand
  - Policy makers focused on generating more skills
  - No strategy for responding to reduced demand
- Lack of resources – financial, technical, human
- Limitations imposed by training packages
- Inability to quickly adapt OS and OSSs to meet changes



**AUS4SKILLS**

