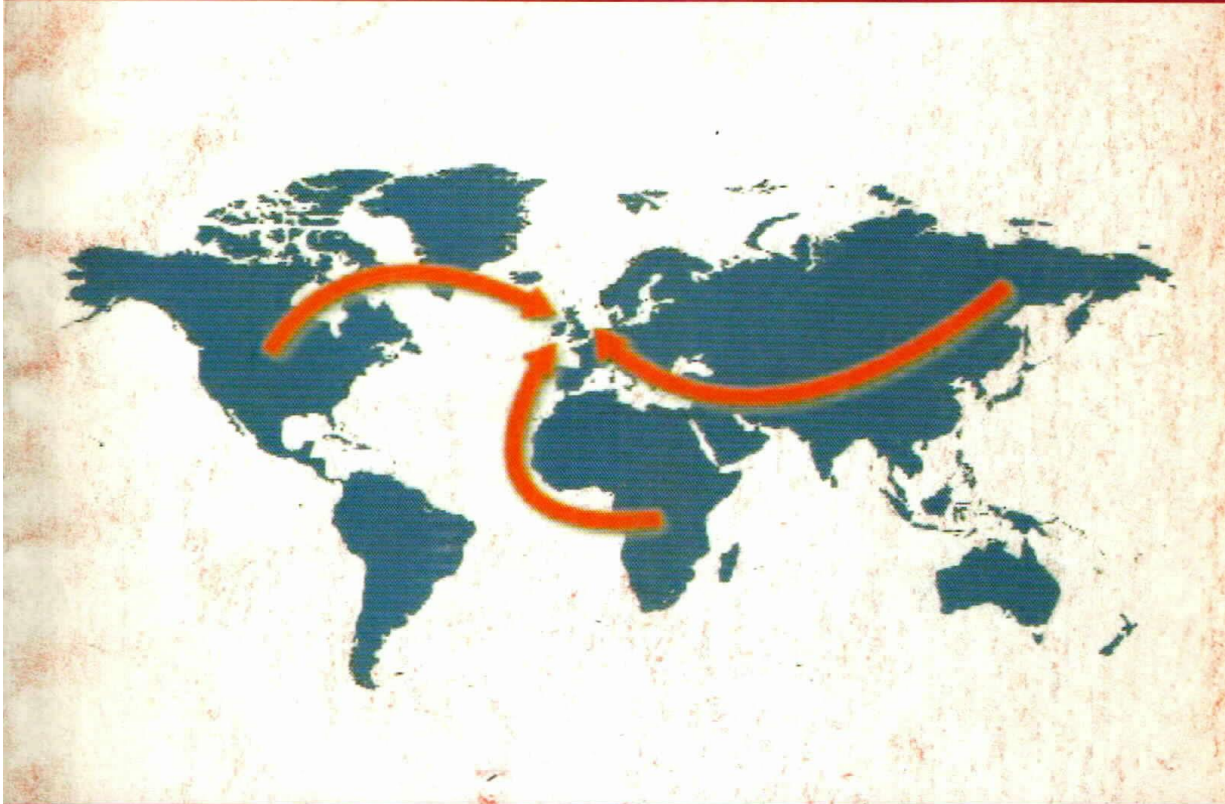


# LOGISTICS TRAINING AND DEVELOPMENT

An analysis of the Humber sub-region



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**THE UNIVERSITY OF HULL**

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## **1. EXECUTIVE SUMMARY**

The purpose of this study was to identify the training and development needs of companies in the logistics and supply chain management sector in the Humber sub-region.

This study was commissioned by the newly established University of Hull Logistics Institute (UHLI) to understand how it can support small and medium sized enterprises (SMEs) and other companies in the sub-region with training and development in logistics and related areas. The study was financed from central resources at the University of Hull and this support is gratefully acknowledged.

The Humber is now the home of the largest ports complex in the UK and acts as a global gateway to the North of England, the Midlands and Scotland. It is also at a pivotal point in European trade, providing through the E20 corridor connectivity from the West of Ireland to Northern Continental Europe and the expanded European Union States of the Baltic Sea. This is a powerful scenario which spreads beyond Hull and the Humber and is of significant relevance, as has already been acknowledged in the Northern Way, the Government's initiative aimed at closing the gap between the economic performance of the North and South of England.

UHLI was established in late 2005. The vision is to establish and embed a world class centre of excellence in global logistics, supply chain management and related technologies, connecting people and creating prosperity.

Considering the vision of UHLI and the strategic importance of the Humber in global trade and logistics, this study set out to offer insights into training and development needs of logistics employers in the region. The study employed a range of techniques including a questionnaire survey, interviews and analysis of advertised logistics vacancies. A total of fifteen companies were interviewed, thirty nine questionnaire responses were analysed and one hundred vacancy advertisements were studied.



The issues that were specifically explored in this study can be broadly divided into the following categories:

- Existing training strategies of companies
- Challenges to training
- Specific training needs
- Socio-cultural factors in training delivery.

This study revealed the following hierarchy of factors as the main barriers that companies face with regard to training provision:

1. Lack of time for training
2. Lack of cover for training
3. Lack of funding for training

Respondents indicated the following as their top criteria in selecting a training course:

1. Relevance of the training course
2. Convenience; Cost
3. Reputation of the training provider

The following areas were also most frequently indicated by respondents as those where training is mostly required:

1. Finance and numeracy
2. Information technology
3. Risk and security
4. Courses on general logistics
5. Courses on specific logistics areas
6. Market awareness

Analysis of the logistics vacancy advertisements showed that only 17% of the vacancies required the candidate to be educated to degree level. Experience, IT skills and personal characteristics were found to be more important than formal education.

The following are the key recommendations of relevance to the work of UHLI going forward that arise from this study:

- Organise delivery of courses on site within companies
- Build in flexibility in course structure
- Create awareness of UHLI and how it can support companies
- Increase reach-out and create stronger relationship with potential clients
- Organise courses that integrate modern technological advancements in the field of logistics and supply chain management

- Undergraduate and postgraduate degree courses to be marketed more effectively to reach a wider student base
- Ensure courses offered are affiliated to professional bodies.

This study and its findings may be treated as the start rather than the end of research in this area. It has been noted in this report that over half of the respondents did not think that their training and development needs have been adequately met. Apart from the top barriers to training (indicated above) the way employees receive training was also found to be influenced by socio-cultural and organisational factors. If the Humber has to establish itself as the leading logistics hub of the 21<sup>st</sup> Century, given its ports, rail and road infrastructure, training and development of staff ought to be treated as the top priority. It is hoped that the findings from this study will benefit UHLI and other educational establishments in the region and help them address the needs of the logistics industry.

## 2. INTRODUCTION

The University of Hull Logistics Institute (UHLI) initiated a research study to investigate logistics skills and competencies in the Humber sub-region. The logistics sector is crucially important in the context of the future economic development of the region and it is essential that the right skills sets are in place.

The Humber is now the home of the largest ports complex in the UK and acts as a global gateway to the North of England, the Midlands and Scotland. It is also at a pivotal point in European trade, providing through the E20 corridor connectivity from the West of Ireland to Northern Continental Europe and the expanded European Union States of the Baltic Sea. This is a powerful scenario which spreads beyond Hull and the Humber and is of significant relevance, as has already been acknowledged in the Northern Way<sup>1</sup>, the Government's initiative aimed at closing the gap between the economic performance of the North and South of England.

The intention of the University of Hull is to establish and embed an internationally recognised world class centre of excellence in logistics that, through its reputation and performance, by direct engagement with the business community, and from leading-edge research, education, consultancy and technology transfer, attracts new regional investment and accelerates economic growth.

In order to serve all stakeholders in the region and contribute to the training and development needs of organisations, it was important that UHLI explore what the training and development needs of companies are, and how these may be best addressed. This research was therefore commissioned to investigate the logistics skills and competencies in the region, and conduct a training needs analysis of the industry.

The following report elaborates the services and objectives of UHLI, profiles the Humber sub-region, outlines the purpose of this study and the methodology that was employed, and discusses the current situation in training and development along with what is required in the future.

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<sup>1</sup> *Making it happen: The Northern Way*, Office of the Deputy Prime Minister, February 2004



### 3. THE UNIVERSITY OF HULL LOGISTICS INSTITUTE

The University of Hull Logistics Institute (UHLI) was established in late 2005. The vision is to establish and embed:

*A world class centre of excellence in global logistics, supply chain management and related technologies, connecting people and creating prosperity.*

The mission of UHLI is:

*The Institute will be one of the few truly world class centres of excellence in logistics and supply chain management and will be a focal point for all logistics related education and development needs, working with organisations of all sizes and type. It will provide an interrelated suite of activities comprising leading edge research, interlinked academic degree programmes delivered via various modes, short courses, business outreach and support, and technology development and demonstration.*

#### 3.1 Three strands of UHLI

UHLI has three strands: industry, technology, and academic. These three strands are elaborated below.

##### 3.1.1 Industry strand

The strategy of the Logistics Institute is to develop in line with the needs and aspirations of its customers so as to ensure that it can make the greatest contribution to the regeneration of the region. It is orientated towards the expectations of the economic clusters identified in the region to ensure that they have the best support available to enable them to develop their logistics capability. Strategic links will be developed with large companies to maximise developmental opportunities. As the Humber region comprises a very large number of SMEs, the requirements of these companies are an important factor in determining the Logistics Institute's key activities.

The services the institute will provide to industry will include the following:

i) *Short courses.* These will include courses tailor made for the needs of SMEs and specific larger companies, as well as updating on the latest research developments in the logistics field.

ii) *Consultancy*. A logistics consultancy team of highly qualified management, technology and supply chain specialists will be created and will assist companies to develop and grow.

iii) *Logistics Resource Centre*. A logistics knowledge resource centre will be made available in the Institute, collating and providing access, to internal and external industry specific knowledge and resources. The centre will provide:

- a logistics skills and knowledge/collaboration interchange
- dissemination of industry specific information through e-platforms
- a network hub, giving guidance and support
- meeting rooms, partner offices, etc.
- space to host network events, seminars and master-classes
- business and technical support to tenants and members.

Institute members will have access to the resource centre. In addition they will receive regular updates on leading edge research, have access to a secure part of the Institute website to create an e-community, receive discounts on Institute courses, and have the opportunity to influence the direction of the Institute.

iv) *Managed business space*. A number of high flexibility units will be provided to ensure companies are nurtured in a problem-solving environment. Businesses will pay rent to the Institute for a fully supported short term base. As the businesses evolve, they will be encouraged to move to other units such as the University Science Park, Shine and other locations.

### **3.1.2 Technology strand**

Supply chains are socio-technical systems and optimising their performance requires managers to have an up-to-date appreciation of new technologies as they become available. The technology strand of the Institute will be a unique feature and resource with specific development programmes geared to providing the most instructive and innovative facility worldwide. It will embrace both practical and virtual demonstrations, together with tools for simulation and system modelling, and laboratories in which new technical solutions are developed. Particularly significant are the fields of Automatic Identification and Data Capture (AIDC) and Radio Frequency Identification (RFID). The University of Hull has an established reputation in these areas and has developed the appropriate integration skills to effect technology transfer into the SME

community. Working closely with the Engineering Design Centre for Industrial Collaboration (CIC) and the Design Enterprise Centre (DEC), the Institute will deliver state of the art solutions into SME supply chains within the Humber. AIDC/RFID is a recently defined but strongly based sector of information and communications technology (ICT). The technology-based activities of the Logistics Institute in collaboration with the National RFID Centres will seek to position the UK, Yorkshire and the Humber, as a world class centre with respect to logistics technology and associated supply chain development and process innovation.

The Institute will help facilitate the growth of AIDC. This will also provide opportunities for education, training and inward investment, development of new products and processes and other substantial opportunities of new employment. Through enhancement of supply chain efficiencies, SMEs will be equipped to meet the demands of 21<sup>st</sup> Century global commerce. Attendant to this focus is a realisation of diversification strategies for industrial sectors in decline; new employment opportunities through existing and start-up companies exploiting the technological potential; and attraction of inward investment for market developments that draw upon a visionary strategy for regional business development.

Two particular activities within the technology strand can be identified:

i) *Technology Show-case Units*: Demonstration, comparison and evaluation facilities allowing businesses to 'try before you buy'.

These will be geared to demonstrating technology and solutions in a manner that will be visual, practically oriented and capable of revealing both business benefits and return on investment opportunities in respect of particular client or sector needs. Manufacturers will have the opportunity to feature their own technology in a professional showcase environment. Each application will be designed to demonstrate potential solutions. Examples could include supply chain traceability and inventory control, an item-attendant ICT supported library, asset tracking and access control. AIDC and associated technologies offer potentially huge benefits to organisations but these benefits are best explained, presented and sold visually. By structuring an Institute facility featuring the spectrum of AIDC and integrated solutions in one place, in a working scenario, with efficient and operational front end software designs ready for immediate exploitation, a strong message of the technologies' capabilities can be delivered. Only when potential customers can see



and operate the application can they really understand and visualise the key benefits their organisations can achieve.

ii) *Technology Development Laboratories*: The Institute will provide space for a range of research and development activities which will encourage cooperation between university and industry specialists. The focus will be upon the design and analysis of technologies that can lead to supply chain efficiencies, for example system integration and development, especially Enterprise Resource Management / Enterprise Resource Planning (ERM/ERP), and technology integration, especially AIDC/RFID.

### **3.1.3 Academic strand**

The academic strand of the Logistics Institute consists of the delivery of formal qualifications in logistics and supply chain management and of research – both applied and more 'blue sky'. The learning and teaching provision is provided by the Business School and the Department of Engineering, within the university, and by the colleges of further and higher education in the region; in the first instance Hull College and Grimsby Institute. Extensive discussions have taken place with Hull College and Grimsby Institute, who already have foundation degrees in this field which the University of Hull Business School (HUBS) validates, to ensure there is a fully integrated curriculum, providing a progression path to higher level qualifications and meeting the needs of the logistics and supply chain challenges faced by industry. The educational provision associated with the Logistics Institute will therefore meet the widening participation agenda as well as addressing the issues of skills shortage and graduate retention.

It is recognised that Hull College, Grimsby Institute, and other colleges in the region, have a major role in the development and continuing success of the Logistics Institute through established educational courses, including NVQs and new feeder routes such as foundation years and foundation degrees. A number of further education offerings have already been designed in partnership with the University of Hull in the supply chain area. New and existing programmes will be specifically designed and enhanced to meet emerging needs and aspirations, recognising the economic needs of industry clusters naturally occurring in the region and sub-region, particularly maritime logistics, food manufacturing, product transportation and warehousing.

New masters and undergraduate programmes have been introduced with a focus in logistics, starting from September 2006. The MSc will be available by both full-time and part-time study.

*Research:* Opportunities are available to study for a PhD in the field of logistics and supply chain management as part of the Institute's research programme, and the first students are already in place.

Developing leading edge research in logistics and supply chain management is fundamental to the Logistics Institute. The University of Hull is uniquely situated on the Humber estuary and centrally positioned along the E20 corridor and provides the ideal location for independent and collaborative research with industry and other educational institutions worldwide on a range of logistics issues.

Alongside its other activities, the Logistics Institute will act as a key interdisciplinary research centre in the University of Hull. Initially it will depend upon the expertise in logistics, supply chain management, business management and systems thinking that resides in HUBS, and the expertise in AIDC/RFID in the Department of Engineering. Over time, however, other departments and centres across the University will also have key roles to play. A number of further academic appointments are currently being made to the Institute to support the work of the professoriate. The result will be a community of scholars producing international level research output in the field. Logistics will take its place as one of the selected areas in which the university is promoting world-class research. In terms of the Business School's strategic plan, logistics will provide a measure of distinctiveness which will enable it to compete with other internationally recognised business schools.

The following are the key research strengths of the existing academic staff at UHLI:

- AIDC (Automatic Information Data Capture) and RFID (Radio Frequency Identification)
- Lean logistics
- Logistics management
- Logistics skills development and education
- Logistics and supply chain agility
- Maritime logistics
- Retail and food logistics
- Research methodologies and tools for logistics
- Socio-technical systems and logistics
- Supply chain relationships
- Supply chain strategies, and supply chain design, modelling and simulation.

Apart from the above, the institute also intends to build up its research capabilities in the following areas:

- Environmental impact of logistics solutions
- Ethical trade and logistics
- Finance logistics
- Healthcare and pharmachem logistics
- Humanitarian and defence logistics
- Logistics and transport planning
- Regional/economic/business development with a particular focus on SMEs
- Regulation/transport policy
- Transport operations (3<sup>rd</sup>/4<sup>th</sup> Party Logistics, Road, Rail, Air).

In growing the Logistics Institute, attention will be directed at collaboration with other universities, obviously including those in the Yorkshire region but also appropriate world-class research universities, with strong logistics expertise, both across the UK and overseas. Links have already been established with a number of these centres of excellence, and two Visiting Professors have already accepted appointments at the Institute (Professor Martin Christopher from Cranfield University and Professor Brian Fynes from the National University of Ireland, Dublin). In September 2007, UHLI will host the principal annual conference of logistics academics in Northern Europe, the Logistics Research Network (LRN) annual conference.

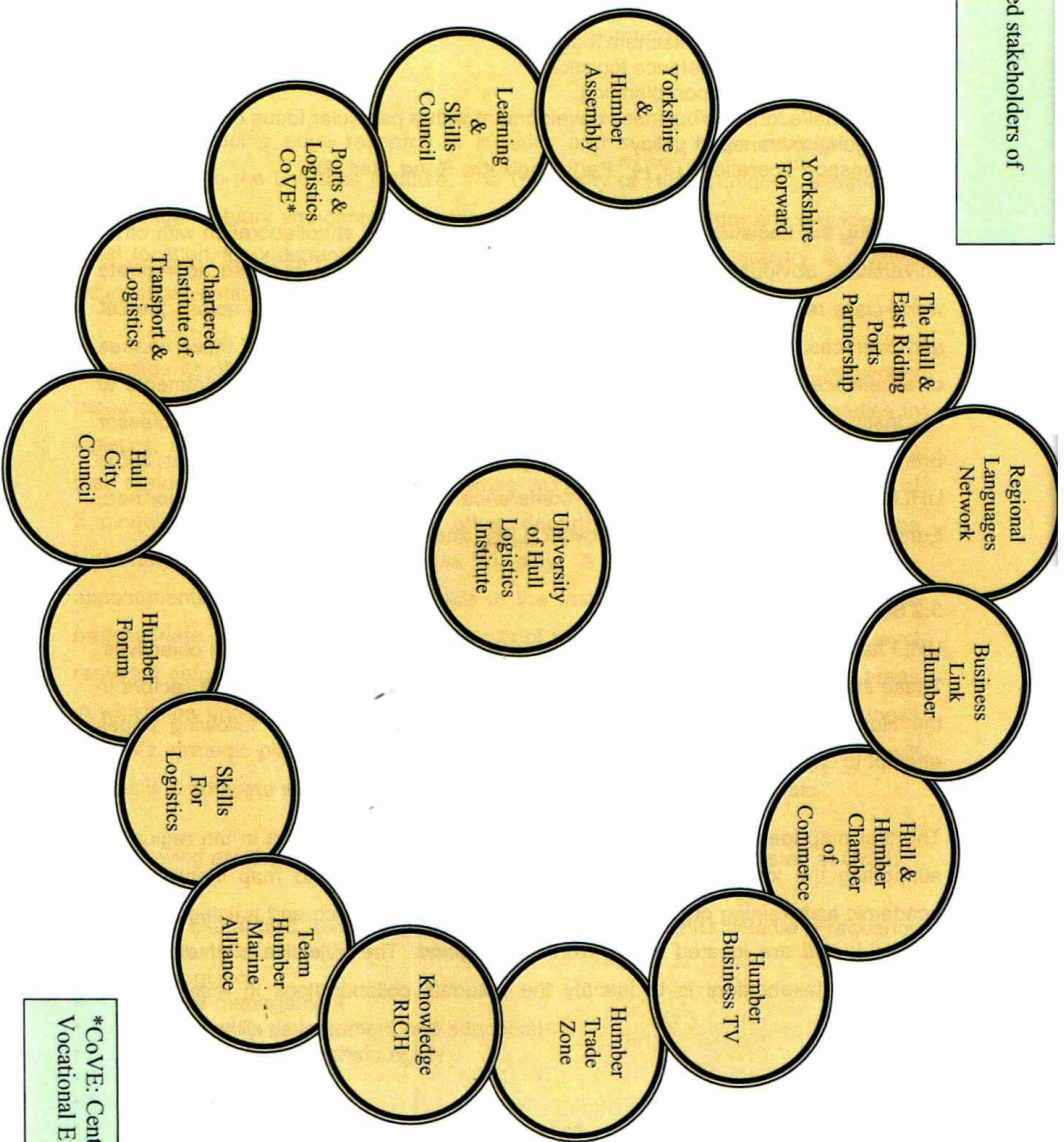
### **3.2 Stakeholders of UHLI**

UHLI has to work with a range of stakeholders in the region to achieve its objectives. These stakeholders are a range of organisations in the public and private sectors in the Humber region, and beyond. The stakeholder maps in the following pages attempt to capture many of these stakeholders.

The first map identifies the publicly funded organisations that exist in the region for supporting the logistics and supply chain sector. The second map identifies the academic and training organisations that have similar research and training interests as UHLI, and are located in the North of England. The objective of mapping the academic stakeholders is to identify the potential collaborations in research and teaching.

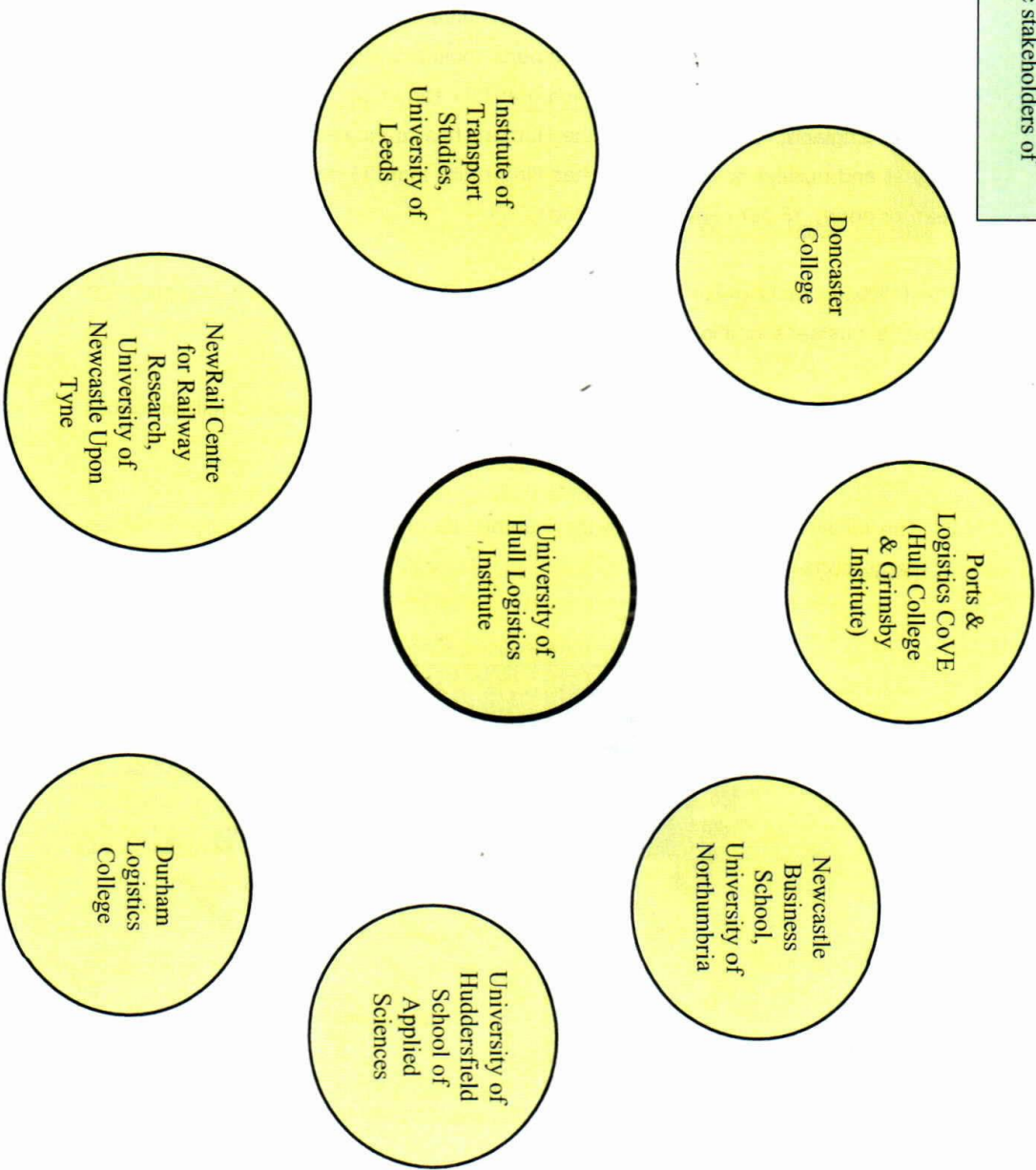


Map 1:  
Publicly funded stakeholders of  
UHLL.



\*CoVE: Centre of Vocational Excellence

Map 2: Academic stakeholders of UHLI.



#### 4. PROFILING THE HUMBER REGION

According to records, in the second millennium BC the earliest known boatyard in the world was operating at Hessle, producing sewn-plank boats. These were propelled by 18 paddles, were capable of carrying 22 cattle or 102 sheep and were used in trading with the European mainland; imports included amber, bronze, gold, pottery and jewellery. The Humber estuary, even at this early time, was the gateway to the north of England. 4000 years later the Humber has re-established itself as the UK's biggest and busiest ports complex, handling more than 80 million tonnes of cargo a year, or nearly 15 per cent of all UK trade.

The following facts make the Humber stand apart as a leading port complex and potential business location:

1. The Humber is the UK's number 1 port complex handling over 80 million tonnes of freight per annum (Source: *The Humber Forum*).
2. The following bar chart shows the Humber as one of Northern Europe's largest cargo ports in 2004:

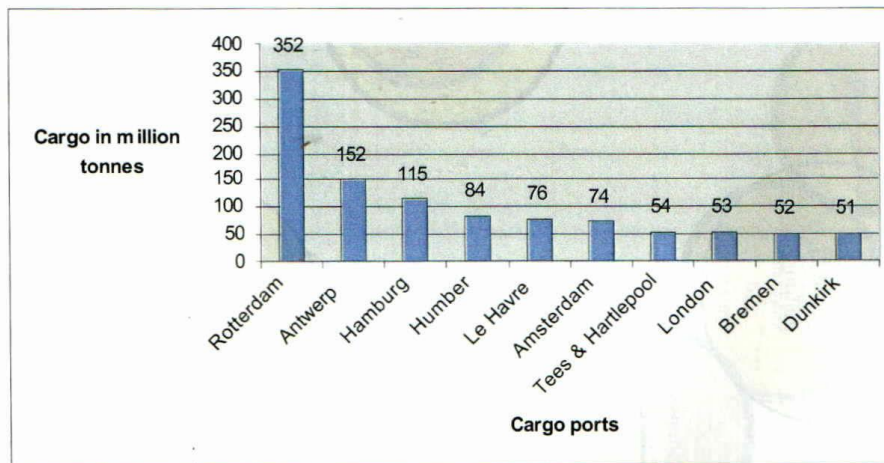


Chart 1: Cargo in major European ports in 2004.  
(Source: *Focus on Ports, 2006: Department for Transport*)



3. The following bar chart shows the Humber as the UK's leading port with regard to transiting ports cargo volumes in 2004:

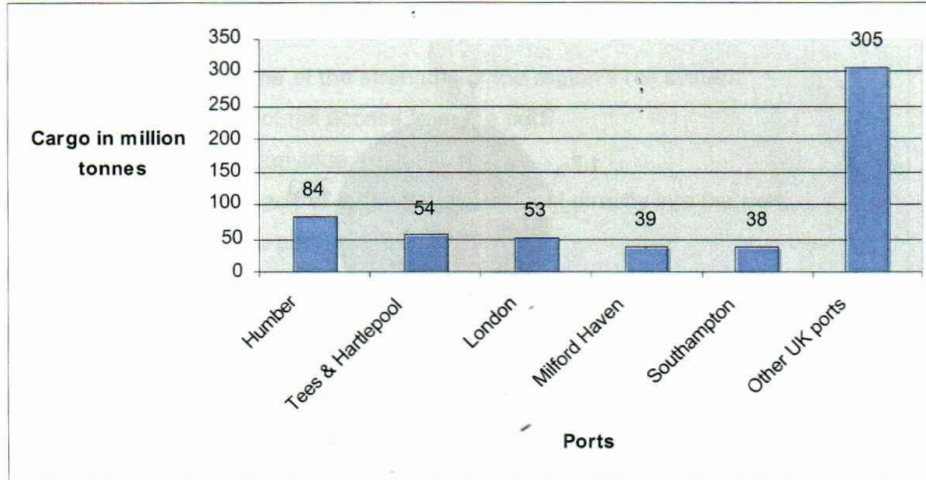


Chart 2: Cargo in major UK ports in 2004.  
 (Source: Focus on Ports, 2006: Department for Transport)

4. The following bar chart shows the break-down of Humber ports' cargo volumes in 2004:

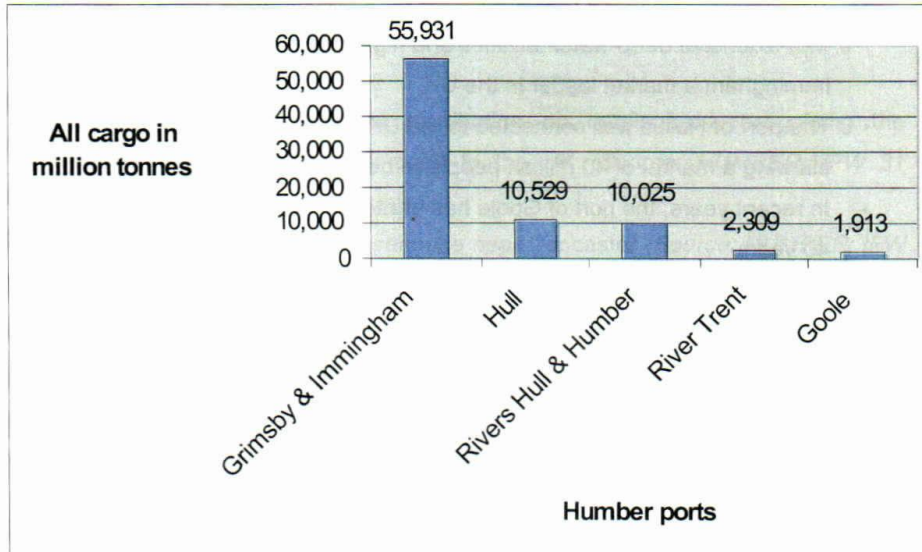


Chart 3: Cargo in Humber ports in 2004.  
 (Source: UK Maritime Statistics: Department for Transport)

5. Grimsby & Immingham is the largest port complex in the Humber. The following pie-chart provides a break-down of the cargo that transited through Grimsby & Immingham in 2004:

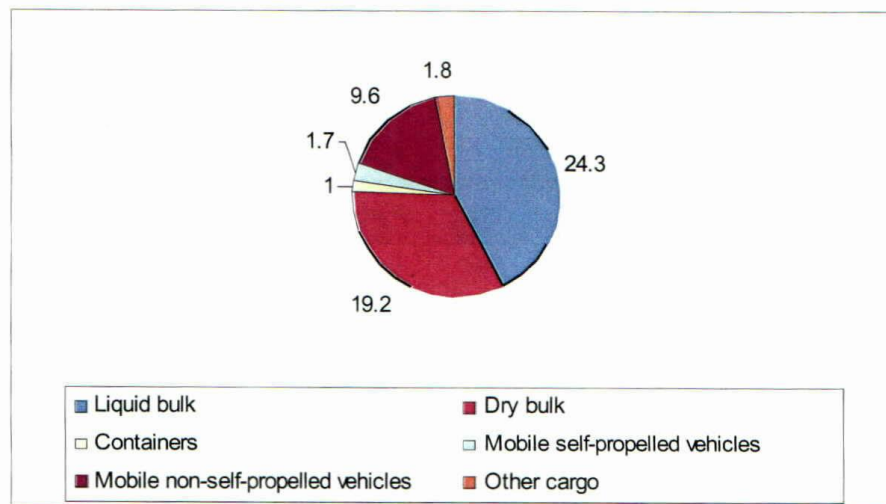


Chart 4: Break-down of cargo in Grimsby & Immingham in 2004.  
(Source: *Focus on Ports, 2006: Department for Transport*)

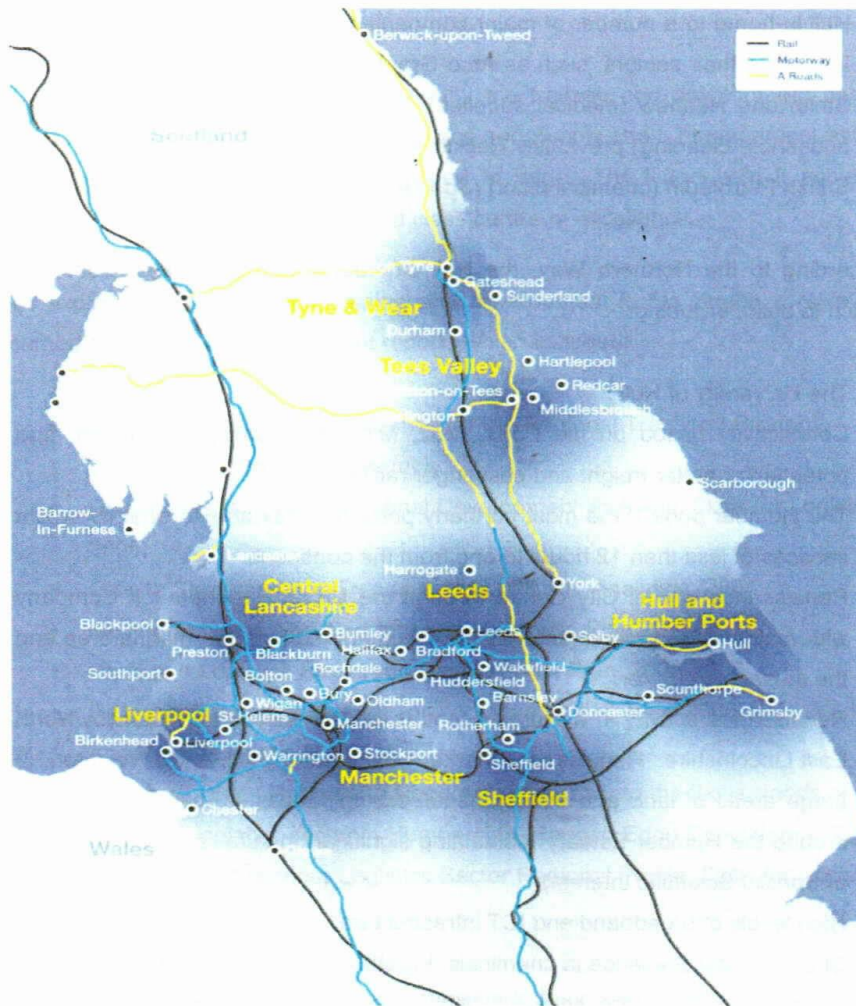
6. According to Chemicals Yorkshire:
- The combination of a strategic location on the south bank of the river Humber with extensive deep-water facilities and high quality service makes the port of Immingham a market leader in the UK.
  - The port of Hull is well connected to the UK's national motorway network, allowing a market of 40 million people to be reached within a four hour drive.
  - In recent years, the port of Goole has attracted traffic levels not seen for over 40 years.
6. More than 60% of the country's manufacturing capacity lies within a four-hour drive of the Humber (Source: *Associated British Ports*).
7. In addition to the pipeline systems linking Humber-based facilities into national distribution networks, improvement of road transport infrastructure began with the A63/M62 and A180/M180 motorways, completing the box created by building the Humber Bridge and A15 dual carriageway. The Humber Bridge is widely acknowledged as a significant feat of British engineering and continues to be the internationally recognised landmark of the area (Source: *The Northern Way*).

8. The rail network of the Yorkshire and the Humber region transports around 28 million tonnes of freight annually, which is about 40% of total UK freight (*Source: Yorkshire & Humber Assembly*).
9. The following are some of the strengths of the region's rail system:
- Immingham: direct rail access from the port.
  - Grimsby: direct quayside rail connections.
  - Goole: full trainloads of cargo can be brought directly into the port.
  - Hull: rail links into parts of Hull Dock.
- (*Source: Freight on Rail*).
10. The region is well connected by air with a number of important airports such as Humberside, Leeds/Bradford, Manchester, Doncaster Sheffield Robin Hood and Sheffield City. Robin Hood airport is one of the few airports in the country with the airfield infrastructure and surface access capability to handle large freighter aircraft such as the Antonov An-124. Over 60 major freight forwarders operate within 1 hour's travel of the Robin Hood airport, and South Yorkshire is one of the UK's manufacturing hot spots with specific strengths in advanced manufacturing, food, biosciences and steel (*Source: The Robin Hood Airport*).
11. The following are some of the recent initiatives and developments in the logistics sector in the region:
- B&Q focussed its northern distribution on Immingham recognising the Humber as the main entry point to the UK (*Source: HUMBER; IFW 31 January 2005: Humber Forum*).
  - Ikea constructed a major warehouse near Doncaster (*Source: HUMBER; IFW 31 January 2005: Humber Forum*).
  - The recent investment of £27.5 million Roll-on Roll-off (RoRo) facility in the port of Immingham (*Source: Humber Forum*).
  - The £59.5 million extension of the Humber international terminal (*Source: Humber Forum*).
  - Investment of £115 million in a glass manufacturing facility in Goole by the American company, Guardian Industries (*Source: The Northern Way*).
  - An estimated £200 million of investment in combined heat and power plants for generation of power for chemical businesses in the Humber bank (*Source: The Northern Way*).

- Investments of over £300 million over the last 10 years by companies like ABP Hull & Immingham on new facilities and trade developments through the Humber ports (*Source: The Northern Way*).
- Work is now underway to build a new multi-million pound container terminal in Hull, as proposed by the ABP (*Source: Yorkshire Forward*).

12. The Humber is geographically in the Northern Way remit of the government, which carries enormous development potential. The Northern Way is the government initiative to plug the £30 billion productivity gap between the North and the South of England. Its aim is to establish the North of England as an area of exceptional opportunity with ambitious economic regeneration and social development. The following map depicts the geographic area that the Northern Way initiative seeks to serve: from Crewe to Berwick-upon-Tweed, it well encompasses the Humber sub-region.





Map 3: The Northern Way region.  
 (Source: *The Northern Way Business Plan 2005-2008*).

### 13. The City of Hull:

- Hull is rapidly becoming an important and diverse centre of enterprise and investment. A thriving port, improving transport links and a growing economy make Hull an attractive location for businesses (Source: *Hull City Council*).
- It has already seen a rolling investment of £72 million in its ports infrastructure since 1990 (Source: *Yorkshire Forward*).
- Associated British Ports has recently secured planning permission from the government to start work on a £40 million container terminal near Victoria Dock in Hull (Source: *Associated British Ports*).

- Hull is home to a number of major companies that are recognised as market leaders in their sectors, such as Arco Group (safety clothing and equipment), Smith and Nephew (medical supplies), Reckitt Benckiser plc (world no.1 in household cleaning) previously Reckitt & Colman, Seven Seas (fish oils) and British Petroleum (chemical plant) (Source: *Hull Freight Strategy, 2005*).

14. According to the Northern Way, the Hull city-region has some key assets on which to build, including:

- The University of Hull
- Connectivity based on the Ports, M62, M18 and Humberside airport, and potential for better freight and passenger rail links
- The Humber ports – the most northerly ports complex able to offer overnight services of less than 12 hours to and from the continent.
- Renaissance in Hull City Centre through the Urban Regeneration Company with major developments such as the Deep sub-marium, the marina area and the museums quarter.
- Renaissance activity in the urban centres of Scunthorpe and Grimsby/North East Lincolnshire. Renaissance Market Towns activity in Market Weighton.
- Large areas of land and environmental/ecological assets, particularly based around the Humber Estuary (containing significant nature reserves and Sites of Special Scientific Interest).
- High levels of broadband and ICT infrastructure
- Strong cluster presence in chemicals, logistics and food. Growing digital and creative industries presence building on the unique ICT infrastructure and recent investment by the BBC.

15. The transport and logistics infrastructure in the Humber region is exceptional, linking the sub-region quickly and efficiently with the rest of the UK and indeed the world via all possible means (Source: *Yorkshire Chemicals*).

## 5. PURPOSE OF THE STUDY

The purpose of this study was to identify the training and development needs of SMEs and other companies in the logistics and supply chain management sector in the Humber sub-region. This is intended to inform UHLI and help it achieve its objective to establish itself as a world class centre of excellence.

To explore existing logistics training and development in the region a review was carried out of the various pertinent reports which included:

- Freight and Logistics Intelligence for the Regional Transport Strategy, Yorkshire and Humber Assembly.
- Giant Steps for the Professional Development Stairway, Skills for Logistics, 2005.
- Growth Strategies and Trends in UK Logistics, Analytiqa, 2004.
- Moving Forward: The Northern Way Business Plan 2005-2008
- Ports and Logistics Brokerage Development Plan, 2005-2006
- Regional Economic Strategy for Yorkshire and Humber 2006-2015, Yorkshire and Humber Assembly, 2005.
- Research Study Report and Recommendations into the Skills Needs of the Port and Logistics sector in Humberside, Ragged Edge Consultancy, 2004.
- Yorkshire and Humber Logistics Sector Regional Profile, Skills for Logistics, 2005.

The above reports were fairly comprehensive in their methodology and scope. Most carried insights from studies in the logistics and supply chain management (SCM) sector in the Humber sub-region. These reports covered a variety of areas such as economic regeneration initiatives in the region, recent investments, logistics training offered by employers and related challenges. Many of the reports also covered the nature of training provision and issues associated with training. For instance, according to Skills for Logistics<sup>2</sup>,

*Lack of funding, time and cover for training were all identified as significant barriers to offering training by over 35% of employers in the Yorkshire & Humber logistics sector. 59% of firms have arranged or funded any training in the past 12 months with process, plant and machine operatives most likely to benefit.*

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<sup>2</sup> Yorkshire & Humber Logistics Sector Regional Profile, Skills for Logistics, 2005.



*Nearly 40% of all employers in the sector have no business or training plan or no budget for training.*

The reports studied concentrated on what training and development needs have been addressed, and what the problems and challenges were in delivering these. However, it was realised that there was a further need to inquire into what training companies wanted in the future and how they would require such training to be provided. This was the purpose this study concentrated on. The objective was to obtain a holistic understanding of training and development needs of the companies in logistics and SCM in the Humber sub-region. In addition it was felt that certain specific data not already available (for example survey data on what companies actually pay per participant training day) would be beneficial going forward and thus the research study sought to also harvest such data.

The issues that were specifically explored in this study can be broadly divided into the following categories:

- Existing training strategies of companies
- Challenges to training
- Specific training needs
- Socio-cultural factors in training delivery.

## **6. METHODOLOGY**

This chapter discusses the methodology that was adopted to conduct the study.

Four distinct categories of employees were of interest in the study and these were categorised as:

- **Management/Professional:** These are staff in the middle to senior management level. They would mainly be managers or directors.
- **Administrative staff:** These are support staff. Their work would mainly be desk based administrative support.
- **Other skilled staff:** These are staff with specific industry related skills such as instructors, IT support staff, etc.
- **Other non-skilled staff:** These are staff that do not have specific industry related skills.

### **6.1 Techniques used**

The methodology that was adopted to conduct this study was centred around the use of three research techniques: questionnaire survey, interviews, and analysis of logistics recruitment advertisements. These techniques are discussed below.

#### **6.1.1 Questionnaire survey**

The questionnaire was developed based on insights gained from both consideration of various other reports and studies and from discussions with UHLI colleagues. It was piloted with Dr Tim Butcher, Lecturer at UHLI, Nick Riley, Deputy Director of UHLI, Darryl Hare, External Business Coordinator of Hull College, and James Kelly, Director of Tenso Ltd. Following on from the pilot stage the questionnaire was amended accordingly and the final version was distributed amongst the attendees at the UHLI conference on 8<sup>th</sup> June 2006, and also posted to selected logistics managers in the region.

In the questionnaire respondents were asked to provide their personal views with the option that they may remain anonymous if they wish to. Both closed and open-ended questions were used. Closed questions, with limited choices, enable the researcher to find out specific facts. But they can also have the danger of putting words into people's mouths. Open-ended questions offer space for the respondent to express themselves in their own words and put forward their own opinion. However, there is

always the danger of receiving disparate responses from people. While conducting a survey by questionnaire the importance of a good covering letter should not be underestimated<sup>3</sup>. The covering letter for this survey was carefully worded as it was the primary 'tool' to establish a rapport with the respondent. The intention, content and importance of the questionnaire were clearly stated in the covering letter. A copy is also illustrated in Appendix 1.

A total of two hundred and eighty five questionnaires were distributed and there were thirty three responses. The response rate attained was 12%. Out of the thirty three responses, only thirty could be subsequently used for the purpose of analysis as the respondents in the other three cases were organisations that were not relevant to the study or their responses were not valid.

#### **6.1.2 Interviews**

Interviews were carried out with selected logistics managers in Hull. Fifteen interviews were carried out in total. The questionnaire used in the survey, discussed above, was also used as the basis for these semi-structured interviews. In addition various qualitative information and insights were gleaned from the interview respondents beyond the questions in the questionnaire. Nine of the fifteen interviews generated substantial responses to the questions on the questionnaire and also gave various qualitative insights of interest. These nine responses have thus been included with the thirty postal responses, thus giving a final group of thirty nine usable responses.

Companies were telephoned to arrange an appropriate time to be visited and interviewed. Whilst many of the companies that were initially contacted refused to be interviewed, a few were cooperative with the exercise and kindly agreed to spare some valuable time. In addition, a number of interviews were facilitated via visits with Darryl Hare from Hull College and Grimsby Institute Centre of Vocational Excellence.

#### **6.1.3 Vacancy analysis**

An analysis of a sample of one hundred vacancy advertisements for managerial level logistics personnel was carried out. The media of advertisement that were considered were both online and in the press. These vacancies were both in the Humber region and nationally. The purpose was to identify the skills and

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<sup>3</sup> Lin, Nan (1976), *Foundations of social research*, McGraw-Hill, New York.



competencies that were desired in managerial level positions specific to logistics and SCM. The web-sites that were used were Logistics Manager ([www.lm-jobs.com](http://www.lm-jobs.com)) and Supply Chain Recruit ([www.supplychainrecruit.com](http://www.supplychainrecruit.com)). Vacancies advertised in a number of editions of the periodical of the Chartered Institute of Logistics and Transport, *Logistics & Transport Focus*, were analysed. Insights from this exercise *were used to identify general skills and competencies for logistics and SCM jobs, and how these can be related to the skills requirements that have come to light as a result of the questionnaire survey and interviews.*

### 6.2 Respondent profile

Responses were obtained from a wide range of companies in this study. Table 1 categorises respondents according to the industry that they are in, and Table 2 categorises respondents according to the size of their company with regard to the number of employees.

Shipping & forwarding	33%
Construction, Services & manufacturing	36%
Warehousing, distribution & transport	23%
Do not know	8%

Table 1: Respondents' breakdown according to industry sector.

Less than 50	38%
More than 50 but less than 500	25%
More than 500	27%
Do not know	10%

Table 2: Respondents' breakdown according to number of employees.

## **7. THE CURRENT SITUATION**

This chapter highlights current trends prevalent in training provision in the companies in the Humber region that were studied. These trends include the organisation of training, training requirements and issues that hamper effective training delivery. Wider socio-economic and political factors that impact on training provision have also been considered.

### **7.1 Training organisation**

Companies were asked how their training was organised and the factors that influence and impinge upon their training. These insights have been categorised into three headings: standard and regularity of training, desired training areas, and issues around training.

#### **7.1.1 Standard and regularity of training**

Companies were asked if they had "Investors in People" accreditation. The "Investors in People" accreditation indicates that the company has a continual training and development provision for its employees and that the company values skills of people as a top priority. This standard was developed by the National Training Task Force. 18% of the companies studied indicated that they had "Investors in People" accreditation. In order to understand the training organisation of companies, the specific issues that were covered in our questionnaire were:

- If the company had a training plan for staff
- If the company had a dedicated training budget for staff
- If the company had personalised training plans for individual members of staff
- How often were training needs assessed by the company
- If the training and development needs of the company were adequately met

Most of the responses answered all the questions. The following table shows the responses that were received:

If the company had a training plan for staff	Yes	No	If the company had a dedicated training budget	Yes	No	If the company had personalised training plans	Frequency of assessment of training & development needs	6 months	Annually	Never	If training & development needs were adequately met	Yes	No	Almost
	53%	47%		55%	45%							58%	42%	32%

Table 3: Training organisation in companies



Companies organised their training and development in different ways. As is evident from the above, almost half of the companies did not have a training plan or a dedicated training budget for staff. However, this did not mean that staff were not trained in certain companies. In some companies training was organised on an ad-hoc basis, as and when required. For instance, four companies said that it was not necessary for them to maintain a fixed training plan as training needs of employees were regularly assessed on the job, and training was provided if this was necessary. Three others said that their training needs did not have to be assessed because in their view staff had been working with them for a very long period of time, and that they had acquired all necessary skills and competencies required for the job.

In contrast to the above, one respondent employed some highly developed techniques to regularly assess the training needs of their staff. They have developed a Skills Matrix over a ten year period to support staff with their training and development. This has been developed by the Director of the company with advice from a certified body for quality management systems. The company was committed to the Skills Matrix for regular assessment of competencies of their staff. The matrix is revisited every three months and any training need is promptly noted and addressed.

### **7.1.2 Issues around training**

Issues around training provision have been discussed under the following two broad headings: barriers to training and resistance to training.

*Barriers to training:* From an analysis of the survey responses the following factors were found to be the top three barriers to training:

1. Lack of time for training
2. Lack of cover for training
3. Lack of funding for training

Lack of time appeared as the top barrier for training. This is closely linked to the second most important barrier, lack of cover for training. This meant that if an employee went for training, there was no one else to carry out their work. Lack of funding for training was rated as the third most important barrier. As one leading company noted, budget for training was a challenging and fluid concept. They said that they had a training budget just like many other companies. However, it was their prevalent practice to set up a training budget in the beginning of the financial year,

and cut it down significantly towards the end. This was because if the company required extra funds for anything in any other department, it was easiest for them to extract the money from the training budget. Therefore, if there was a requirement for any training, it was best to do it in the beginning of the year, as the budget may disappear towards the end of the year. A similar opinion was also voiced by a distribution company who noted that their training budgets were treated more as a guide because according to them training budgets “don’t happen in reality”.

A transport company thought that access to training courses was an issue. An employee of that company cited an instance when they wanted to do an NVQ, for which they had to travel to Stoke for the qualification. The company also did not know anything about any support or funding available for training and upskilling.

*Resistance to training:* Along with prevalent issues that act as barriers to training provision for staff, there also exist organisational and psychological factors that lead staff to resist training. Organisational investment in management training and development may have roots in various overt and covert understandings of the organisation itself. As Lees<sup>4</sup> notes, organisations that invest in management development “do so according to some internal rationale and justification, with some sense of its significance for the organisation, and with a spectrum of expectations from the overt to the hidden”. Therefore, it may be difficult to pin down why different companies may have different orientations toward training and development, ranging from those who welcome training to those who are resistant. This may necessitate training organisations to convey the value of training and development to different clients in different ways. This has a direct link to financial justifications that companies may have to make for investing in training. This has been well recognised by many commentators; for example Easterby-Smith<sup>5</sup> notes, “... the difficulty in establishing a statistical link between management development activities and organisation performance”.

The above tension with receptivity in training clearly came to light in this study. Certain companies did not welcome training due to a range of reasons and rationales. For instance, three companies reported that there was hardly any requirement of training for their staff as many had been working in that company for a

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<sup>4</sup> Lees, S. (1992), “Ten faces of management development”, *Management education and development*, Vol. 23 No. 2, pp.99-105.

<sup>5</sup> Easterby-Smith, M. (1994), *Evaluating Management Development, Training and Education*, 2<sup>nd</sup> ed., Gower, Aldershot.



very long period of time: twenty to thirty years. They were of the opinion that experienced staff did not require any training as they had already grasped everything they had to know about their own field of operation. A different company was of the opinion that their staff did not welcome training because they felt that there is a social stigma associated with training itself. This was a distribution company who noted that they were not involved in any significant training because the employees themselves did not want to train. These insights were specific to "other non-skilled staff". In this company also the respondent noted that young people were uninterested to attend any training as they feared that they would be bullied by their friends for taking a training course. Another transport and distribution company was of the opinion that training provision was difficult due to lack of cover for training, and it was not bothered about planning for the future. The company was happy with the current expertise that they had, and had no interest in upskilling. Two other road haulage companies were not aware of any training requirements and appeared completely uninterested in any training provision. These are issues specific to particular companies and the attitude of their senior management with regards to training.

In a similar vein, the opinion of a transport and distribution company was quite critical about the kind of training that was being provided by some organisations. They were of the opinion that organisations that provide training courses tend to take a "very narrow view of what constitutes training". The company said that they had invested lot of money on training, but had no results and training did not influence any new idea in the company. They had staff who attended different courses and two of whom did advanced degrees, but said that it did not make any difference to the company. They advocated that courses in the universities are undoubtedly good, but they were relevant at a high level to gain theoretical knowledge of logistics.

The above comments carry the message that there may be a variety of reasons why companies may resist training. It may range across economic, psychological and organisational factors, or a complex combination of all these factors. This may be conveyed by the opinion of one road haulage company who emphasised that whatever may be the attitude towards training that staff show, they always do want to train. Therefore, this company undertook regular training for its staff. However according to them, it also depended on the company. For instance, they claimed that they were "different as a company" as they had a company pension scheme and also a training scheme for staff. This included a young drivers scheme to train young drivers as apprentices in the company. The company also claimed to be socially



responsible and gave instances of their involvement in environmental sustainability projects. They disagreed that this kind of an atmosphere would prevail in many other road haulage companies in the region.

Differences in training provision for staff in different companies were also reflected in the manner in which the companies were managed. For instance, organisation of training and control of training budget was found to be a remote phenomenon when it came to two large companies. They commented that training plans and budgets were controlled by their head offices who are located some distance away. A similar issue was also noted with another major company who reported that they did not spend any money on training on logistics as such. They did not currently have a budget locally as the entire budget was controlled by the head office. This was because most of the work and actual logistics planning was controlled by the head office. Moreover, the company did not have any history of formal training in logistics. The interviewee, the logistics manager at the site, was actually a chemist by background and was involved in planning operations for the site. As they said, their job was "not to do with logistics, but planning, and both go hand-in-hand".

Hence, the manner in which training is perceived and received in different companies is influenced by a variety of factors. These factors may encourage companies and their staff to be receptive or resistant to training.

### **7.2 Publicly funded support**

Companies were asked to indicate if they received any publicly funded support for training and development. Seven of the twenty nine respondents to this question stated that they did. Some of the public organisations that were stated as those supporting companies with training funds included:

- Business Link Humber
- Port and Logistics Brokerage
- European funding (companies were not specific about which European body they specifically received support from)
- Learning and Skills Council

### **7.3 Selecting a training provider**

Companies were asked if they had any preferred training provider. Sixteen respondents stated that they did and providers mentioned included:

- British International Freight Association (BIFA)
- Construction Industry Training Board (CITB)
- DEFLOG VQ Trust Ltd
- Hull and Humber Chamber of Commerce
- Institute of Chartered Ship Brokers
- Open University
- The British Chemical Distributors and Traders Association
- University of Hull
- University of Warwick

### 7.3.1 Criteria for choosing a training course

Companies were asked about what criteria they use in choosing a training course. Twenty nine respondents replied to this question and the following were the main responses that were received:

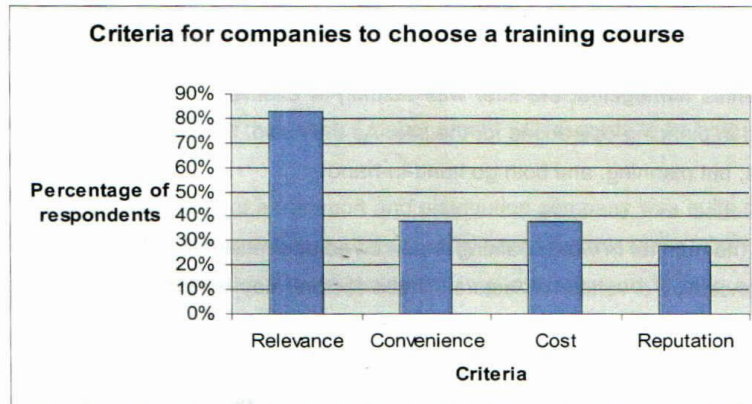


Chart 5: Criteria for companies to choose a training course.

- *Relevance*: Relevance of the training ranked high on the agenda of companies. Relevance of a course relates to the content of the course and the organisational context in which it is provided. A significant 83% of respondents identified relevance of the course as a top criterion for choosing the course. Up-to-date course content, grounded in practical settings, was highlighted by companies as a significant criterion for their choice. One company said that they look for "continuous benefit to job through theory/practice relationship" while choosing a training course.
- *Convenience*: 38% of respondents stated that they look for a course that is delivered at their convenience. This includes location and timing of the

course. Some of the companies stated that training should be provided near the company sites, and the timings of course delivery should be sympathetic to office or work timings.

- *Cost:* 38% of respondents stated that cost of courses was a determinant of choosing training. One company was of the opinion that cost ought to be considered in relation to the value that the training provided.
- *Reputation of training provider:* 28% of respondents noted reputation of the training provider as a criterion of how they would choose their training providers. Companies look for organisations that are well established and have a fairly recognised image.
- *Other:* Two companies noted that they look for recognised professional qualifications obtained at the end of the training course such as a degree/diploma/certificate. Pass rate and success criteria at the end of a course were also mentioned as factors that were determined by another company to choose their training course.

One company noted its preference for niche areas that the training provider may have. This enables them to be certain about the outcomes of training and courses. For instance, they commented that if they required a course on shipping, they would go to a certain provider as they knew the specific outcomes they would achieve, and they know that that provider has a niche in courses in this area.

From the above analysis, it is clear that relevance of a training course has emerged as the top criterion for choosing a course, followed by convenience, cost, and the reputation of the training provider. It may be worthwhile to quote the response of one manager when asked what they would consider their top criteria in choosing a training course. They replied: "adequacy, cost and credibility".

#### **7.4 Wider factors**

Certain employers noted that changes in the wider socio-economic and political environment were having an impact upon how they recruited and trained staff. The



greatest impact was perceived to be as a result of the European free market along with the widening of the EU. These were factors beyond the scope of influence of the companies, but they directly impacted their work processes. There was a general understanding that expansion of the EU has created greater competition in the employment market, and also attracted large numbers of workers from European countries to live and work in companies across the region.

A leading national transport and warehousing company operating in the region was of the opinion that due to European competition they were sub-contracting work to cheaper service providers from Eastern Europe. It was this company's view that firms from Eastern Europe are able to offer similar services at a fraction of the price of their UK counterparts and that therefore there was no point competing against those firms. In addition online freight booking services can allow access to a range of haulage companies throughout Europe along with offering customers various rates. As a result of this, clients were increasingly opting for cheaper alternatives. This was taking business out of the hands of the UK-based companies. The strategy of the respondent was to outsource haulage contracts to cheaper companies in Eastern Europe, rather than struggling to keep pace with UK hauliers. Their philosophy was to make use of the situation instead of confronting it. They were of the opinion that in five years time there would be hardly any domestic business in haulage left in the UK. As a result of this, the company did not see the requirement for much training for their staff. They were of the opinion that most of their senior managers had been working with the company for a considerable period of time, and they had already acquired the skills and competencies required for the job. As regards other skilled and other non-skilled workers, they did not see any need for training for them as their numbers were dwindling rapidly.

The European free trade zone has also brought about a range of complex directives for companies to adhere to. This was said to have created confusion and lack of clarity amongst employers. One road haulage company was of the opinion that there were many dual directives: EU and UK. This was making the scenario confusing regarding dual standards of service and training provision. They said that there were situations when staff had questions for clarification, but they did not have the answers. This had implications for training provision because as a result of confusing regulations, employers were unable to decide what particular training they were required to provide for the development of their staff and in order to adhere to the regulations.

### **7.5 Other issues**

This section highlights issues regarding training and development that have not been covered under the above categories and include issues that emerged through the course of the study.

#### ***7.5.1 Issues with language/culture/gender/disability***

Companies were asked if they had any issue relating to gender, culture, language and/or disability with regards to training provision. None of the companies responded that they had any such issue. Two of them reported that they did not recruit anybody from outside the UK to avoid these issues. On suggesting that their approach was discriminatory, they reported that this was their policy 'in order to ensure high quality of service delivery'. Other companies reported that they were inclusive in approach, and did not have any of the issues mentioned above.

#### ***7.5.2 Issues with recruitment and retention of staff***

Recruitment and retention of staff can also impinge upon how training is organised and provided consistently in companies. Whilst most of the companies did not report any such problems, one company indicated that retention of staff was an issue. Nine of the thirty two companies who responded to this question reported that recruitment of staff with the right skills and experiences was an issue. Only one respondent said that there was a 'severe shortage of suitable candidates' when they want to recruit.

### **7.6 Training rates**

Companies were asked what they thought were the appropriate per-capita daily rates for training for the four categories of staff. The following were the average rates that were thought to be appropriate by those that responded to this question:

- Management/Professional: £403.
- Administrative staff: £238.
- Other skilled workers: £173.
- Other non-skilled workers: £116.

## **8. NEEDS ANALYSIS**

This chapter outlines the nature of the training that is desired by the companies in the sample studied. This includes criteria concerning choice of training courses and what

kind of support companies require from UHLI. This is followed by an analysis of skills and competencies in logistics and SCM derived from job advertisements.

## **8.1 Training needs**

The companies in our study outlined a range of options they would like for their training and development. These ideas are discussed below under three broad categories: areas of training, mode of delivery and training outcome.

### **8.1.1 Areas of training**

Companies were asked about their main training areas. Some of the respondents highlighted certain specific training and skills requirements. The following are the top training areas that were mentioned in the responses:

- *Finance and numeracy:* Finance and numeracy skills came out as a significant training requirement. Nine companies noted that financial skills are one of the top training requirements for logistics and SCM managers. Two companies noted that employees need expertise in finance and costing and how this is applied in the field of logistics and SCM. In addition, two companies also highlighted deficiencies in numeracy skills among some of their employees.
- *Information technology:* Six companies regarded Information Technology (IT) as one of the top training areas required by logistics and SCM managers. Apart from general IT skills, specialist skills such as knowledge of Radio Frequency Identification (RFID) was also noted by two companies as being important. Two companies mentioned that they use SAP systems or were implementing SAP systems, for which they require training and support.
- *Risk & security:* Six companies noted that understanding of security and risk, both of cargo and personnel, was an important training requirement for logistics and SCM managers. Two of them were of the opinion that in the present climate of uncertainty in global security, logistics personnel ought to have a thorough understanding of risk factors and how to mitigate them. One company noted that this is closely related to the understanding of what international trade stands for and how its history has evolved. They were of the opinion that courses should provide knowledge of international trade and security. Issues around transport security and freight insurance were noted by



the same respondent as inalienable aspects of international trade, and these would need to be integrated with courses.

- *Generalist courses:* Overall general knowledge of logistics and SCM was seen as important for employees. Five companies reported that what was needed for their employees was an overarching idea of how all work and planning come together to make operations carry on in a stabilised manner. One senior manager of a large company commented that staff had no idea about how “it all comes together”; they just do their “bits” without understanding how the supply chain works. Two companies labelled this perspective as “systems thinking”, and crucially important for organisations to operate successfully. Another company desired knowledge about “what logistics actually encompasses” as it is a vast area in itself.
- *Specialist courses:* Four companies also desired certain specialist courses, apart from those offering a generalist overview of logistics and SCM. Courses suggested in this regard included: business collaboration and partnership, demand planning and forecasting, supply chain planning, technical forecast modelling, etc. One construction firm reported that the construction industry was often overlooked in terms of new knowledge and courses and that there was a need for courses that would deal with logistics specifically in the construction industry.
- *Market awareness:* Employees need to understand about how to deal with customers. Three companies noted market awareness and marketing skills as one of the top training requirements for logistics and SCM managers. One company commented that they have stopped talking about customer care and now talk of customer management. According to them, customer management encompasses the wider implications of the company and how it relates to its clients within the current context of trade security, global competition and greater professional awareness. These courses have to be market-based since their company operated in partnership with other companies, both large and small.

### **8.1.2 Mode of delivery**

Companies desired flexibility in the mode of delivery of training courses. They wanted courses in different delivery formats to suit their requirements and convenience.

Seven firms expected to see short courses, seminars and bespoke courses that can be delivered as and when required at UHLI and on their own site. Two companies reported satisfaction with the short skills bites (Breakfast Seminars) at UHLI as very useful and targeted skills delivery mechanisms. Two respondents reported that they would be interested in more formal taught courses such as masters degrees.

One haulage company said that depending on how the courses are delivered can also impinge upon receptivity of the courses. They noted an interest for more personalised delivery methods with face-to-face contact with the trainer and less IT support. They noted an experience of taking a course where the mode of delivery was totally based on IT, and their staff found it very difficult to cope. They want courses that are delivered in conventional personal modes, rather than those based solely on IT.

### **8.1.3 Training outcome**

The outcome of training courses was also noted as an important factor for undertaking a course. This was noted as something that should be taken into consideration whilst planning training courses. Two companies noted that a certificate/diploma/degree should be built into training courses as this offers an incentive to participants to complete a course. In contrast, another company commented that a certificate/diploma/degree at the end of a course was not important at all; what was considered important in their view was the course content and its usefulness to their operations.

### **8.2 Insights from vacancy advertisements**

An analysis of one hundred vacancy advertisements for management positions in logistics and SCM was carried out. These vacancies were advertised both in the Humber region and nationally. The purpose was to identify the skills and competencies that were desired in managerial positions specific to logistics and SCM. The web-sites that were used were Logistics Manager ([www.lm-jobs.com](http://www.lm-jobs.com)) and Supply Chain Recruit ([www.supplychainrecruit.com](http://www.supplychainrecruit.com)). Vacancies advertised in a number of editions of the periodical of the Chartered Institute of Logistics and Transport, *Logistics & Transport Focus*, were also analysed. Major skills requirements that emerged as a result of this analysis have been considered under the following five headings: education, experience, personal characteristics, IT skills, and other skills and qualifications.

### **8.2.1 Education**

Jobs were analysed with regard to their requirement of a university degree. It was found that 17% of the jobs stated that they required the candidate to be educated to degree level, 9% stated that they required someone of degree calibre, and 74% did not state that they required any degree. Only one out of the one hundred vacancies analysed required an MBA; this also in fact was the only advertisement that required a postgraduate qualification of any kind.

The following advertisement was typical of those analysed and was targeted to recruit a Supplier Management Director with a salary in the range of £70,000-£80,000 per annum:

*You will have at least 8 years supplier management experience preferably gained within a retail or FMCG environment and will be open to becoming involved in other commercial elements of the business.*

*The growth of the company is expected to be fast and substantial which will demand the successful individual to continually adjust their skills as changes occur and to be able to implement relevant changes themselves (Supply Chain Recruit).*

The above vacancy was to recruit to a senior position in a Fast Moving Consumer Goods (FMCG) company. The advertisement has clearly emphasised the importance of experience in the sector and the personal qualities of the candidate. It does not make any mention of a formal educational qualification. The main insight that was drawn is that an overwhelming number of jobs at the senior level in the logistics and SCM sector did not require a university degree to be eligible for appointment. The emphasis was found to be more on experience and skills of the candidate, and understanding of the sector, rather than a formal degree at the undergraduate or postgraduate level.

### **8.2.2 Experience**

Adequate and relevant experience was found to be a significant factor for a senior level position in logistics and SCM. It was found that 85% of the advertisements required adequate experience in a related field as a pre-requisite for the job. 11% did not state any experience requirement. 4% stated that any experience in a similar field would be advantageous in the application.



It was found that some of the jobs required experience specific to the area that the employer dealt with. For instance, one company specifically asked for experience in supplier work with far Eastern customers. This was because the position involved dealing with far Eastern clients for the import of goods. Adequate experience was found to be overwhelmingly mentioned as a requirement, as against any professional qualification, university degree or any specific skill.

### **8.2.3 Personal characteristics**

The advertisements analysed were clear about what sort of personal characteristics and skills employers were looking for. Skills that were commonly listed were:

- Communication skills
- Interpersonal skills
- Leadership skills
- Negotiation skills
- Organisational skills
- Team-working skills

Some advertisements stated the need for employees to be dynamic and operationally astute with ambition and enthusiasm also being key attributes. Some of the quotes that describe what qualities employers were looking for, in terms of personal characteristics, are as follows:

*Hands-on approach, modern approach to management, people person, proactive ability to challenge existing practices, analytical, organisational, communication, influencing skills, teamwork.*

*Excellent track record of success, effective negotiator, communicator, strong people skills, strong leader with focus on team development, adaptive to the pace & pressure.*

*Ambitious, driven, results focused, excellent & sound commercial acumen, natural leader, hungry for more, drive passion and focus to succeed, leadership, strong financial skill, energetic. (Source: Supply Chain Recruit).*

The above quotes indicate that employers can be descriptive and subjective about the personal traits and qualities that were desired.

### **8.2.4 IT skills**

Advertisements were analysed with regard to the requirement for IT skills. 23% of the advertisements stated that they required strong or good IT skills. The rest 77% did

not say anything about IT skills. However, this is not to mean that these jobs did not require any IT skills. Most of the jobs had to deal with highly sophisticated systems and organise highly complex information in a competitive environment. IT skills are a corollary of the abilities to manage and use these systems. The message that may be carried is that candidates inevitably and obviously require IT skills, therefore it is not always necessary to state them in the advertisement.

Certain jobs also required specialist IT training that have been discussed in the "other skills and qualifications" (next) section.

#### **8.2.5 Other skills & qualifications**

It was found that some vacancies asked for certain skills and qualifications that are very specific to the position and the company. This section highlights some of these skills requirements that have not been covered in the sections above. These skills are not general, but are specialised qualifications and specific knowledge. 14% of the advertisements said that they required either a professional qualification or that the candidate has to be a qualified member of a professional institution such as the Chartered Institute of Logistics and Transport (CILT) or Chartered Institute of Purchasing and Supply (CIPS). Some vacancies required knowledge of subjects and qualifications that can be related to the area of the vacancy. For instance, it was found that an advertisement for a job with a firm dealing with food products required a qualification on basic food hygiene and health and safety. One vacancy similarly required the candidate to be fluent in French, and another required the candidate to have a firm understanding of the ISO-9001 quality standard.

Some of the other areas that were noted include:

- 6-Sigma Greenbelt
- Certificate of Professional Competence (CPC)
- Material Requirements Planning (MRP)

The above skills and qualifications were company or job specific. These skills were given equal attention with other criteria in the advertisements as they were essential to ensure success in the positions.

## 9. ADDRESSING TRAINING NEEDS

This chapter discusses those areas that were explored in the study that would enable UHLI to serve companies with the best education, training and development. It will discuss how companies wanted UHLI to support them and will also make recommendations.

### 9.1 Desired support from UHLI

Companies were asked how they would like UHLI to support them with their training and development. One company stated that UHLI already does what is required by the industry in terms of its courses and training seminars. They indicated that UHLI already had a range of courses, training and support facilities. They were of the opinion that UHLI just needs to highlight the same and reach its potential market. Another respondent noted that UHLI may benefit by building strategic business alliances and working relationships with local companies. They reported that they have been using a particular training provider which is geographically close to them. The training provider and the company have a working relationship which works both ways: the training provider provides training and support at good rates, and the company offers its vehicles to advertise the training provider.

The following are some of the ways in which companies desired UHLI to support them with their education, training and development:

- *Generic logistics knowledge:* It was noted that logistics and supply chain management is a huge area. Three companies wanted generic knowledge about the field. One company also wanted a description about what logistics actually encompasses as they believed that this is not yet clear.
- *Specific training courses:* Five companies noted that there is a need for specific and tailored courses regarding new developments in logistics. These courses ought to be tailored to particular industries and business needs such as supply chain planning, purchasing, operations, demand planning and efficient consumer response (ECR). Companies wanted information about these courses to be provided in appropriate and accessible formats. These courses ought to be linked into other courses in the city and the region.



- *Specific skills seminars:* Eight companies stated that they would like to see short breakfast seminars, guest speakers and bespoke courses.
- *Formal courses:* Two companies noted that they would like formal courses like undergraduate and postgraduate degrees to be offered by UHLI.

## 9.2 Recommendations

Specific recommendations have been made for UHLI to serve logistics companies in the region and establish itself as an institution of high repute. The following should be noted:

- *Organise on-site course delivery.* Companies sometimes prefer training to be provided on the job and on-site due to staff shortages and also for their convenience. Therefore there should be a strategy for the delivery of short training on company sites apart from UHLI premises.
- *Build in flexibility in course structures.* There should be a variety of courses including formal degree/certificate/diploma courses, along with seminars and bespoke courses. The delivery of these courses ought to be flexible with regard to time and location, considerate to the needs of working people.
- *Create awareness.* Most of the companies were aware of UHLI before they were approached for this study. However, there were many who were not. Therefore, greater awareness of UHLI should be built with companies in the region along with providing details of what UHLI offers.
- *Increase reach-out activities.* Being a newly established institution within a university setting, UHLI needs to create stronger relationship with the industry and promote its services. UHLI needs to relate closely to the needs of the market and establish a closer contact with its potential clients with increased reach-out activities.
- *Organise advanced courses.* Courses need to integrate new technological developments like Radio Frequency Identification (RFID), Automatic Identification and Data Capture (AIDC), Materials Requirements Planning (MRP), Enterprise Resource Planning (ERP), etc.

- *Market degree courses.* As an institution primarily for higher education, UHLI will have to convey the importance of undertaking higher degrees in logistics and SCM including first degrees and masters. As was seen in the analysis of vacancy advertisements, very few employers desire a first degree for appointments to senior level positions, and only one employer in the sample was found to require a masters degree. UHLI therefore has a challenging task to convey the importance of higher education to potential employers and clients.
- *Professional affiliation to courses.* Degree courses may be able to attract more students if they are accredited by related chartered or professional institutions. A professional accreditation will not only attract more students, but will also certify the high quality education that is offered.

## **10. APPENDIX**



## 10.1 Appendix 1: Questionnaire



June 2006

Re: DEVELOPING LOGISTICS SKILLS & COMPETENCIES

Dear Madam/Sir

The University of Hull Logistics Institute (UHLI) has initiated a research study directed by Professor John Mangan to investigate logistics skills and competencies in the Humber region. The logistics sector is crucially important in the context of the future economic development of the region and it is essential that the right skills sets are in place.

UHLI was established in late 2005 with the intent to serve businesses in the Humber region with world class education, technological innovation, research and consultancy. Please see enclosed brochure for details or visit our website at [www.hull.ac.uk/hubs](http://www.hull.ac.uk/hubs).

In this regard, it is essential for us to explore what the training and development needs of your company are and how you may want to address them. The questionnaire overleaf attempts to inquire some of these issues. It has 4 sections and it will take you approximately 15 minutes to complete. We are distributing the questionnaire to selected logistics managers and training & development managers in the Humber region. Your responses will enable us and our education partners in the region to serve you better with your professional and personal training and development.

Section 1 asks about your company profile. It is an optional section, and you do not have to disclose your name and your company. Any detail you provide will remain confidential, or will be anonymised if used for the purpose of dissemination of findings. Should you choose to provide us with your contact details, we will be happy to forward you a copy of the report from our research, in due course.

We will be very grateful if you kindly complete the questionnaire and return it in the pre-paid self addressed envelope provided as soon as possible.

We look forward to your kind co-operation.

Many thanks.

Yours sincerely

RAJ CHOWDHURY.

Please tick the box if you do not desire any further mailings from us

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**DEVELOPING LOGISTICS SKILLS & COMPETENCIES**

**1. COMPANY PROFILE (Optional)**

Your name ..... Profession .....

Name of company ..... Email .....

Phone ..... Address or just staple business card below

Core business .....  
 Number of employees .....  
 in the whole company .....  
 on this site only.....

Does your Company have Huestar or People status?  
 Yes  No  Working towards it

Please indicate what percentage of your employees on this site is

Managers/Professional .....	Administrative staff .....
Other skilled staff .....	Other non skilled staff .....

**2. TRAINING SPECIFIC**

Does your company have a training plan for staff? Yes  No

Does your company have a dedicated training budget for staff? Yes  No

Do individual staff members in your company have personalised training plans? Yes  No

How often are the training and development needs of your staff assessed? (Tick whichever is nearest)  
 Every 6 months  Annually  Never

Do you think the training and development needs for your staff are adequately met? Yes  No  Almost

Do you have any preferred training providers or do you regularly use trade associations for training provision? Yes  No

If yes, please name them .....

Please outline any publicly funded training support you receive .....

Indicate what percentage of your training & development budget will be typically spent on the following categories of employees:  
 Management/Professional ... % Administrative Staff ... % Other skilled staff ... % Other non-skilled staff ... %

What in your view are the top three criteria for selecting a training course?  
 1 .....  
 2 .....  
 3 .....

Please rank what you believe are the top five training areas required by logistics and supply chain managers.

1 .....	4 .....
2 .....	5 .....
3 .....	

**3. TRAINING UNDERTAKEN BY YOUR COMPANY**

Using the chart below please indicate, for each category of staff, how the training budget is typically allocated in your company. In each box, please indicate specific details, if possible. If you do not have accurate data available, please provide approximate percentages. See the following example:

Example:

	Management/ Professional	Administrative staff	Other skilled workers	Other non-skilled workers
Logistics	40% (training on logistics strategy)	30% (training on logistics documentation)	30% (training on standard logistics operating procedures)	None

	Management/ Professional	Administrative staff	Other skilled workers	Other non-skilled workers
Personal Skills				
General Management				
Health & Safety				
People Management				
IT (including RFID, PDA, ERP etc.)				
Finance				
Logistics				
Marketing				
Risk /Security				
Sector/ Product Specific				
Operations/ Process Management				
Equipment/ Materials Handling				
Other				



What in your view are the top three main barriers to training (please rank them 1 = Top barrier, etc.)

Lack of funding for training	<input type="checkbox"/>	Lack of time for training	<input type="checkbox"/>
Lack of cover for training	<input type="checkbox"/>	Lack of suitable courses in the region	<input type="checkbox"/>
High staff turnover	<input type="checkbox"/>	Lack of suitable courses generally	<input type="checkbox"/>
Unwillingness of staff to re-train	<input type="checkbox"/>		

**4. GENERAL**  
 Please indicate if you have any issues specific to gender, culture, language and/or disability with regard to training provision:

Please indicate if you have any issues with regard to recruitment and retention of staff in your company:

What in your view are the appropriate per-capita daily rates for training for the following categories of staff:

Management/Professional: £ .....      Administrative staff: £ .....

Other skilled workers: £ .....      Other non-skilled workers: £ .....

Were you aware of the University of Hull Logistics Institute (UHLI) before you received this questionnaire?  
 Yes  No  Yes, but not sure what it does

UHLI has an annual individual membership fee of £50, which gives members access to a range of facilities like business support, consultancy discounts in events and regular newsletters. Would you be interested in joining UHLI? Yes  No

If no, please state why:

How would you like UHLI to support you with training & development?

Please use the space below if you have any general comments:

## **10.2 Appendix 2: Useful links**

Business Link Humber  
[www.blhumber.co.uk](http://www.blhumber.co.uk)

Design Enterprise Centre  
[www.hull.ac.uk/dec](http://www.hull.ac.uk/dec)

Hull and Humber Chamber of Commerce  
[www.hull-humber-chamber.co.uk](http://www.hull-humber-chamber.co.uk)

Humber Business TV  
[www.broadbandcapital.co.uk](http://www.broadbandcapital.co.uk)

Humber Chemical Focus  
[www.humberchemicalsfocus.com](http://www.humberchemicalsfocus.com)

Hull City Council  
[www.hullcc.gov.uk](http://www.hullcc.gov.uk)

Humber Economic Partnership  
[www.humberforum.co.uk](http://www.humberforum.co.uk)

Knowledge Rich  
[www.knowledge-rich.com](http://www.knowledge-rich.com)

Regional Languages Network  
[www.rln-yh.com](http://www.rln-yh.com)

Skills For Logistics  
[www.skillsforlogistics.org](http://www.skillsforlogistics.org)

The Chartered Institute of Logistics and Transport  
[www.ciltuk.org.uk](http://www.ciltuk.org.uk)

The Northern Way  
[www.thenorthernway.co.uk](http://www.thenorthernway.co.uk)

The University of Hull Language Institute  
[www.hull.ac.uk/languages/langinst.html](http://www.hull.ac.uk/languages/langinst.html)

Yorkshire and Humber Assembly  
[www.yhassembly.gov.uk](http://www.yhassembly.gov.uk)

Yorkshire Forward  
[www.yorkshire-forward.com](http://www.yorkshire-forward.com)



### 10.3 Appendix 3: Bibliography

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