



PRESS RELEASE

Skills for Logistics lays down its strategy to increase UK competitiveness

Skills for Logistics, Milton Keynes, May 2012. Skills for Logistics (SfL), the sector skills council for the logistics and wholesaling industries, has launched its strategy to achieve its core desire to increase competitiveness of UK PLC.

Backed by £4m of government funding, the strategy comprises four key programmes that deliver professional, local, intelligent and progressive logistics. While each has its own subsection programmes, they all aim to help elevate the UK's position in the international logistics competitive league and to make the UK economy itself more competitive.

It is through these programmes that SfL will achieve its four priorities, which are:

1. Making the economic arguments convincing employers to utilise skills development to improve current workforce performance and more effectively recruit new employees.
2. Producing complete and comprehensive careers offers so that entry and progression are encouraged and supported
3. Making logistics companies the local employers of choice by connecting them to their local community.
4. Developing innovative solutions which both support employers in their recruitment and man-power planning and employees in their personal development.

There are approximately 200,000 logistics employers in the UK employing some 2.2 million employees – 1 in 12 of the UK workforce. However, half of

these employees are deemed to fall below minimum qualifications. So in addition to encouraging new recruits, the levels of training for existing employees must be raised if the UK is to climb the competitive league.

Already there are 25,000 apprentices with a SfL logo on their certificate. That's an annual contribution of £0.5bn to UK PLC, assuming that they are on average earning £20,000 a year. Yet by 2017, the logistics Industry needs to recruit 500,000 new employees.

Part of the challenge has been to increase awareness of logistics as a sector and as a business function, both to the general public and to policy makers in government.

Logistics is currently enjoying a high level of awareness among the general public, thanks to advertising from major logistics operators alongside documentaries that have focused on and popularised the sector. SfL, along with trade associations and other bodies, has also been raising the awareness of logistics as a pivotal business function within government.

This has led to the Department of Business Innovation and Skills (BIS) carrying out a logistics growth review for the first time. The results of this are reflected in the level of funding SfL has received – £4 million from the Employer Investment Fund (EIF) to provide support for employers during the period from April 2012 through to March 2014.

“This funding, it should be stressed, is not for the direct delivery of training. It is to put in place the necessary infrastructure to enable logistics employers to make the right decisions about what they need for skills development and then to ensure that those solutions are delivered,” said Mick Jackson, CEO of Skills for Logistics (SfL). This is the basis of SfL's first strategic priority: its Intelligent Logistics Programme.

The prime aim is to ensure that logistics employers have the same quality of intelligence for informed decision making to develop their human resource as they have for making decisions on procuring physical resources such as vehicles, forklift trucks or racking.

“It is vital that SfL delivers what employers themselves actually want, not what logistics skills specialists or training providers think employers may want,” said Jackson. SfL, therefore, strongly encourages employers to engage with it to produce the right kind of qualifications.

With the EIF funding, SfL is establishing an infrastructure comprising nine occupational craft skills groups that make up the Logistics sector. Each is chaired by the relevant trade association or professional institute. They will identify the precise occupations within that skill group – for example, in warehousing they might look at picking face operatives, warehouse managers, etc. They will then broadly define any skills shortages or gaps that exist now and how that might change in 3–5 years time.

Crucially, they will be asked to devise a ‘gold-standard’ for competencies for each individual job. For example, a Goods In clerk might have 10 essential competences, which will become the effective ‘gold standard’. Eventually there will be a set of standard, generic competences across all of the logistics functions that are determined by real operators, endorsed by the relevant Trade Association or Professional Institute and that will be accredited by SfL as the industry gold standard, which companies can then sign up to.

These will feed into SfL’s second strategic plan priority, Professional Logistics, which aims to produce complete and comprehensive careers offers to encourage entry to the sector and support progression up The Professional Development Stairway, from entry level to senior management.

Better informed employers and a more attractive sector will be brought together at the local scale in the main logistics hotspots through SfL’s third priority: Local Logistics. This will connect the logistics sector to the local community it serves and SfL will work with the Trade Associations and Professional Institutes to really ensure that ‘Logistics’ becomes a local employer of choice.

Finally, the fourth priority, Progressive Logistics, is about developing innovative skills solutions to give employers real on-ground support to reduce risk in their recruitment, manpower planning and staff development activities.

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www.skillsforlogistics.org

About Skills for Logistics

Skills for Logistics (SfL) is the Skills Sector Council (SSC) for the freight logistics and wholesaling sector (The Logistics Sector). SfL works alongside companies in the UK that are involved in moving, handling, storing and wholesale of goods. SfL is licensed by Government to tackle the skills and productivity needs of employers in the logistics and supply chain sector.

The UK Logistics Sector is worth £74.45bn to the economy and the 196,000 companies operating in the sector employ one in twelve of all the working people in the UK. Established in 2003, SfL's mission is to enable employers in the logistics sector to gain competitive advantage by developing workforce skills. It also aims to deliver a more productive and efficient low carbon UK Logistics Sector, enhancing UK competitiveness in the global marketplace. SfL's ambition is to "open the doors so that logistics skills potential can be released, enabling people and organisations to do amazing things". This drives SfL's vision "to deliver the best skilled workforce in the world".

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