



Logistics Sector Skills Needs Assessment Workshop Report

Punjab Skills Development Fund (PSDF)



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PSDF reserves the moral right for this publication.

Acronyms	Particulars
ACAAP	Air Cargo Agents Association of Pakistan
CILT	Chartered Institute of Logistics and Transport
DFID	Department for International Development
FGD	Focused Group Discussion
GDP	Gross Domestic Product
IT	Information Technology
IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
FIATA	International Federation of Freight Forwarders Associations
LPI	Logistics Performance Indicator
NGO	Non-governmental organization
PIMS	Pakistan Institute of Management Sciences
PIA	Pakistan International Airlines
PIFFA	Pakistan International Freight Forwarders Association
PEOP	Punjab Economic Opportunities Programme
PSDF	Punjab Skills Development Fund
RFID	Radio-Frequency Identification
TOT	Training of Trainers
TSP	Training Service Provider
UMT	University of Management and Technology

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INTRODUCTION

Punjab Skill Development Fund (PSDF) is a section 42, not-for-profit company set up by the Government of the Punjab in partnership with Department for International Development (DFID), United Kingdom. PSDF's interventions focus on raising the skill level of individuals in trades that can enable them to get into the world of work. The Fund follows a competitive tendering model to purchase training services from a mix of private institutes, NGOs, and public providers. The organization supports the citizens of districts in southern, central and northern Punjab, which include Bahawalpur, Bahawalnagar, Muzaffargarh, Lodhran, Lahore, Sargodha, Gujranawala, Faisalabad, Chiniot, Sheikhpura, Rahim Yar Khan, Vehari, Khanewal, and Narowal. Collectively these districts possess well-established, labour-intensive industrial and agricultural clusters. PSDF uses skills sector demand assessment by carrying out consultations with selected industries and by commissioning skills' demand surveys. The impetus for conducting such consultations comes from the understanding that skills-based deficiencies can have implications on individual companies as well as the growth of sectors as a whole. Through interactive meetings such as those conducted by PSDF, employers – by articulating their specific needs for skilled workforce – help identify areas where PSDF may intervene through targeted training programmes.

The publication in hand presents the findings of the workshop held on 3 April 2014 at Avari Hotel, Lahore to ascertain the skills needs of logistics sector. The workshop was organized in collaboration with the Pakistan International Freight Forwarders Association (PIFFA). The purpose of convening the workshop was to engage sector players in identifying skills shortages and gaps¹ within the logistics industry of Punjab, so that PSDF may chart a suitable training programme to service the skills' demand of this sector.

The workshop attempted to identify current skills, corresponding qualifications, skills shortages, and skills needs that may be required in the future in the wake of new technological and work process changes. The event brought together a diverse group of stakeholders ranging from freight forwarders to custom brokerage companies, warehouse operators, training service providers, members of the academia, economists, and other industry players.

¹Skills gaps pertain to proficiency levels of existing workforce, whereas skills shortages are manifested through difficulty in recruiting appropriately skilled individuals within a reasonable time period.

Logistics and shipping involve managing the transfer of products from the place of their origin to the place of their consumption. The logistics of physical items depend on the integration of information flow, and expertise in material handling, production, packaging, inventory, transportation, warehousing, and often security.

In Pakistan, logistics is an important economic sector exhibiting significant growth, employment and investment potential. The sectors of transport, storage and communication enjoyed the second biggest share of GDP at 13.7% in 2013². The industry has also registered a growth of 3% last year and provides employment to approximately 1.5m people (directly and indirectly) in Punjab. For goods-producing countries like Pakistan, strong logistics is an essential component of the supply chain and is a key driver for private-sector development and overall economic growth. Efficient logistics can have wide-ranging positive economic impact if temporary goods shortages and price hikes are curtailed and unhindered supply of essential goods to far off places is ensured.

According to the industry representatives, about 95 percent of the total freight cargo is moved by road, 3 percent by rail and the remaining by air and waterways. The freight forwarding industry comprises of about 4,000 firms out of which 500 are registered with the PIFFA. These freight forwarders handle 50 percent of the export tonnage and the rest is handled by clearing agents. Freight forwarders engage trucking companies for delivery of cargo to container freight stations or warehouses. However, warehousing in Pakistan, particularly export cargo warehousing, is at a very nascent stage. From these warehouses, after consolidation, the cargo is either delivered to the end consumer, or is sent to container freight stations for shipments through ports. Here, the cargo then passes through custom clearance and is loaded onto ships for onward transportation. As per the World Bank reports, Pakistani ports handled around 2 million twenty-foot equivalent units in 2012. The number is expected to grow as exports increase.

Despite the potential, Pakistan's logistics sector remains rather unorganized and unregulated. The industry has serviced Pakistan's export and domestic logistic needs for decades, but now its transformation along modern practices which is supported by the government, is in order so that the country is able to fully take advantage of emerging market opportunities both locally and internationally. A study conducted by the International Finance Corporation (IFC) in 2009 on the logistics sector of Pakistan revealed that there were critical inefficiencies in the

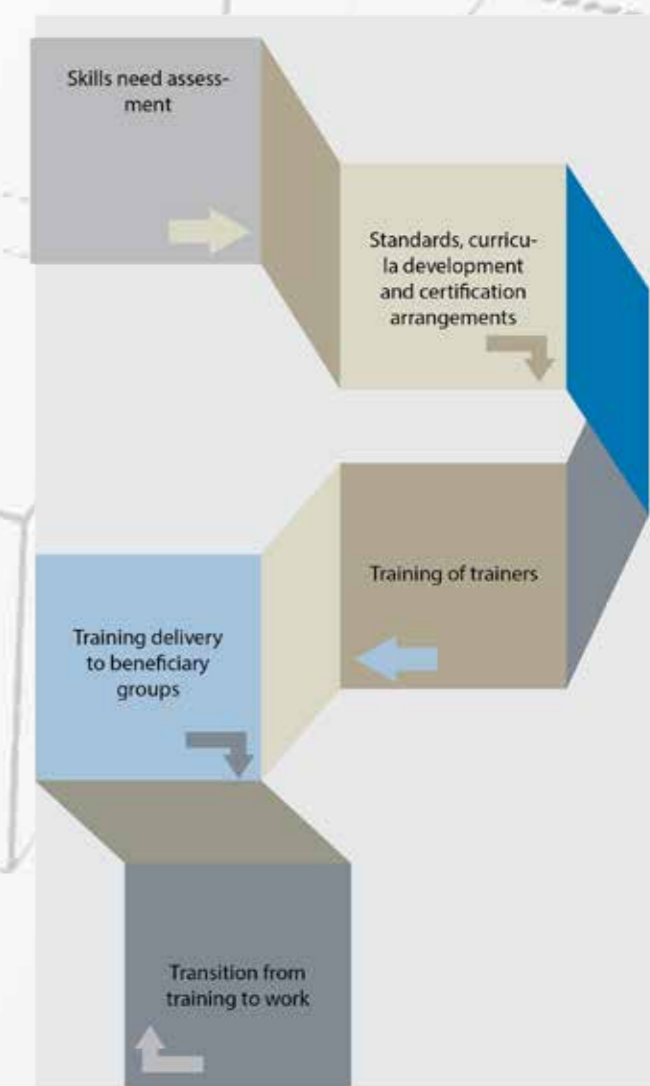
LOGISTICS SECTOR AT A GLANCE

country's logistics value chain resulting in a 45 percent excess in export times (compared to Spain³) and higher logistics costs (35-40 percent of retail price compared to 22 percent in Spain). With government plans to achieve increased levels of geographical connectivity in the offing (such as the Pak-China Trade Corridor), developing an efficient and modern logistics sector becomes all the more imperative. To bank on Pakistan's potential of being a hub for regional connectivity and transit trade, as well as the opportunities emerging from a burgeoning domestic market for consumer goods, major infrastructure investments and strong human resource developments will need to be made.

Objective of the Workshop

The objective of the logistics workshop was to bring employers and other stakeholders under one roof to solicit their opinions and observations regarding the sector's needs for skilled individuals. This information would be used to acquire better understanding of how logistics companies work, and prepare an action-plan for the skilling of individuals as per the needs of the logistics sector. The consultation is a part of the process for skills development cycle:

Prior to the workshop, a tentative list of existing national and international qualifications in the sector was developed after consultations with PIFFA and other industry experts. The qualifications available abroad but not in Pakistan were also listed to elicit better feedback from the participants about the need of different courses/qualifications. The participants were also asked to determine the sufficiency of current training provision in terms of its ability to service the occupational needs of the industry. They were also invited to make practicable suggestions about curricula development, and ways to develop meaningful linkages with Training Service Providers (TSPs) for training and job-matching. The participants' willingness to engage as on-the-job trainers, and to employ new trainees and provide feedback on their performance was also gauged during the workshop. Their opinion was sought about the areas where they thought qualifications needed to be developed to correspond to a required skills set.



²Economic Survey of Pakistan, 2013

³Spain was taken as a benchmark country due to its efficient logistical value chain

The Questionnaire

The data on the skills needs of Logistics sector was collected with the help of a questionnaire comprising of 24 structured and semi-structured questions (see Annexure 1). The questionnaire was administered to thirty three participants managing not only air, rail, road and sea transport but also integrated services, warehousing and customs clearance and other businesses with in-house logistics operations. The questionnaire reported on four main themes:

- Basic workforce characteristics;
- Skills and qualifications of current workforce;
- Recruitment difficulties and skills shortages ; and
- Potential of the firm to act as a trainer.

I. SURVEY METHODOLOGY

Focus Group Discussions

The participants were divided into two groups- based on the type of services and sub-sectors- for focus group discussion session. The first group comprised of entities operating in air, rail, road and sea logistics and the second group comprised of integrated service providers, warehousing and customs clearance sub-sectors. The discussion in each group was moderated by a facilitator with the help of a questionnaire (see box 1). The basic purpose of the discussion was to obtain rich input about industry's skills needs.

II. FINDINGS OF THE FGDS

'Major challenges of Logistics Sector

Due to lack of proper integration of systems and the absence of a dedicated logistics regulatory authority, the logistics sector in Pakistan has been unable to exploit the opportunities for successful logistics results that the country potentially offers given its demographic and export promise. The sector has been lagging behind its counterparts in the Middle East, South East Asia and the rest of the world. One of the main problems is the country's weak road and rail infrastructure which severely hampers the performance and the geographical reach of both domestic and cross-border logistical services. Moreover, the trucking system, upon which the bulk of road goods transport relies, remains primitive

and unregulated. It needs to evolve in response to modern logistical needs in terms of licensing, insurance, goods-handling, warehousing and other requirements. This will not only facilitate local trade but will also enhance cross-border and transit trade to and from neighbouring countries. A technologically up-to-date tracking system will further strengthen the sector while truck licenses will ensure business trust and increased reliability on road transport.

FGD 1 – Transport (Air, Road, Rail, and Sea)

Overview of the sub-sector

According to the industry representatives, the total freight cargo being handled in Pakistan is approximately 250 million tons, out of which approximately 36 million tons is export tonnage. Thus, Pakistan's domestic logistics sector is ranked fourth largest in Asia. As per the numbers provided by PIFFA, Karachi, Lahore, Sialkot and Faisalabad have the highest number of companies servicing this industry. Perishable items such as meat, fruits, medicines and certain medical and surgical equipment are imported and exported by air. Road transport is mostly used to transport heavy cargo such as raw material, fertilizers, and textile machinery.

An important point is that all of the goods which are to be shipped by sea are transported first to Karachi by road. An estimated number of 3.5 million trucks are used in Pakistan for transportation of cargo and about 2,200 freight forwarding companies are operating for such purposes. However, the logistics industry suffers heavy losses due to the lack of technical know-how and lack of product knowledge of third party transporters.

Most demanded trades

The trades and occupations needed by the sub-sectors that emerged during the FGD were trained drivers, crane operators, cold chain workers (refrigeration engineering management), loaders and carriers. Additionally, the participants emphasized the importance of basic educational qualifications for all the staff handling cargo and transactions. They stressed the need for fostering skills that correspond to newly-emerging electronic transactions, documentation, and air-way billing systems; troubleshooting engineering skills, strong operations and IT skills, and soft skills especially for those people who directly deal with international and domestic customers and knowledge of safety regulations.

Most needed skills

The most needed skills identified by the participants of the FGD were loading, driving, road emergencies awareness, safety and security awareness, the knowledge of product-specific carriage and handling, and finally the knowledge of international business processes and compliance

with international standards.

Successful past examples of training provision

The participants quoted the Diploma in Freight Forwarding offered by PIFFA, the Diploma in Supply Chain Management offered by Pakistan Institute of Management Sciences (PIMS) and the MS Supply Chain degree offered by University of Management and Technology (UMT), Lahore, as successful examples of trainings provided in this sector. However, such qualifications are suitable for individuals aiming to enter the logistics industry as professionals.

International benchmarking

The participants mentioned that supply chain training programmes offered in the United States, Australia, Switzer-

Box 1: OPEN-ENDED QUESTIONS FOR DISCUSSION

- I. What are the challenges faced by your sub-sector(s)? Is there any growth potential? Evidence/cases can be cited.
- II. Overview of the sub-sector (estimates of employment numbers, geographic clusters and considerations, who are the consumers of the sub-sector in consideration)
- III. What should be the overall skills training target for the logistics industry in Punjab and in your sub-sector?
- IV. What new trends/technologies/drivers of change require efforts for skills development of workers?
- V. What are the most needed skills for your sub-sector?
- VI. What have been successful past examples of vocational training in the industry in Pakistan (this could be from training experience of individual companies, institutes or donors)?
- VII. Based on your knowledge in the sector, which country's skills qualifications, certifications and trainers can be most useful to Pakistan's logistics industry? (country, skills to be identified, reason for preference)
- VIII. What can be employers' contribution (in cash or kind) for training of workers?
- IX. It is said that vocational training is incomplete without practical experience in the industry. What would be the most appropriate system of providing on-the-job training to workers under training?
- X. Can employers provide pledges to employ trained workers? If yes, for which skills?
- XI. What role can PIFFA and other associations play in this initiative?
- XII. Can you share any other suggestions to improve vocational training for skilled workers in the logistics sector?

land and UK can be regarded as international benchmarks that could be followed locally in order to devise appropriate training programmes (skills qualifications, certification and trainers). However, they did not list specific courses or institutions offering those courses.

Employers' willingness to provide on-the-job training

The participating employers expressed their keen interest in providing on-the-job training to the trainees by arranging guest lectures and offering their premises and infrastructure for practical trainings. Participants also pledged their willingness to employ trained individuals especially in the areas of customs clearance, customer services, sales, documentation and operations.

Role of the association and other industry players

FGD participants highlighted the role of PIFFA and other associations and affirmed that they could play an important part in this initiative if, for example, basic courses are offered by the Air Cargo Agents Association of Pakistan (ACAAP) and PIFFA. The participants reiterated that PIFFA was already offering sector specific short courses and a diploma in international freight forwarding in collaboration with International Federation of Freight Forwarders Association (FIATA). This training is driven by the requirement of having at least two FIATA certified employees to become a member of international association.

Other suggestions

In order to improve the provision of vocational training for workers, the participants emphasised the importance of aligning all training provision with industry needs. This, they asserted, is only possible through increased interaction and better linkages between the training institutes and members of the industry.

Overview of the sub-sector and growth potential

Agriculture plays a vital role in Pakistan's economy; therefore the warehousing system is of critical importance when it comes to storage and transportation of agriculture produce. It emerged from the discussion that a significant room exists for improvement in local warehousing systems, especially for perishable goods. Temperature controlled warehouses are being used worldwide which can significantly reduce losses of perishable and frozen goods. Improvement in the warehousing system has been forecasted to reduce at least 5-7 percent of inventory costs. Educating and training employees for these cutting edge systems in the logistics sector is as important as establishing reliable physical and integrated infrastructure.

Need for skills training

The employers estimated that about 3,000 companies would require about 1500-2000 trained personnel in

various trades over the next five years. Although businesses are downsizing to cut costs, the GSP Plus status awarded to Pakistan by the European Union fits well for the growth of exports and hence the logistics sector. The participants emphasized the need for effective Training of Trainers (ToT) initiatives.

New trends and technological changes

The participants stated that they had observed more demand in the industry for internationally certified and professional courses in Logistics. Less preference is accorded to academic qualifications as they do not seem to offer sufficient practice-oriented, real-world training in logistics



and supply chain operations. Universities and training institutes need to introduce customized courses which cater to the need of the warehousing and logistics industry in Pakistan. Another important aspect related to new technologies which was discussed is the need for a broad-based use of Radio-Frequency Identification (RFID) technologies and new accounting systems integrated with software-based accounting and information systems.

Most needed skills

The demand for most needed skills in the freight forwarding subsector that emerged from the discussions were corroborated by those recorded by the survey questionnaire. The participants identified the following occupational areas,

skills and trainings as most in need:

- Green logistics management
- Custom house brokerage
- Dangerous goods packing and handling
- Safety and security management
- Sales agents
- Warranty handling & management (repair / replacement shipment handling)
- Know-how of industry-relevant IT systems
- Diploma in Freight Forwarding offered by PIFFA

Successful past examples of skills training in the industry

The participants identified the PIFFA and International Fed-

International benchmarking

The participants were asked to opine on the relevance of the professional trainings offered by different countries. Most of the participants were of the view that trainings offered in Singapore, Malaysia, Germany, and Switzerland enjoyed the most global acceptance. These countries also rate highest in the LPI (Logistics Performance Indicator) compiled by the World Bank. However, the participants did not mention specific courses or training institutes.

Employer's contribution

The employers expressed their keen interest in providing on-the-job training to the trainees by arranging guest lectures and offering their premises and infrastructure for practical trainings. They also pledged to employ trained individuals.

Role of associations

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FGD 2 - INTEGRATED SERVICE PROVIDERS, WAREHOUSING AND CUSTOMS CLEARANCE

Employer's contribution

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⁶French: Fédération Internationale des Associations de Transitaires et Assimilés

⁷<http://www.apics.org/about/overview>

III. FINDINGS OF THE QUESTIONNAIRE

This section highlights the key findings collected through the questionnaire that was administered during the workshop. The purpose of the questionnaire was to collect responses from the entities which could have been different from the group discussions held during the workshop.

Overview of participating firms

A total of 33 firms participated in the survey. Out of these, 17% of the firms were engaged in sea freight and freight forwarding respectively. Air freight segment had 16% representation while custom brokering, road freight (trucking), third party logistics services and multimodal haulage had 14%, 10%, 9% and 8% representation respectively. Firms offering warehousing and courier services had 9% representation. The sample was a representative of various sub-sectors within the logistics sector.

Size of companies

The participants of the workshop represented a good mix of companies of different sizes, operating both locally and internationally. The size of each individual company was determined by the number of its employees. 34% of the firms had less than 10 employees; 30% of the employees had more than 10 but less than 35 employees; 12% of the employees had more 36 but less than 99 employees and 24% of the participating firms had more than 100 employees. Majority of the firms with more than 100 employees had broad-based local and international operations and placed a higher focus on international shipments⁸.

Employment trends

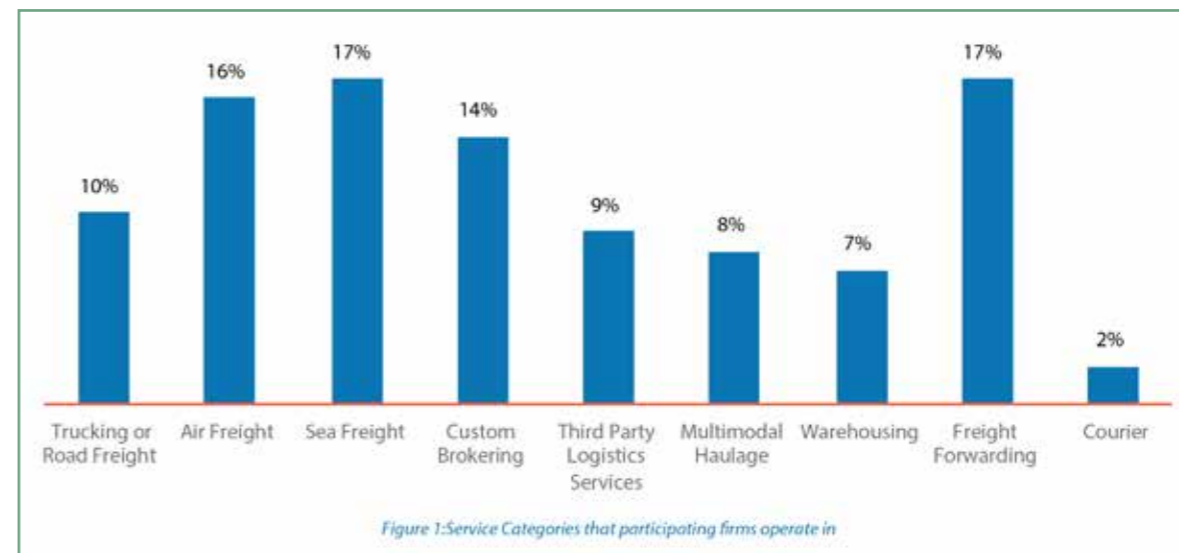
The participants were asked if the number of staff in their companies had increased, decreased, or remained the same over the past five years. 69% of the participating firms reported to have increased their staff which implies that these firms are expanding their operations and portfolio of services and thus hiring more staff. Moreover, 30 out of 33 firms showed their interest to grow and expand in the next 2-3 years.

Conversely, only 6% of the firms reported a decrease in the number of employees which suggests that these firms are suffering from a loss in their business or market share.

However, it can be inferred from the higher percentage of increase in the number of employees that most of the companies in the logistics sector are acquiring sufficient business through local and international trade in Pakistan.

Salary ranges of middle-management and workers/operators

According to our survey, the workforce in most of the firms can be bifurcated into workers & operators and middle management. The former includes loaders, drivers, warehouse operators, sea freight operators, air export operators, port operators, dealers, supervisors, assistants (of freight managers), warehouse in-charge, cargo handlers, and also sales officers (as pointed out in survey findings), etc. The latter consist of , transport and distribution managers, import managers, export managers, air freight executives, sales executives, customs clearing officers, sea freight manag-

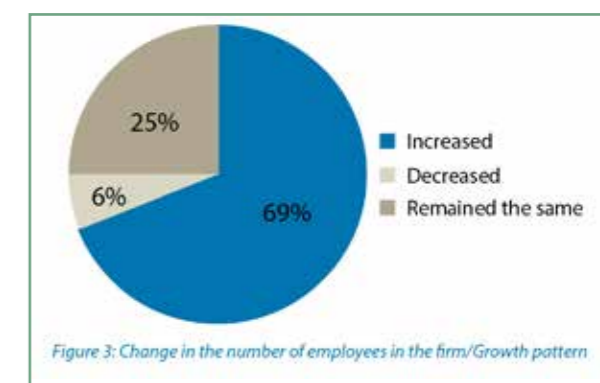
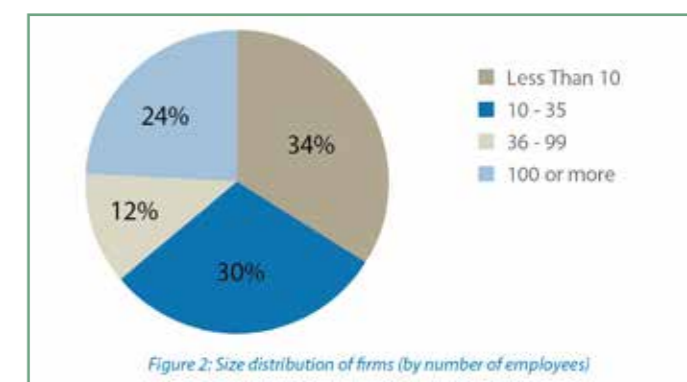


ers, project managers and operation executives, etc. In general, the firms reported that a decent pay-scale is prevalent in the industry. According to firms' self-reported estimates, the salary for middle management ranges from PKR 15,000 to PKR 65,000, whereas, for workers and operators, it ranges from PKR 8,000 to PKR 50,000.

Common qualifications held by employees in the logistics sector

To gauge the requisite qualification level of employees, respondents were asked about required qualifications at both worker and middle management level. It was observed that firms recruit both workers and middle management staff with varying levels of education. When hiring staff at middle management level, 30% of the firms required a minimum of a bachelor's degree; 20% of the firms demanded workers with some professional logistical qualification while 19% of the participating firms reported requiring at least a postgraduate qualification at the time of recruiting. This shows that educational/professional qualifications are accorded greater importance at middle management level.

At the worker level, the demand for professional qualification is low compared to middle-management level employees. But if compared within this cadre, 13% of the respondents preferred workers with professional logistical qualification and 18% demanded workers with vocational/technical diploma. 39% of the firms required workers having matriculation/intermediate education and 20% demanded a Bachelor's degree holder at the time of recruitment. It im-



⁸Since these large firms offer a wide range of services in addition to freight forwarding, a separate analysis of these firms is also given later on in this report.

plies that, logistic sector firms give more weightage to the educational qualification at the time of hiring workers or operators. The hiring trend reflects the same pattern as in the case of middle management.

Technological changes in the sector

Most of the firms stressed the importance of establishing management systems for end-to-end supply and tracking of goods. The lack of these systems make businesses rely heavily on their human resource, hence justifying a high demand for higher educational levels.

Furthermore, need was observed for the following changes in order to restructure and strengthen freight forwarding systems so dependency on human resource can be reduced:

1. Enhancements and greater integration of online customs systems and related software
2. Expansion in cold-chain logistics networks and warehousing facilities
3. Improved shipment tracking systems

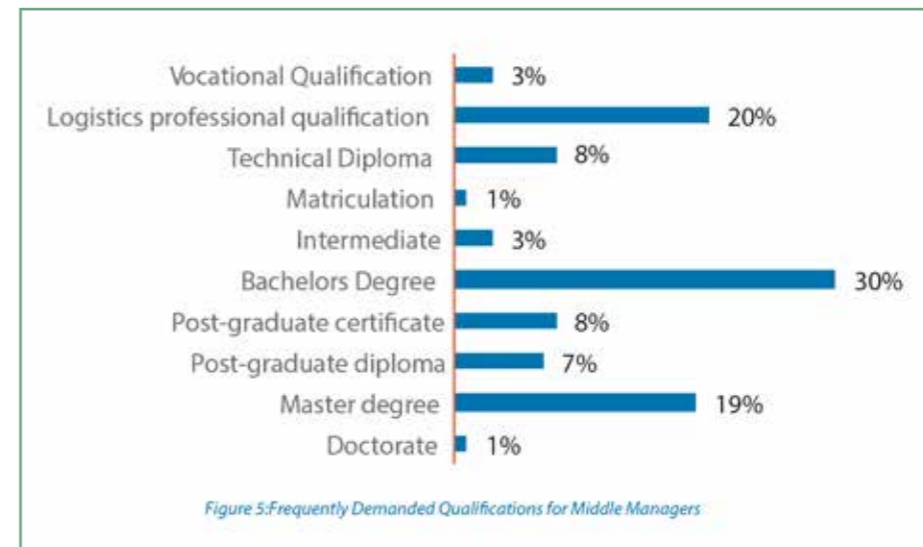
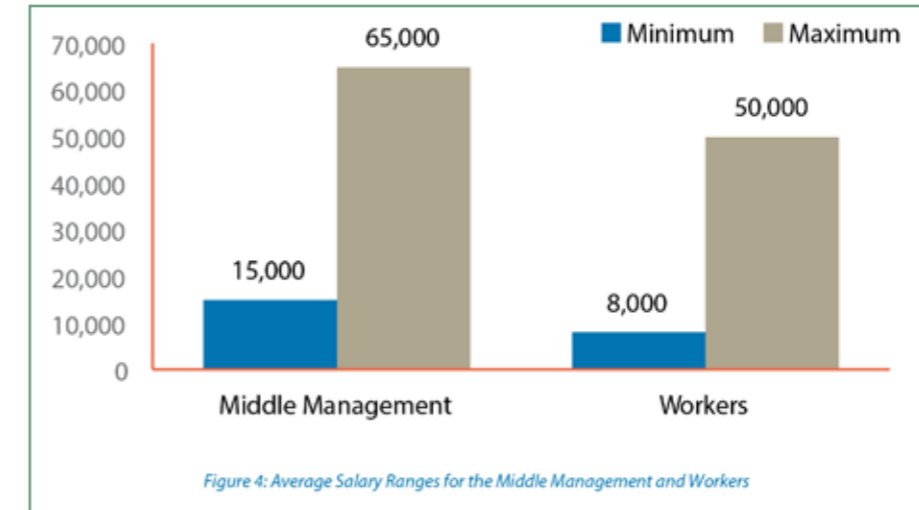
Current vacancies in the sector

The respondents informed that job vacancies are available in sales at both middle-management and worker level. As the majority of the firms in the logistics sector have grown in size, it can be inferred that these firms want to hire more sales staff to support further growth and expansion.

When asked about the vacant positions at the mid-manager level, 43 positions of sales executive, 35 of customer services representative and 27 of Assistant Sales Manager were reported to be vacant. On average, a firm required work experience of four years for the vacant positions at the middle-manager level. The 33 firms reported a total of 138 vacancies which implies that on average each firm would be hiring 4 persons at the middle level positions. At the workers level, 30 positions were reported to be vacant for Port Operators⁹, followed by Dealers¹⁰ (20), Office Executives (15) and Sales Officers (15). On average, three years of work experience was preferred for the vacant positions at the worker/operator level. The participating firms reported a total of 103 positions at the worker/operator level which indicates an average of 3 vacant positions per firm at the worker level.

⁹Managing the movement of cargo containers between cargo ships, trucks and freight trains and optimizing the flow of goods through customs.

¹⁰Provide wide range of services in logistics to help move business forward.



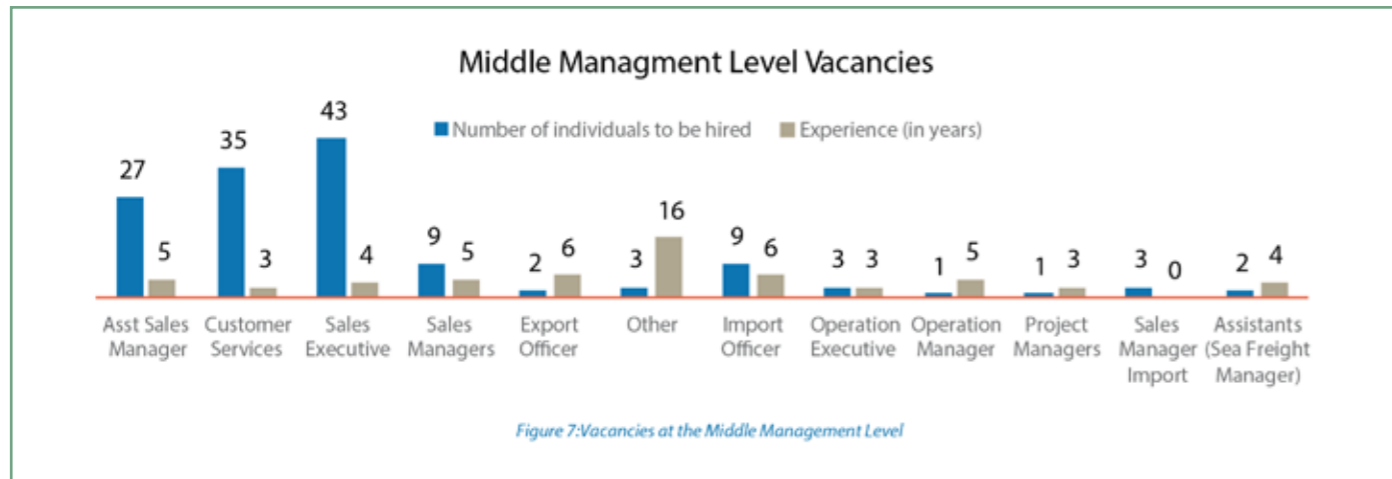


Figure 7: Vacancies at the Middle Management Level

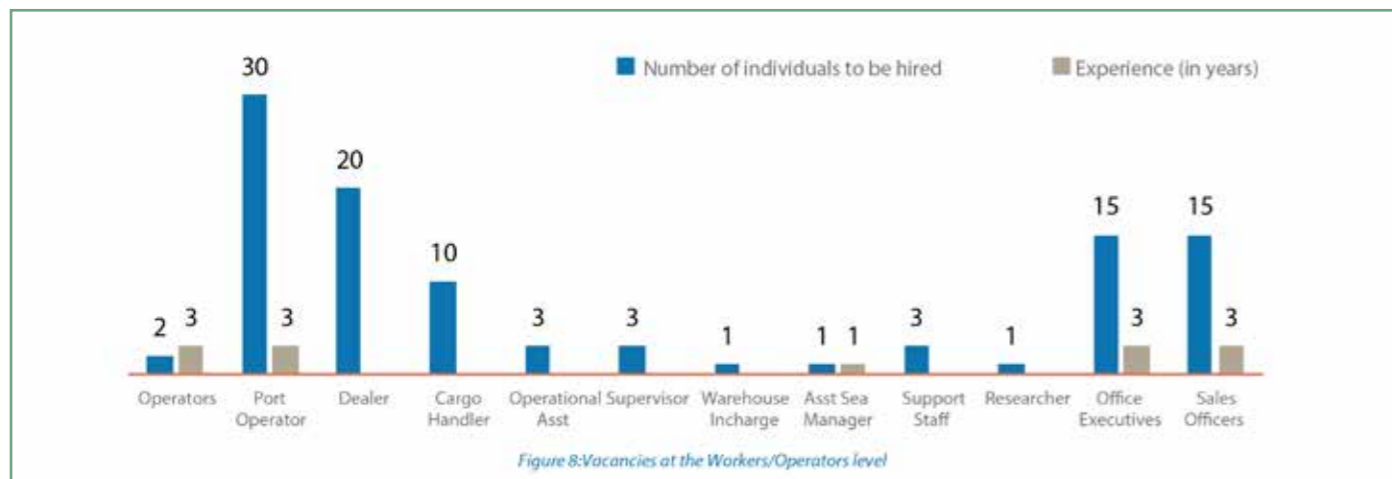


Figure 8: Vacancies at the Workers/Operators level

Hiring trends

In order to determine hiring trends in the logistics sector, the respondents were grouped into four categories (micro, small, medium and large), based on their number of employees. The firms were asked about the number of personnel hired over the past one year. This was instrumental in ascertaining the ability of the sector to retain its employees.

The number of workers replaced over the past one year was slightly greater than the newly hired workers in the micro, small and large sized firms. On average, 16 personnel were hired as replacements (in all four categories) whereas the average number of new hires was 15. Replacing existing workers as well as hiring new workers appears to be a constant activity.

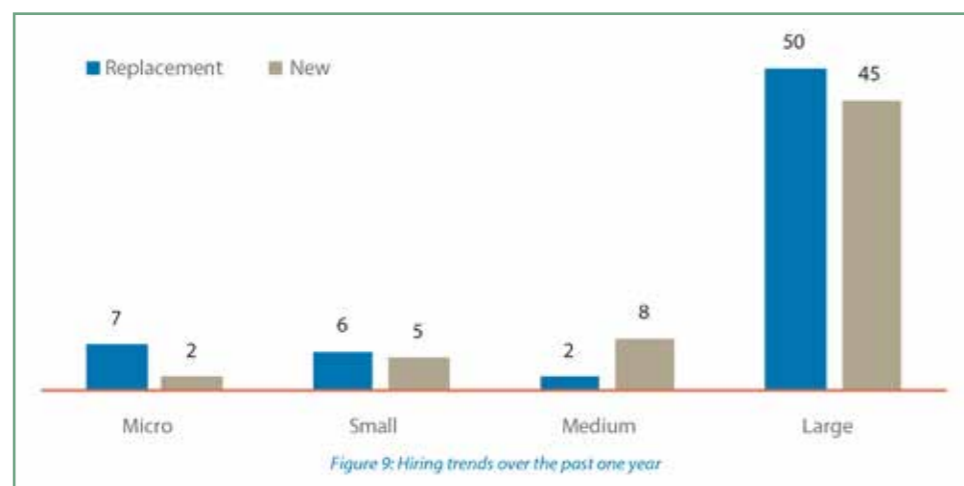


Figure 9: Hiring trends over the past one year

Hard-to-fill vacancies

A hard-to-fill vacancy is one that an employer struggles to fill due to shortage of workers having requisite qualification/experience or due to push factors in the workplace such as low wages. Ascertaining hard to fill vacancies is an important aspect of this questionnaire because skills gaps and hard-to-fill vacancies are observed to have more or less similar implications for employers. Interestingly almost 35% of hard to fill vacancies were related to sales, implying a major skills gap in this area, whereas 21% pertained to operations in logistics management. Other hard to fill positions included vacancies related to IT, marketing and research & development (R&D) (16%), imports and exports processes (7%) and customs clearing (9%).

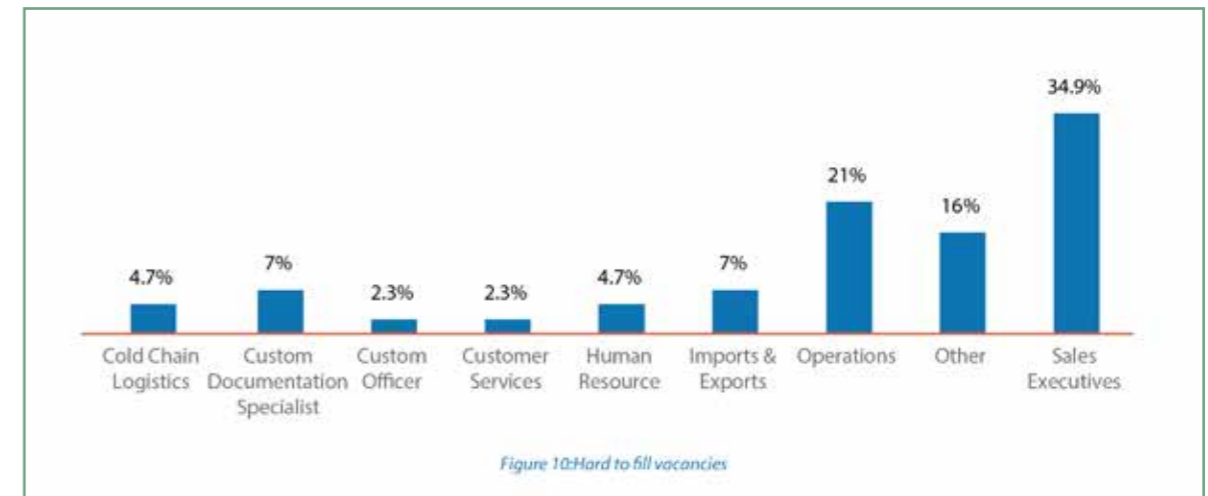


Figure 10: Hard to fill vacancies

Firms were also asked about the major causes of hard-to-fill vacancies. From the employer's point of view, the most important reasons for difficulty in recruiting against the above positions are lack of skilled and qualified applicants (41%), followed by lack of experienced applicants in the logistics sector (17.4%). This implies that the training market should catalyze to meet the skills gap of the employees in the logistics sector.

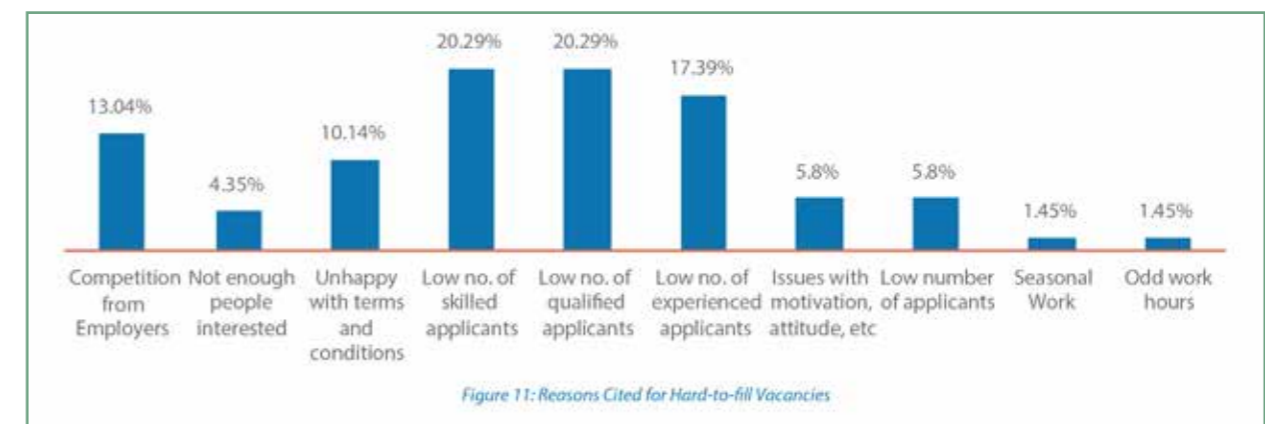


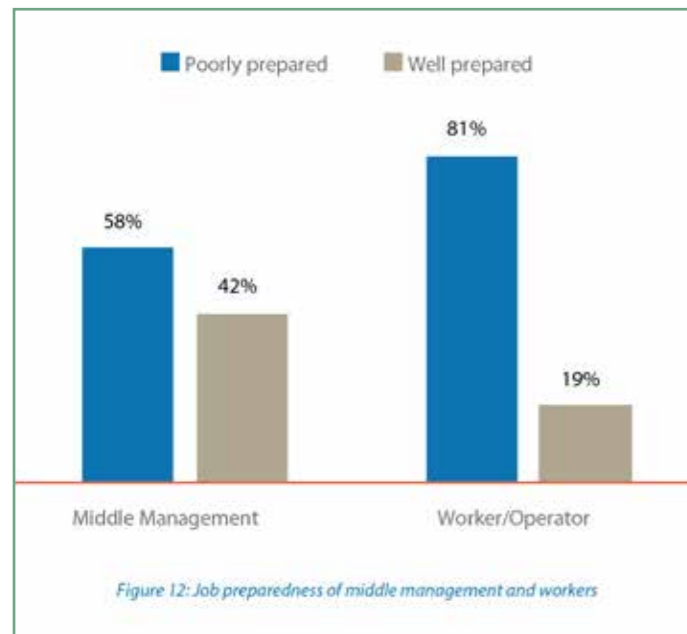
Figure 11: Reasons Cited for Hard-to-fill Vacancies

Quality of new recruits

Survey suggests that middle management-level applicants tend to be better prepared for their jobs than the operator/worker level applicants at the time of recruitment. 42% of the employees at the mid-management level and only 19% of the employees at the worker level were reported to be well prepared for the job at the time of recruitment. The majority of the employees, both at the mid-manager and worker/operator level, were found to be poorly trained for the job. The respondents were of the view that fresh employees lack required competencies due to which there is an overall shortage of skilled personnel in the sector.

Firms were also asked to state why middle management and workers/operators were poorly prepared for the job. 36% of the firms were of the view that one of the reasons that middle managers were unprepared was lack of required technical skills¹¹ and competencies. Poor IT skills and lack of soft skills were identified as reasons for unpreparedness by 24% and 22% employers respectively. 17% of the firms held the view (among other reasons) that middle-level managers did not have

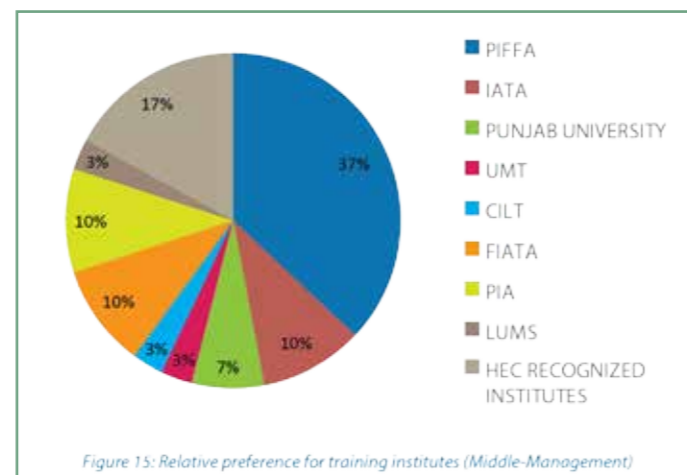
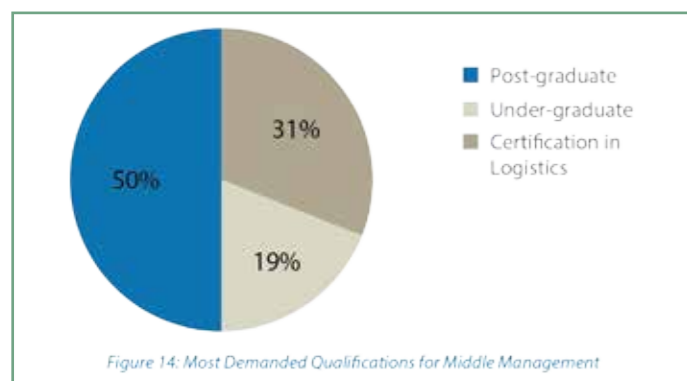
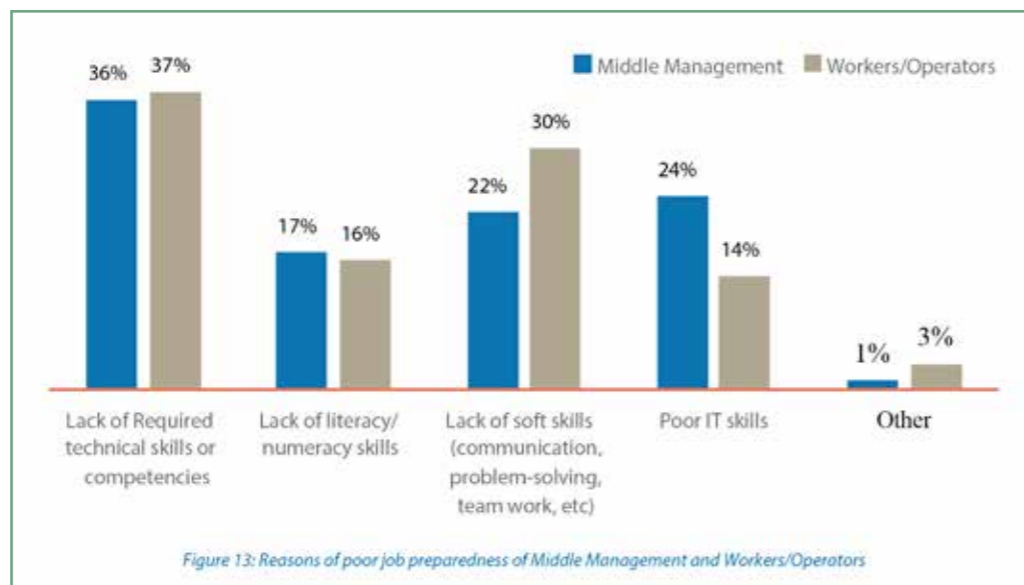
¹¹ The knowledge and abilities needed to accomplish specific tasks



adequate literacy¹² and numeracy¹³ skills. At the worker/operator level, 37% of the firms reported lack of required technical skills as the major reason for workers' unpreparedness. Lack of soft skills and poor IT skills were also quoted as the major reasons by 30% and 14% of the firms respectively. 16% of the firms were of the view that workers/operators are poorly prepared due to poor literacy and numeracy skills. These findings ascertain the need to impart technical as well as soft-skills to the potential employees of the sector. It will also help in improving the industry's competitiveness in the international market.

Training demand and training sources

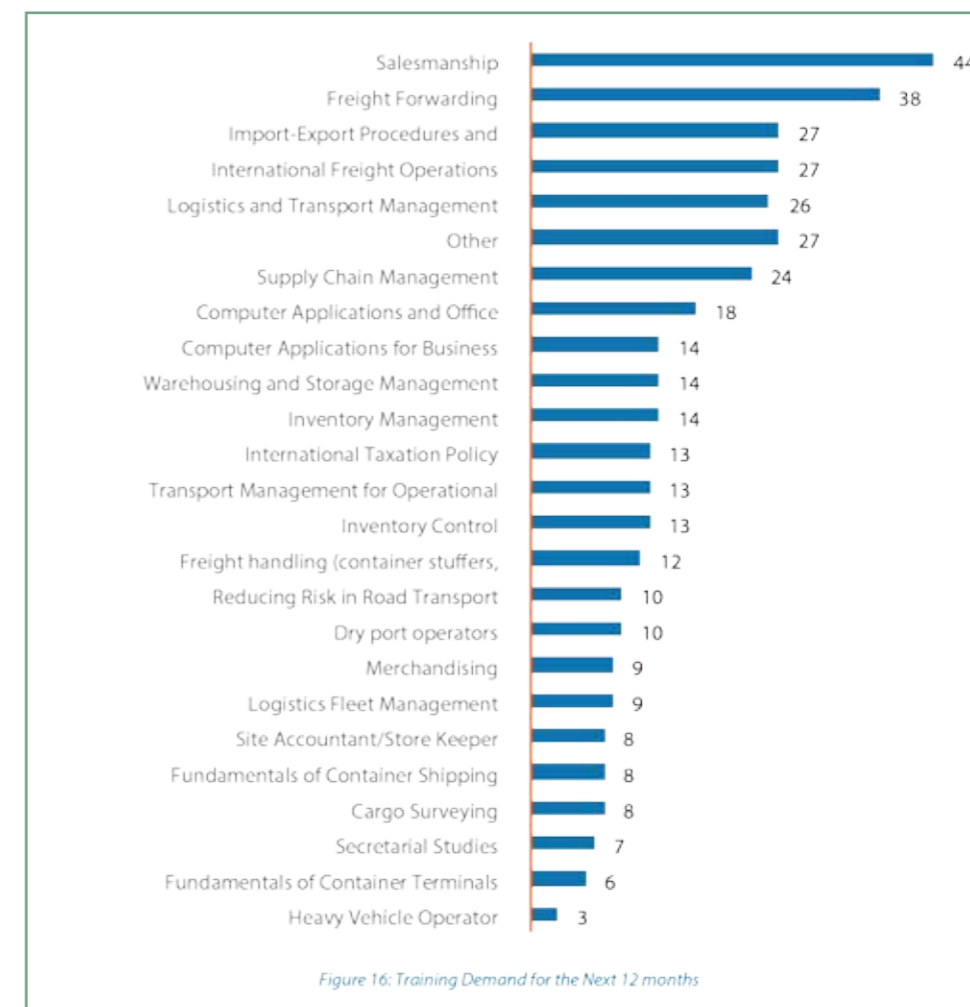
The firms were asked about their preference about employees' qualifications and the preferred training institutes. 50% of the firms recommended certificate in logistics for middle level managers. The remaining half suggested that middle level managers should have at least under-graduate degree. Firms were also asked about their preference for training institute that offer technical and vocational training. 37% firms preferred PIFFA; 17% HEC recognized institutes, 10% FIATA, 10% International Air Transport Association (IATA) and 10% Pakistan International Airlines (PIA). The remaining indicated preference for Punjab University, Lahore University of Management Sciences (LUMS), Chartered Institute of Logistics and Transport (CILT) and University of Management and Technology (UMT).



¹² Business communication and writing skills

¹³ Using Spread Sheets, calculating invoices and other related skills to perform a specific job.

Participants were asked to indicate the number of trained workforce they would require in the next twelve months against the 30 pre-listed trades. The participants were given the option to select all trades (if applicable). The number of demanded positions ranged between 3 and 44 across all the trades. The highest demand came for Salesmanship. The total training demand in the next 12 months for these trades was 399. The trade-wise demand can be seen in the figure below:



The graph depicts that the trades having a higher demand are the ones which require better educational qualification, specialised skills and trainings.

Barriers to training

Firms were asked about the possible reasons for not training their staff. According to the survey, the major barriers to training are non-availability of courses, non-availability of funds and difficulty in obtaining information about courses. This implies that there is either a shortage of logistics-related specialized training or lack of communication between the firms and training providers.

The findings of this report were constrained by two main factors, specified below:

- The respondents gave a more relevant estimate of logistics and freight forwarding firms in Punjab than that of the logistics sector at the national level.
- The firms participated in this workshop were mostly SMEs. The sample was therefore not representative enough to provide a depiction of the operations of large market players like TCS, OCS, Leopards Courier, DHL, FedEx, UPS, etc.

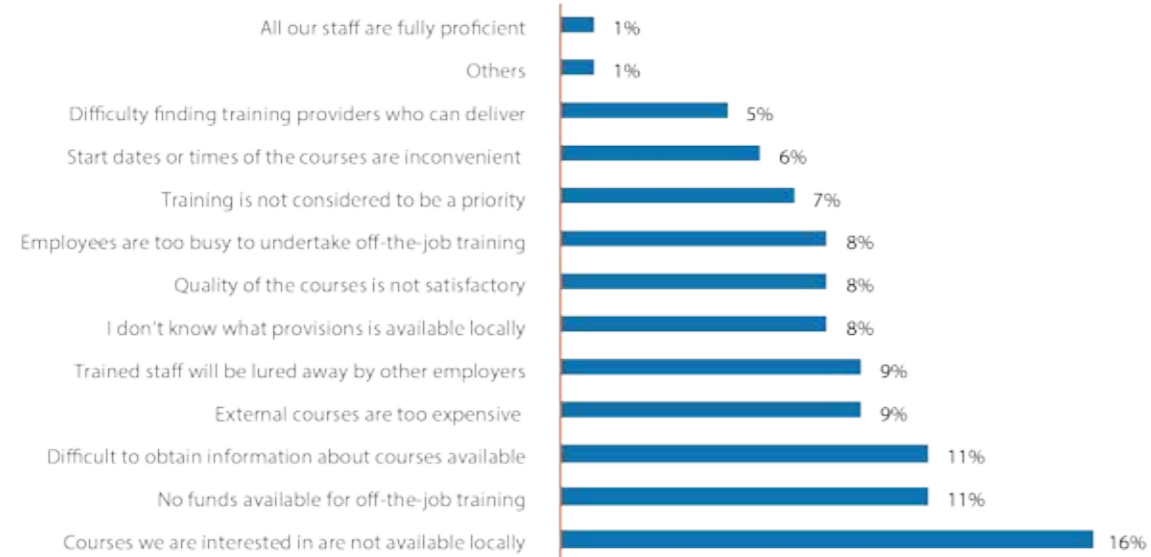


Figure 17: Reasons for Barriers to Training



The information gathered through this skills need assessment workshop of the logistics sector provides insight to Punjab Skills Development Fund for the development of its short-term roadmap to train workers who can cater to the needs of logistics industry.

Pakistan has not been able to reap the huge economic gains that its geography endows in the logistics sector. However, many industry leaders expect a higher growth in future if the sector evolves in response to modern logistical needs, observes the relevant technological changes and bridges the skills gap. The most needed skills/trainings identified were *green logistics management, technical logistics training, custom house brokers, safety and security management, product carriage and handling, salesmanship, freight forwarding, import export procedure and documentation, international freight operations, logistics & transport management and supply chain management.*

PSDF will need to organize more accredited trainings in this sector as certified employees are valued more by the employers in this sector. However, the supply of such courses remains limited. Resultantly, employers are relying on graduates of general education rather than those with sector specific qualifications. There are few training suppliers which include PIFFA, CILT, PIMS, IBA and UMT who will need support in introduction of new courses.

There is also a need to introduce internationally accredited logistic courses because of the international nature of

the sector. Analysis indicate that the sector will be able to absorb cohorts with such qualifications because of its appetite for skilled individuals.

CONCLUSION AND WAY FORWARD



Annexure 1

Labour Market Intelligence Survey
Questionnaire for Logistics Sector Skills Needs Assessment
(Transport + Integrated service providers, warehousing and customs clearance)

DISCLAIMER: Your answers will be treated with utmost confidentiality and will only be used for designing PSDF schemes. They will not be shared with any governmental or non-governmental third party.

PLEASE FILL IN THE QUESTIONNAIRE USING CAPITAL LETTERS. IN MULTIPLE-CHOICE QUESTIONS, PLACE A ✓ AGAINST RELEVANT CHOICE(S). IN QUESTIONS YOU THINK HAVE MULTIPLE ANSWERS, PLEASE CHOOSE ALL OPTIONS THAT APPLY.

Name of respondent:..... Designation:
 Company: Year of establishment:
 Is your business registered as a company:

Yes	
No	

 Address:..... Website:
 City:..... http://www.....
 E-mail:..... Phone no: |_|_|_|_|_|_|_|_|_|_|_|_|_|_|_|
 Fax no: |_|_|_|_|_|_|_|_|_|_|_|_|_|_|_|

Please choose service categories that are offered by your company:

Trucking or Road Freight		Multimodal Haulage/Transport	
Air Freight		Warehousing	
Sea Freight		Freight Forwarding	
Custom Brokering		Courier	
Third Party Logistics Services		Other.....	

Please choose service categories that are offered by your company:

Trucking or Road Freight		Multimodal Haulage/Transport	
Air Freight		Warehousing	
Sea Freight		Freight Forwarding	
Custom Brokering		Courier	
Third Party Logistics Services		Other.....	

BASIC COMPANY AND WORKFORCE DETAILS

1. What is the current number of employees in your company (including permanent, contractual employees, and daily wagers):

Less than 10	
10-35	
36-99	
100 or more	

2. Over the last five years, has the total number of your staff increased, decreased or remained the same?

Increased	
Decreased	
Remained the same	

3. Does your company plan to grow in the next two to three years?

Yes	
No	

4. What is the wage/salary range for workers and middle-managers in your company?

Middle-managers		Operators or Workers	
Minimum	Maximum	Minimum	Maximum
Rs.			

5. What are the three most important changes (technological or other) currently taking place in your sector?

1	
2	
3	

a. Middle-management and secretarial/clerical level

Job titles	Number of employees	Status	
		How many of these belong to the following employment status categories?	
		Regular	Contractual

b. Operator and worker level

Job titles	Number of employees	Status		
		How many of these belong to the following employment status categories?		
		Regular	Contractual	Seasonal

6. In the space below, please list the most common job titles found in the logistics department of your company. Against each job title, write the number of employees within the category along with their employment status¹⁴.

NEW RECRUITMENT

7. Below is a list of common qualifications held by people in the Logistics sector; which of the following do you generally demand at entry-level for middle-managers and workers?

Middle-managers		Operators/Workers	
Vocational qualifications		Vocational qualifications	
Registered logistics professional qualification		Registered logistics professional qualification	
Technical diploma		Technical diploma	
Matriculation		Primary	
Intermediate		Middle	
Bachelor's degree		Matriculation	
Post-graduate certificate		Intermediate	
Post-graduate diploma		Bachelor's degree	
Master's degree		Post-graduate certificate	
Doctorate		Post-graduate diploma	
Other _____		Master's degree	
		Other _____	

8. What are the current vacancies in your company? Please also list corresponding requirements.

Job title	Number of individuals to be hired	Qualification	Experience (in years)
Middle-management			
1			
2			
3			
Worker or operator level			
1			
2			
3			

9. For which occupations did you hire new individuals over the last 12 months?

Job titles	Number of new recruits		
	Number hired as replacements ¹⁵	Number hired against new positions ¹⁶	Total

10. For which occupations do you expect to hire new staff in the next 12 months?

Job titles	Expected number of new recruits
We do not expect to hire any new staff over the next 12 months.	

11. How do you recruit new employees?

Through advertising (including ads in newspapers)	Through placement agencies/labour intermediaries	
Employment notices on company door		
Through training institutions	Through personal contacts or referrals	
Other (please specify):		

12. In the space below, identify hard-to-fill vacancies in your sector¹⁷.

Job title	Has your company faced such vacancies in the past 2-3 years as well? (Yes/No)

13. Overall, what do you believe to be the main causes of hard-to-fill vacancies?

Too much competition from other employers	Low number of applicants with the required attitude, motivation or personality	
Not enough people interested in doing the job	Low number of applicants generally	
Applicants unhappy with terms and conditions (e.g. pay)	Seasonal work	
Low number of applicants with the required skills	Job entails shift work/unsociable hours	
Low number of applicants with the required qualifications	Poor career progression/lack of prospects	
Low number of applicants with the required experience		
Other:		
No particular reason		

14 a. Of the individuals recruited as middle-level managers in the last 2-3 years, how well-prepared for work do you think they have been:

Well-prepared (proceed to question 15)	
Poorly prepared	

b. In what ways have your new recruits been poorly prepared?

Lack of required technical skills or competencies	Poor attitude/personality or lack of motivation (e.g. poor work ethic, punctuality, appearance, manners)	
Lack of literacy/numeracy skills	Lack of working world, life experience or maturity (including common sense and general knowledge)	
Lack of soft skills (communication, problem-solving, team work etc.)		
Poor IT Skills	English language skills (spoken and written)	
Other:		

15 a. Of the individuals recruited at the worker or operator level in the last 2-3 years, how well-prepared for work do you think they have been:

Well-prepared (proceed to question 22)	
Poorly prepared	

b. In what ways have your new recruits been poorly prepared?

Lack of required technical skills or	Poor attitude/personality or lack of motivation (e.g.	
--------------------------------------	-------------------------------------------------------	--

competencies	poor work ethic, punctuality, appearance, manners)
Lack of literacy/numeracy skills	Lack of working world, life experience or maturity (including common sense and general knowledge)
Lack of soft skills (communication, problem-solving, team work etc.)	Poor IT Skills
Other:	

16. Do you specifically seek middle managers and workers holding a particular qualification or trained by a specific institute? If yes, please share the names of courses and institutes.

Employees	Qualifications (degrees or certificates)	Institutes
Middle-level managers		
Workers		

17. Below is a list of trades, qualifications, and courses relevant to the logistics sector. If you are offered people trained in these areas, please write down the number of trainees you would demand in the next 12 months.

Trade/qualification/course	Training Demand (Number of trainees)
Inventory Control	
Secretarial Studies	
Salesmanship	
Site Accountant/Store Keeper	
Heavy Vehicle Operator	
Computer Applications for Business	
Computer Applications and Office Professional	
Import-Export Procedures and Documentation	
Merchandising	
Cargo Surveying	
Forklift Truck (Counter Balance) Operations	
Freight Forwarding	
Fundamentals of Container Shipping	
Fundamentals of Container Terminals	
Inventory Management	
International Freight Operations	
International Taxation Policy	
Logistics and Transport Management	
Logistics Fleet Management	
Practical Materials Storage Management	
Principles for Carrying and Delivering Goods by Road	
Reducing Risk in Road Transport	
Supply Chain Management	
Transport Management for Operational Supervisors	

Warehousing and Storage Management	
Freight handling (container stuffers, container de-stuffers, stockers)	
Vehicle mechanics	
Warehouse operators (packers, porters, sorters, assemblers, shelf fillers)	
Security guards	
Dry port operators	

18. What are the areas that you feel are not covered by the qualifications above and for which new qualifications/courses need to be developed?

1	
2	
3	

SKILLS AND QUALIFICATIONS OF IN-SERVICE EMPLOYEES

19. Which technical or sector-specific skills do you think are required by your existing managers and workers?

Middle-level managers	Workers

20. Have you arranged training or your workers and middle managers outside of your firm?

Yes (see below)	
No (proceed to question 21)	

a. If yes, please state the course and trainer.

Middle-level managers		Workers	
Course	Trainer (person or institute)	Course	Trainer (person or institute)

21. By placing a ✓ against appropriate options, indicate possible reasons for not training staff or the barriers you face in doing so. Choose all that apply.

The courses we are interested in are not available locally	
The quality of the courses or providers locally is not satisfactory	
Difficult to obtain information about courses available locally	
I don't know what provision is available locally	
External courses are too expensive	
Difficulty finding training providers who can deliver training where or when we want it	
No funds available for off-the-job training	
The concern that trained staff will be lured away by other employers	
The start dates or times of the courses are inconvenient	
Employees are too busy to undertake off-the-job training	

Training is not considered to be a priority for the establishment (we only hire trained individuals)	
All our staff are fully proficient / no need for training	
Other	

22. What are the three most-significant skills areas or courses for which your company would like to train your existing employees?

1	
2	
3	

FIRMS AS TRAINING PROVIDER

23. Will your company be willing to provide on-job training opportunities for newly qualified workers? If yes, in what field and how many?

Area of training	Number of trainees that can be accepted

24. PSDF finances training of pre-employment workers through a competitive process. This entails training a minimum of 20 trainees in a classroom by a qualified instructor with 80% practical content and an external examination at the end. Will your company be interested in obtaining information about the initiative?

Yes	
No	

Thank you.

List of job titles in the logistics sector

a. Middle-management and clerical level b. Operator and worker level

- Shipping/freight forwarding agent (determines the most appropriate shipping method for the goods involved; work with clients to determine the most cost-efficient payment options; oversee every aspect of getting goods from point A to point B. This includes all the logistical details of transportation – planes, ships, trains and trucks – as well as negotiating rates with various transporters to ensure the delivery budget fits the overall project price for the customer. Once goods are shipped, agents must monitor shipments, advising the buyer of the status of the goods as required.)
- Clearing and forwarding agent (act as intermediaries in transactions between shippers and suppliers of logistics services, and are required by customs to represent the owner in the procedures for clearing cargo over international borders.)
- Air freight manager
- Air import operator
- Air export operator
- Air freight supervisor
- Transport manager
- Distribution manager
- Transport clerk
- Customs officer
- Distribution clerk
- Distribution manager
- Road transport manager
- Transport planner
- Transport scheduler
- Road haulage load planner
- Supply chain manager
- Operations manager
- Training manager
- Freight account manager
- Large Goods Vehicle (LGV) training instructor
- Marketing co-ordinator
- Operations director
- Financial planning manager
- General manager
- Warehouse assistant
- Warehouse manager
- Warehouse team leader
- Stock controller
- Sales manager
- Sales assistant
- Order picker
- Warehouse assistant
- Stock control clerk
- Transport and distribution clerks
- Freight handlers (loading and unloading delivery vehicles by hand or with a forklift truck; sorting and grading stock moving supplies to storage areas; picking and packing orders; keeping work areas clean and tidy)
- Courier van driver
- Large goods vehicle (LGV) drivers
- Packer and removals worker
- Forklift truck driver
- Goods handler
- Vehicle mechanic
- Warehouse porter
- Machine operative
- Shelf filler
- Goods assembler
- Goods sorter
- Security guard
- Motorcycle courier
- Storekeeper

Annexure 2- List of participants

Focus group discussion 1	Transport (Air, Road, Rail, and Sea Logistics)		
Facilitator	Maira Zaheer		
Co-Facilitator	Zohaib Hassan		
	Sr. No.	Name	Organization
Participants	1	Mr. Zubair	AHI Shipping Line
	2	Mr. Jahanzeb	Wagnerz
	3	Mr. Ejaz Yousaf	UMT
	4	Mr. Shuja	Global Network
	5	Mr. Tahir Malik	Trafco Logistics
	6	Mr. Nadeem Khan	Raziq International
	7	Mr. M. Arshad	C Care
	8	Mr. M. Kashif	CKR
	9	Mr. Rana Tariq	See n Sky
	10	Mr. Prof Javed Iqbal Khan	Associated global trade srvs
	11	Mr. Rizwan	Agelity Logistics
	12	Mr. Tariq Mahmood	Raziq Logistic
	13	Mr. Paracha	PIFAA

Focus group discussion 2	Integrated Service Providers, Warehousing and Customs Clearance		
Facilitator	Ms. Sarah Saeed		
Co-Facilitator	Irsaa Faisal		
	Sr. No.	Name	Organization
Participants	1	Mr. Imran Shah	C.E.I Supply Chain Pvt Ltd
	2	Mr. Muhammad Jamil Ahmed	Vision Logistics Pvt Ltd
	3	Mr. Ashiq Ali Bajwa	M. Partner
	4	Mr. Touqir Lodhi	Aries Logistics Pvt Ltd
	5	Mr. Muhammad Khawer Umer	Alpha Marine Services
	6	Mr. Muhammad Arif Nadeem	Teknik Movers
	7	Mr. Mohmmad Zubair	Universal Clearing and Forwarding
	8	Mr. Shoiab Rabbani	Excel Freight Systems Pvt Ltd
	9	Mr. Abdul Imran	Pakistan Cargo
	10	Mr. Qaiser Abbas	Continental Freight System Pvt
	11	Ms. Humna Masood	Agility Logistics Pvt Ltd
	12	Mr. Muhammad Zahid	Continental Freight System Pvt
	13	Mr. Ijaz Yousaf	University Management Technology
	14	Mr. Abdul Majeed Paracha	Lauren International Agency

	15	Mr. Faisal Sohail	Cascade enterprise
	16	Mr. Shehraz Ghori	Sea Falcon Logistics
	17	Mr. Noor Muhammad	Lahore Logistics
	18	Mr. Muhammad Amjad	MAK logistics
	19	Mr. Saqib Majeed	Rapid Cargo Pvt Ltd
	20	Mr. Ali Adnan	Port Line Shipping and Logistics
	21	Mr. Shakeel Muhammad	Kuehna and Nagel
	22	Mr. Saeed Ahmed Khan	Interline shipping
	23	Mr. Asadullah Khan	Icon Freight Services
	24	Mr. Anis ur Rehman	CSAV Norasia

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