

## How to guide

# Strategic approaches to improve recruitment, training and on-boarding in the Logistics Sector

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## WHY READ THIS?

The European labour market maintains a large number of people with low levels of qualifications and skills. This guide seeks to identify ‘what works and why’ in regional efforts to employ low-skilled workers in the logistics sector. It includes typical challenges encountered by stakeholders, recommended approaches and best practice examples.

The report considers the needs of specific target groups, such as long-term unemployed persons, recent immigrants and refugees. It sets out recommendations for action and related case studies with particular emphasis on how local and regional actors can support these target groups and coordinate with one another.

## CHALLENGES AND NEEDS ADDRESSED BY THIS GUIDE

### Lack of qualified professionals

Due to the region’s central location and good infrastructure as well as advances in distribution logistics due to digitalization, the logistics sector in Hesse expects a growing labour demand in the coming years. However, shortages of workers, both skilled and unskilled, are already making it difficult to meet the demands of local employers.

Although many occupations within the sector do not have fixed skill requirements or qualifications, obtaining qualifications for the few regulated occupations can present challenges. Training time is often long and does not recognise foreign qualifications (Lorry Driver). Few opportunities exist to achieve necessary advanced training (Vertical Forklift Operator). Employers are less likely to offer advanced training opportunities on-site and may expect workers to pursue qualifications on their own time. Funding from the Federal Employment Agency for training is limited.

Motivating workers to pursue logistics jobs and achieve qualifications in the logistics sector is also difficult. In addition, wage differences between skilled and unskilled workers are often too minimal to motivate workers to pursue qualifications.

<b>Lack of communication between stakeholders</b>	<p>Stakeholders such as employment centres, training facilities and employers often offer similar training and qualification opportunities. However, there is little communication between these actors, nor is there transparency for job seekers to enable them to make informed choices about whether to obtain a qualification, if so where from and whether funding opportunities exist.</p>
<b>Negative image of the sector</b>	<p>Unattractive working conditions such as shift work, temporary contracts and inaccessibility to public transit lead to challenges in recruiting and a high labour turnover rate, with workers changing employers frequently and quickly. Logistics is a high stress field, due to the physically demanding work, little room for error and time constraints. Considering these factors, wages in logistics tend to be lower than sectors with comparable working conditions.</p>
<b>Challenges recruiting and retaining a more diverse workforce</b>	<p>Despite employment opportunities, the logistics sector has low participation from women. This is in part a result of the stereotypes associated with logistics work and logistics work environments, which are perceived as masculine and physically demanding. In addition, shift work is often seen as incompatible with family obligations.</p> <p>The gender gap and other forms of diversity are reinforced by the typical word of mouth recruiting practices of the sector, which result in a homogenous workforce. Low-skilled workers, especially if they are long-term unemployed or recently arrived immigrants and refugees, require more coaching and mentoring than is currently available in order to persevere through the job search, training and on-boarding phases.</p>

## RECOMMENDATIONS

Attracting and retaining a competent workforce are key challenges facing the logistics sector as a result of demographic shifts and the changing nature of work. Successful recruitment efforts are dependent on cooperation at the regional and local levels between employers, training centres, job centres and future employees.

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It is helpful to gain perspective from policies and strategies that are being adopted **in other countries in Europe**. The French How-To Guides may be especially helpful to see how a neighbouring country is approaching challenges in the logistics sector.

Individual stakeholders, such as employment centres, training facilities and employers can be organised into **local networks to support better communication and coordination** across the sector and to more effectively activate job seekers with particular hurdles to employment (e.g. single parents, refugees, long-term unemployed). By working together, networks can assess the needs of employers as well as the needs of workers regarding issues such as wages, coaching and training opportunities.

Designating **contact persons** for specific areas of activity within these networks helps **define a structure** for the network and **enables clear interaction** between stakeholders. Networks may consider various formats to **inform employers about the resources** available to them in their recruiting efforts.

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Employers can work with training providers to offer **qualification opportunities on the employer's premises**. By taking part in training opportunities, promising job seekers will get to know the company and become oriented to the working environment and day-to-day tasks. At the conclusion of the training, **most participating job seekers are expected to be hired by that employer** and will have already formed relationships and a sense of belonging before their first day of official employment.

Training opportunities can be made more flexible and shorter to get new workers qualified and in jobs faster.

**Individual support and coaching** during the stages of job search, training and on-boarding at a new job help workers adjust to a new job and debunk negative stereotypes, thereby increasing the chances of retention. It is useful to have a support network that includes mentoring within the company as well as ongoing contact with training and job centres.

**Coaching and advising** are generally most successful with **constructive feedback**. Coaching should be **oriented towards the needs and challenges experienced by the individual**, such as readjusting to work after long-term unemployment, managing family responsibilities alongside shift work or adjusting to a German work environment as an immigrant or refugee.

To integrate long-term unemployed individuals it can be helpful to work with the job centres to provide opportunities for future workers to get to know employers. It is essential that employers and their current workforce show an openness to accept and include target groups such as long-term unemployed, immigrants and refugees. This can include language training programs and on-site skills training.

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**Regional and local events** can be used as recruitment tools to activate job seekers and inform them about employment and training opportunities, while **showcasing the attractive aspects of the sector**. Speaking with recruiters and trainers in local settings helps acquaint job seekers with the sector while **establishing relationships** with reliable contacts who can answer follow-up questions about the sector and support job seekers in the application and on-boarding process. Employers generally avoid mass recruiting events, which can detract from the appeal of the employer.

**Simplifying job application** processes can lower the barriers to working in the sector. **On-site interviews** at recruiting and training events motivate people to apply immediately and capture the enthusiasm generated by public events. Press releases about large-scale hiring endeavours and recruitment events help **direct interested individuals to company application portals** and generate excitement about employment opportunities. For example, after job fairs, local press may publish articles about the number of new jobs created by a local company along with links to the company's website for interested applicants.

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Increasing the **visibility and branding** of the company helps employers reach a broader and more diverse applicant pool in terms of gender, nationality and experience. Having a **public presence** by visiting job fairs, posting job ads in public spaces, like shopping centers or local businesses, as well as participating in public open house events develops name recognition and familiarises the community with the company.

**Current employees can play a key role** by talking with job seekers about the day-to-day work at hand, sharing personal experiences and by advertising open positions via their own social (media) networks to broaden recruitment to new potential target audiences.

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**Establishing relationships** between current employees and new employees can help retain new employees during the training and onboarding stages. Before new workers officially take on tasks or during training and qualifications, **shadowing current employees** can help them develop a sense of the work and work environment and develop a sense of belonging. Once the new employee begins, **mentorship from a more experienced worker** can continue to reinforce newly acquired skills and help imbed the new employee into the workplace community.

## BEST PRACTICES AND USEFUL LINKS

- **Recruitment bonuses to current employees:** Employees activate their own personal networks to recruit new employees. Recruitment may take place by word of mouth or via social networks. At one company that uses this technique, when successfully recruited individuals list a current employee as the source by which they learned about the job, the current employee receives €400.

- **Press announcing vacancies:** Companies can write press releases advertising newly available vacancies, and local newspapers sometimes pick up stories about companies creating new jobs. These press releases and articles provide useful branding and publicity to the company, demonstrate the attractiveness of the sector and company and inform a diverse array of job seekers that positions are available. Examples from Riese & Mueller, an e-bikes company in Hesse: <http://www.radmarkt.de/nachrichten/riese-mueller-wachsende-nachfrage-schafft-40-neue-arbeitsplaetze>
- **Simplifying the application process:** Companies in Hessen have had success when they made information about applications more easily available and simplified the application process. Some companies have found that posting vacancies at local shopping centres results in a long-term, sustainable applicant pool. Other companies have moved away from formal application process, responding favourably to short e-mail applications and following up brief interviews by telephone.
- **Offering on-site language classes:** German language training offerings have benefitted employers and employees. For the employer it helps them appeal to and recruit a more diverse pool of job seekers, such as immigrants and refugees. This not only diversifies the profile of workers at the company and supports better and easier communication between current and future workers, but also helps alleviate worker shortages by reaching out to individuals who are new to Germany and making them aware of the immediate opportunities available to them in the logistics sector. Employees appreciate convenient, free language training that takes place at their place of work and during the work day. It helps with integration at a professional and personal level. Companies that offer language training can advertise this with job centres as an additional benefit to employment.
- **Startklar:** One company's program provides young people an eight month Career Prep program. At the conclusion, most are offered training positions in the technical department.

This practical guide offers strategic recommendations targeted towards policy makers responsible for public employment, training and social inclusion policies, in order to increase the attractiveness of certain sectors and improve the job opportunities and the employability of low skilled people at risk of exclusion in Europe.

The guide is based on the conclusions of the Institute for Economics, Labour and Culture (IWAK), Centre of Goethe University established in Hesse, Germany within the framework of the Erasmus + REPLAY-VET project, with the aim of analyzing the barriers and identifying good practices to developing better labour market insertion of people with lower qualifications in the logistics sector. Three workshops were developed throughout Winter 2017 / Spring 2018, integrating vocational training providers, companies, social entities and representatives of public institutions (employment services).

The strategic actions are based on projects and recommendations that are helping or would help to improve the attractiveness of the logistics sector as well as to protect the professionals who currently work in this sector. Moreover, most of these strategies are transferable to the other sectors of opportunity identified by the REPLAY-VET project, which have similar challenges: gender gap, unattractive working conditions, negative image of the sector, etc.