

The impact of digitalization and status of the supply chain profession are driving a global talent shortage crisis

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DHL surveyed more than 350 supply chain and operations professionals in five global regions. The findings revealed that there are a number of reasons contributing to the talent shortage crisis in a rapidly evolving field. The report 'The Supply Chain Talent Shortage: From Gap to Crisis' was commissioned by DHL and authored by Lisa Harrington, president of the Iharrington group LLC. The report highlights the key supply chain talent challenges experienced today, and identifies opportunities for businesses to compete on a global stage.

Harrington said, "Leading companies understand that their supply chains - and the people who run them - are essential to their ability to grow profitably. However, the task of finding people with the right skillsets required to run these highly complex operations is increasingly difficult - especially at the middle- and upper management levels.

Unless companies solve this problem, it could threaten their very ability to compete on the global stage."

The survey revealed the top factors driving the talent shortage:

- **Changing skill requirements:** Today, the ideal employee has both tactical/operational expertise and professional competencies such as analytical skills. 58 percent of companies say this combination is hard to find. But tomorrow's talent must also excel at leadership, strategic thinking, innovation, and high-level analytic and technological capabilities.
- **Aging workforce:** As much as a third of the current workforce is at or beyond the retirement age.
- **Lack of development:** One third of companies surveyed have taken no steps to create or feed their future talent pipeline.
- **Perception that supply chain jobs lack excitement:** The industry is still contending with the impression that other fields are more prestigious and offer more opportunities, fuelling lack of interest in the industry within the world's future workforce.

Harrington continues, "Companies are now

recognizing that sourcing strategy has a large impact on their bottom line and ability to remain competitive. As one study recently found, companies that excel in talent management increased their revenues 2.2 times as fast and their profits 1.5 times as fast compared to 'talent laggards.' That's a powerful advantage. Unfortunately, recruiting the right talent - especially at the critical mid-level and senior management levels - is proving very difficult in today's environment. New technologies and fundamental areas of the supply chain have changed, meaning they now require that a person has a different and much larger skillset than required when most of the current workforce began their careers."

The report outlines numerous opportunities for the industry to start closing this talent gap. Offering clearer career paths and a visible commitment to the professional development of its supply chain staff combined with competitive remuneration packages are just a few ways to develop and retain their current talent. To attract talent, the industry needs to start emphasizing that the future workforce will need to have skills in robotic management, AI and AV control - job aspects that would be attractive to the younger demographic and help combat the negative perception of the sector.

Louise Gennis, Vice President Talent Management/Acquisition, Learning & Development, DHL Supply Chain, said, "We

recommend that companies start with prioritizing the development of their current talent pool to adapt to the changing job requirements through training programs, and then retaining staff through clear career paths. We strive to combat misconceptions surrounding working in the supply chain through highlighting the technological developments which are digitalizing the industry and that are attractive to younger demographics."

Gennis cites the success of DHL's diverse recruitment and development initiatives as evidence that a long-term, well-informed talent management strategy can help businesses mitigate the potentially devastating effects of a shrinking talent pool. "The supply chain talent shortage is now critical enough that it's on the minds of supply chain managers across all industries, but the gap didn't develop overnight. Since supply chain solutions are our business, we've seen the issue developing over many years - and have used this time to adjust our approach toward attracting, developing and retaining talent accordingly. Our unique expertise helps ensure that job openings are filled by qualified experts wherever we and our customers operate, which will become an increasingly critical success factor as talent resources grow scarcer."

Source: [Deutsche Post DHL](#)