Logistics is a key sector for the UK economy, contributing over £90 billion.

All aspects of the UK economy rely on logistics.

Logistics employs 2.2 million individuals, which is 8% of the UK workforce.

Skills shortages and gaps and a lack of training are affecting the ability of the sector to grow and develop as quickly as it might.

Technologies

Sales moving from in-store to online has grown by 17%.

Online sales are forecasted to continue growing.

Tracking vehicles and cargo is now common.

Vehicles capture data on location, speed, route, and fuel usage.

E-commerce is increasing,

Intelligent transport systems are common.

Automation in warehouses and Intelligent transport systems are common.

Data is also collected automatically using 2D barcodes, voice technology, and RFID devices which store and transmit data.

Automated storage and retrieval systems are common in large warehouses.

Recruitment and Skills

The sector has a high concentration of low level occupational roles and a poorly qualified workforce.

Unqualified or qualified below level 2 workforce:
- Machine operatives and elementary roles: 49%
- Unskilled: 41%

The sector’s skills and qualification levels are affecting the ability of the sector to grow and develop as quickly as it might.

Employers struggle to attract talent because of poor perception of the sector, particularly among young people.

What next?

Technology is improving the services offered, but brings new skills challenges.

Skills shortages and gaps and lack of training are affecting the ability of the sector to grow and develop as quickly as it might.

Employers face barriers to training such as time, cost and availability.

IT skills
Engineering and mechanical knowledge
Data analysis skills
Customer service and communication
Planning
Problem Solving
Promotional skills and marketing
Contract Management
Compliance Awareness
Management Skills