

CEO Newsletter

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AUGUST 2017

The Grey Invasion

Written by Kim Winter
Chief Executive Officer, Logistics Executive Group



Is an aging population all doom and gloom?

Population change is a hot topic these days for all sorts of reasons. There is a deep fear, as demonstrated in developed countries like Germany and Japan in the 1990's that our able workforce is shrinking and that the consequence of this will be shrinking productivity and a smaller economy. It is feared that this would result in a poorer lifestyle. According to the United Nations, the key concern we should all be focusing on is aged population growth. Staggeringly, they project that the number of people over the age of 65 is due to double in the next 25 years. That will amount to 1.1 billion people or 13% of the population. If we break that down to a figure closer to home, that will be a ratio of 26 out of every 100 people over the age of 65 by the year 2035.

Of course there will be variances around the globe that will determine fluctuations and variances in this number. Richer, more developed countries will have a higher proportion whilst countries that are still developing will rise at a lower rate as they still have a strong birth rate.

NEWS

Logistics Executive Group and Sharaf Aviation Academy announce a partnership to deliver first-class Logistics Training to the Middle East & Africa

Logistics Executive Group and Sharaf Aviation Services Academy have entered into a long-term partnership to deliver specialist supply chain and logistics E-learning and facilitated programs across the MENA region. For over a decade, Logistics Executive Group has dedicated its expertise to the development and enrichment of a global community of supply chain and logistics professionals via its Logistics Academy education platform. Together, Sharaf Aviation Services Academy and Logistics Academy will broaden the range of specialist education that will help organizations in the region to meet the gap in training of their workforce, giving them a 'best in class' service.

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UPCOMING EVENTS

LogiSYM Malaysia 2017
24 - 25 October 2017
Kuala Lumpur, Malaysia

LogiSYM Malaysia 2017 promises to be a highly unique event, with the focus being to provide a platform for mid- to senior-level shippers to hear from the leading solutions in and surrounding the logistics and supply chain industry.

www.logisym.com/events/logisym-malaysia-2017/

So how is the world meeting this unprecedented development? We thought we would ask our staff across the world how various governments are meeting the challenge.

"In Australia we seem to find that people are living longer but also working longer" said Mr Kim Winter, Global CEO of the Logistics Executive Group. "Our aging population is highly skilled and they have a strong work ethic". The aging population in Australia is living longer and is expected to increase substantially with the retirement of the Baby Boomers. To counter this effect on GDP, the Australian Government has extended the legal retirement age and made personal wealth and superannuation a factor of eligibility for pension entitlements. They are also trying to ensure that taking measures to ensure that all segments of the population have the ability to skill up and find employment, including women. New immigrants will also offset the loss of younger workers.

"Here in Singapore," says Carmel Perales, General Manager, South East Asia of Logistics Executive Group Singapore "education is playing a very important role in ensuring older people work longer".

"It makes sense that older people will find it harder to work longer in more labor intensive, less-skilled jobs", she added. The Singapore Government have invested in initiatives to encourage older workers to upskill while promoting the value of wisdom and experience to counteract any prejudice about aging.

"There is no doubt that higher-skilled employees have a better quality of life" said Cassandra Lee, General Manager Hong Kong & Greater China "They get paid more and their work is less physically demanding which means that they can stay in the workforce longer". She added.



Technology is also making it easier for the over 65 workers to stay employed by offering more flexible work place alternatives. For example, the internet and now facilitates working from home rather than the obligatory requirement of commuting to an office. "Technology also means that there is less demand for unskilled labor as a lot of manual labor is now being replaced by machines,"

continued Ms. Lee. "In Hong Kong, just like Singapore, there is an emphasis on education and skilling the younger generation so that even if there is a smaller working population, they will have the skills to manage and productivity will not decrease as technology picks up the shortfall of a disappearing workforce".

Labor saving, capital intensive technology innovations will offset the shortfalls that may be encountered due to a smaller workforce. "In Dubai we have experienced a boom in technology investment" said Mr Kim Winter, Global CEO of the Logistics Executive Group. "It will continue to be fascinating to see how the population will change as the workforce needs change." He added. "In the Middle East, already there has been a growth in the number of expatriates who are well educated and highly skilled and it is expected that this will continue as Dubai moves from its adjustment phase from development to a highly skilled economy".

"Overall what this means is that out of necessity there is going to be a global shift in the perception of our older generation" said Mr Winter. As an employee himself who has entered into his silver years, Mr Winter has firsthand experience. "I can attest that being older does not necessarily mean that you want to rush out and

LogiSYM Dubai 2018
February 2018
Dubai, UAE

LogiSYM Dubai 2018 is back following the success of the inaugural 2017 conference. Supported by Dubai Trade, the event will cover the key dynamics of the GCC and Africa landscapes whilst tackling some the regions key challenges such as the introduction of VAT. LogiSYM Dubai Call for Speakers 2018 - Share your know-how, insight or innovation. Be a speaker at the 2017 edition of the world's leading event for Logistics and Supply Chain - find out more email: Andi@LogiSYM.org

www.logisym.com

Indonesia Transport, Supply Chain and Logistics
10 - 12 October 2017
Jakarta, Indonesia

Indonesia Transport, Supply Chain and Logistics (ITSCSL) is the Indonesia's the most anticipated international event in Indonesia for the world's Transportation, Supply Chain & Logistics players. It's where you need to be to strengthen your presence, build business alliances and develop potential businesses with Indonesia. present as the preferred venue to strengthen presence and enhance visibility of logistics and supply chain solution in Indonesia marketplace.

<http://www.transport-supplychain-logistics.co.id/>

The 12th Annual GPCA Forum
27 - 29 November 2017
Dubai, UAE

Transforming to meet continuing and new headwinds is an imperative for the chemical industry, and one which the 12th Annual GPCA Forum will meet head on and discuss. Register now and save up to 500USD. Please contact us to receive the Quote Code.

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buy a set of golf clubs. I lead a more demanding life today than I did when I was much younger”.

There is a slow but growing body of evidence that shows that skilled, aged workers are equally as productive as their younger counterparts. Due to their high degree of skill and experience, their retirement would cause a debilitating loss to the industry, if these older workers were to retire. However, there will have to be changes made at different levels from government policy, company practices and the individual mentality so that an older workforce can be supported and encouraged to flourish.

GOVERNMENT POLICY LEVEL

As detailed above, policies will need to be put in place that encourage older people to stay in the workforce. This will include upskilling, changing perceptions and countering age discrimination, changing pension age and restructuring taxation to encourage older workers to remain in employment on some level.

COMPANY LEVEL

To counter this a lot of companies are setting up mentoring systems that allow prospective retirees to train their replacements. At Bosch for example, older workers are asked to sit down for a formal interview so that their younger successors can ask them questions and capture their advice and experience before they retire. “There is so much that an older, wiser head can offer in terms of mentoring in the area of leadership” said Mr Winter who is also the group leader in Logistics Executive Group’s Coaching Consultancy.

PERSONAL LEVEL

Older workers have to be able to be more flexible than ever before. They need to be prepared to take leadership from younger, less experienced managers. They need to be prepared to change careers, to upskill and to work under different conditions of employment in terms of pay and hours.

So what does this mean for the logistics and supply chain industry? There has been a barrage of information in the recruitment space written about the “skill shortage” but not very much on how the industry is going to meet the challenge of an aging workforce. Perhaps age has not been a very sexy topic in the past and as a result the logistics and supply chain industry is critically lagging behind in how to address this growing issue.

Ironically it will probably be the older generation itself that will lead and develop this change. Make way for offices filled with grey bearded hipsters boasting the latest smart gadgets. After all, for several decades, women’s magazines have purported that “30 was once the new 20” and then that crept up to 40 and so on. We are all living longer, aging better, earning more and are better educated with a greater spending power that will have more influence. Make way for the grey tsunami!



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In 2015, Darryl was named as one of the “Top 50 influential individuals in Asia’s Supply Chain, Manufacturing & Logistics industry” in the prestigious SCM Thought Leader publication by SCM World, recognising him as expert in the linkage of business strategy and supply chain best practices to human capital management. Darryl brings 28 years of executive leadership and consulting experience and is regular contributor on thought leadership across numerous industry publications and is a frequent speaker at international conferences and events on business leadership, strategy & people alignment and talent management. He was instrumental in the creation of Logistics Academy and presently holds an advisory board appointment with industry group LSCMS. In 2014, he was appointed as one of five global experts to IATA’s Global Innovation Award selection board and has held senior executive positions within the airline, air cargo and aircraft leasing industry.

The 8th International Saudi Transtec Exhibition & Conference 5 - 7 December 2017 Dammam, Kingdom of Saudi Arabia

Saudi Transtec is the definitive meeting place in the Middle East for logistics and supply chain professionals, linking logistics buyers from FMCG’s, Retail, Pharma, Oil & Gas, Manufacturing and Automotive with the leading logistics service providers in the region. Freight forwarders, shipping lines, rail providers, ports and warehousing providers will be joined by materials handling suppliers, supply chain consultants, certification bodies and ITC providers, all showcasing their products and services to a qualified audience of over 5,000 professionals.

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ABOUT US

Logistics Executive Group is the acknowledged industry leader providing a suite of whole-of-lifecycle business services including Corporate Advisory, Executive Search and specialist Supply Chain and Logistics Training.

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