

# Women in Logistics: harnessing opportunity to drive sustainable growth

By <u>Shirley Duma</u> 20 Sep 2016

In recent years, several major studies have demonstrated that having more female leaders, board members, managers, and supervisors lead to better business outcomes including higher levels of productivity, safety, and improved financial returns. More specifically, research referenced in the 2009 Women in Supply Chain report demonstrated that improving the proportion of women leads to higher financial returns for logistics companies. This insight was supported by the <a href="PWC">PWC</a> Transportation & Logistics 2030 report, which stated that companies with the most women board directors outperformed those with the least by 16% in return on sales, and by 26% in return on invested capital.



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These studies make a compelling business case for gender diversity and inclusion, which in previous decades has been largely ignored and under appreciated among the higher echelons of business leadership.

The studies consistently indicate that women have stronger communication and negotiation skills, bring a different perspective to understanding and solving problems, and are more meticulous in their approach to work. They also tend to score higher on tests of emotional intelligence (EQ). These qualities also make women strong collaborators, and their enhanced ability to communicate and connect with others is vital in a marketplace defined by complexity, disruption, and change.

Based on the growing body of evidence and the strong link to enhanced competitive advantage, a growing number of companies in South Africa and abroad are taking concrete steps to increase the number of women in key roles. This commitment to diversity and inclusion is also being undertaken as a business imperative in the wake of increasing social pressure to promote an inclusive economy, whereby the benefits of economic growth accrue to all who contribute. Increasingly, young entrants in the economy are also more aware of the importance of diversity and inclusion.

## Key challenges and opportunities within transport and logistics

The transport and logistics industry is typically described as a 'non-traditional' employment pathway for women. This prevailing view, documented in the 2015 South Australian Freight Council (SAFC) report, is supported by a perception that because the majority of employees in this industry are men, most work in this industry are stereotypically 'masculine.'

Moreover, in the transport and logistics industry, women are predominately employed in support functions and occupy managerial roles in the areas of finance, information technology, communications, human resources, business development, procurement, and quality and risk management. Men, on the other hand, are predominantly employed in the technical, operational and 'physical' roles.

Encouragingly, several market developments are creating viable opportunities to include women in 'non-traditional' roles in the local and global industry. These include advances in technology such as automatic gearboxes and hydraulic lifting equipment, the retirement of existing workers, increasing levels of education and improved technical training among new entrants in the workforce.

## Understanding the barriers to inclusion

As it stands, the number of women in the transport and logistics industry remains low. According to the PWC Transportation & Logistics 2030 global report, the number of women participating in the industry is as low as 20% to 30%. In addition, less than 10% of employees in management positions are women.

Another major hurdle to consider is that within road transportation, there is a dearth of skilled drivers. This shortage is amplified when it comes to female drivers, who are even harder to find due to historical biases and the often unfavourable working conditions - including time away from family, safety issues in long-haul routes, sleeping alone in the truck at night at rest stops with no security, and sometimes having to load and offload goods from trucks.

There are other practical reasons why it remains difficult for women to be employed in the industry beyond road transportation. For one, some training and accommodation facilities are not designed to accommodate women and need upgrades that are gender-sensitive. In addition, the safety of women (and all employees) travelling across long distances cannot be guaranteed in any circumstances, despite the preventative measures that companies put in place.

Furthermore, the existing opportunities for more women to work in the industry are often thwarted by the attitudes and behaviour of most men who maintain unfair gender discrimination practices in the workplace. These practices perpetuate barriers to entry for women.

Sadly, these conditions present an unattractive image of the industry to many women seeking meaningful and rewarding employment. Also, several employment surveys indicate that most women do not know much about logistics in general. However, that is not to say that women lack an interest in transport and logistics. According to the SAFC report, women have the desire to pursue educational qualifications in transport and logistics, and on average, achieve higher education levels than their male counterparts.

#### Charting industry growth through diversity and workplace culture

The importance of workplace culture cannot be underemphasised - and without a doubt, gender and diversity are key components of any supportive company culture. Indeed, a KPMG Women's Leadership Study states that today's most successful enterprises are those that bring diverse perspectives and experiences to each new challenge, and that along with being the right thing to do, diversity and inclusion leads to strategic advantage. This is no different in the transport and logistics industry, whereby male and female employees can, through equal opportunity and a success-oriented mindset, co-design innovative solutions that enhance customer service, increase employee satisfaction and engagement, improve financial returns and enhance profitable growth.

It is, therefore, critical to foster a workplace culture whereby constructive dialogue about the importance and benefits of diversity and inclusion can take place between men and women. In our view, changes in culture require strong leadership and a clearly articulated strategy that is supported by commitment and demonstrable action. Simply employing more women in the industry is not enough - cultural and structural barriers must be removed.

#### A strategic and hands-on approach

We have taken a clear and strategic approach to incorporate Diversity and Inclusion as among our Vision 2020 strategic focus areas, with a goal to "maintain and enhance our competitiveness, credibility, and legitimacy in the eyes of all stakeholders by leading in diversity and inclusion across all of our businesses." This is closely linked to the Group's 'People' strategic focus area "to attract, develop and retain the people and skills required to deliver on our strategies and create shared value."

In line with these commitments, the group has implemented several initiatives to attract, train, mentor and coach - as well as employ - women in transport and logistics. For example, we have established a professional driver learnership for 40 women within Barloworld Transport, a business unit of Barloworld Logistics. The programme supports 45 women who are currently completing the National Certificate in Professional Driving. The participants come from all walks of life - most of them were unemployed, many had never driven a vehicle before.

To date, 18 participants now have a Code 14 license, while others are able to successfully maneuver and reverse a truck around the yard, with some already starting on-road training. Notably, Barloworld Transport has also been successful in recruiting and employing female crane operators.

As Barloworld Logistics continues with these pioneering initiatives, the company is aware that as an employer seeking to gradually transform the industry, it is critical to foster a fair and equitable workplace that effectively addresses male and female attitudes and needs.

### Key insights and the road ahead

Credible global research on diversity and inclusion, and particularly gender equality, has made a significant contribution to business by demonstrating that the meaningful inclusion of women at all occupational levels leads to better business outcomes. As previously noted, this includes higher levels of productivity and safety, better customer service, greater employee satisfaction and engagement, higher financial returns and more profitable growth.

These findings certainly carry over to the transport and logistics industry and thus present a unique opportunity for the industry to embrace this potential strategic advantage in the local market. Also, developments in technology, shifting demographic patterns and customer requirements play an important role, whereby the industry can actively leverage emerging opportunities to attract and employ women. Industries such as mining, engineering and construction have also recognised the importance and value of diversity and inclusion and are making promising progress in this regard.

To be clear, paving the road ahead for women in transport and logistics comes loaded with challenges and opportunities. Indeed, transforming the image of the industry, gender stereotypes and unfair workplace practices is not an easy task.

However, with strong leadership commitment and action, it is possible to gradually remove barriers that prevent the broader participation of women in the industry. Our vision and strategic focus areas, as well as Barloworld Transport's professional driver learnership for women, are tangible examples of commitment - at the highest levels - to promoting gender equity in the industry.

Looking forward, the inclusion of women in the transport and logistics industry is not only a business imperative but is increasingly part of a global push to promote inclusive and sustainable economic development.

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