

FINDING FRESH TALENT

While airline executives have had their hands full steering through the current downturn, Stan Wraight has been searching for the next generation of air cargo leaders.

A former chief executive of AirBridgeCargo (after spells in senior positions at Atlas Air and KLM), Wraight is now managing partner at the consulting firm Strategic Aviation Solutions International. He's been searching for the airfreight executives of tomorrow, but Wraight sees few signs of promise. Executives are getting older, and among carriers, forwarders and shippers, there is no skilled workforce to take their place. A few industry firms are laying out training programs or plucking trained workers from university logistics courses, but these companies are the exception.

Airlines have neglected their erstwhile training programs meant to foster young talent and are now struggling to attract high-caliber entrants, Wraight warns. He is not alone in this assessment. "There is a shortage of talent in the industry," agrees Ram Menen, divisional senior vice president of cargo at Emirates. From the forwarder side, Bill Gottlieb, past president of FIATA and president of Montreal-based David Kirsch Forwarders, calls recruiting and training talent "an industry challenge."

Bob Imbriani, vice president of corporate development at Team Worldwide, points to long working hours, weekend shifts and a lack of glamour as reasons young graduates aren't clamoring for a spot in the industry. In the past, many people got into the air cargo industry because they were attracted by the romance of aviation or the prospect of a posting to an exotic overseas location. Free flights were another reason to join an airline. These magnets have diminished — if not disappeared altogether, says

Helmut Berchtold, managing partner at adi Consult.

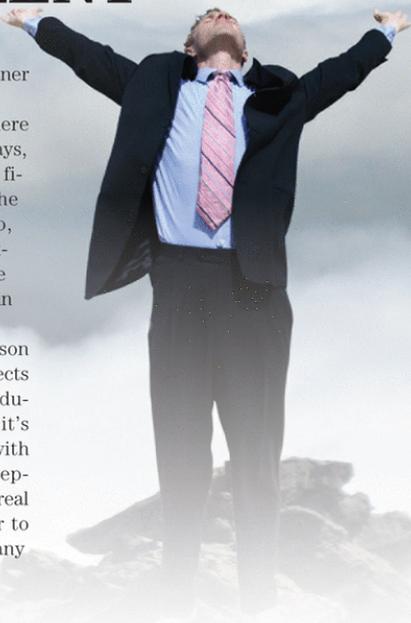
"The glamour is gone. Plus, there is a lot of uncertainty now," he says, adding that airline mergers and financial pressures have led to the elimination of many jobs. "Also, the witch-hunt over the price fixing puts a bad image on the airline industry. People are hesitant to join such an industry."

These aspects pale in comparison to the rather murky career prospects that airlines offer ambitious graduates. According to Berchtold, it's very difficult to have a career with an airline. "With a very few exceptions, like Lufthansa, there is no real career path. It takes you forever to have a career," he says. "For many airlines, cargo isn't a core business. It's sometimes treated as a fifth wheel, and that filters through to resources for training."

A COLLEGIATE APPROACH

Cargo carriers are on the back foot vis-à-vis forwarders and large shippers. But from his vantage point, Imbriani does not see a lack of interest in the industry. "Logistics is a field that more and more people are looking at, especially college graduates who find the fields they studied are not hiring or are not what they expected when they picked their courses," says Imbriani, who is also an adjunct professor at Baruch College in New York. "I have had marketing students and accounting students who look for jobs in logistics. It is a field that the global economy makes more interesting."

The rising number of logistics courses at colleges suggests growing interest in careers in the logistics sector. Rather than plot a career path in an airline, these students are more likely to target logistics providers or multinational shippers, Imbriani says.



This dovetails with Berchtold's observations; he attributes these career paths partly to remuneration because pay scales tend to be lower at airlines than at logistics and forwarding companies.

At the entry level, the proliferation of academic logistics courses helps recruiters in the selection of candidates for interviews, but it also raises many questions. The lack of uniform standards in the curriculum and diplomas leaves them guessing about the relevancy of an applicant's logistics studies. Gottlieb sees this as the inevitable nature of the beast. "The lack of standards with supply-chain courses is an issue, but then 'supply chain' is very broad. It runs the gamut from an international supply chain to a national or regional setup," he notes.

Michael Vorwerk, president of Cargo Network Services, finds logistics degrees useful, but adds that they need to incorporate knowledge and training specific to the air cargo business. This eliminates a sizeable chunk

of the existing gamut of logistics courses. Most are geared more for international corporations and logistics providers, according to Berchtold.

ON-THE-JOB TRAINING

Lufthansa Cargo is not looking for logistics graduates as such. Its “Start Cargo” trainee program, which was designed to develop executives within the company, is aimed largely at graduates in business administration or industrial engineering who have gained some experience in the logistics sector. The program, which has a modular structure, lasts 12 months to 18 months and includes stints and projects at the carrier’s home base as well as in locations abroad.

Christina Trelle, head of personnel development at Lufthansa Cargo, says that its internal training program was one of the reasons why the German carrier has not experienced difficulties attracting talent so far. Other factors are the company’s strong brand image and good feedback in its annual employee survey, which is common knowledge among applicants, she adds.

Imbriani laments that Lufthansa’s program marks a rare example in the industry today. “In the past, airlines were very good at training,” remarks Imbriani, who once attended a one-week course at Lufthansa’s training center in Germany. “You don’t see airlines running these programs any more.” He mentions a four-year degree course program at a mid-sized

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German forwarding company, which includes a spell in Singapore. In return for the company sponsoring the degree course, the trainee commits to staying with the firm for four years after graduation. “There’s no such thing in the airline sector,” he says.

Today’s graduates ask about ongoing training when they inquire about career opportunities, reports Trelle. One of the aspects that attract applicants, besides the allure of flying or interest in logistics, is what career prospects an airline offers them, she says. “They ask more than applicants in the past, ‘What can the company do for me?’”

The prospect of training and development over the longer term is a key factor not only in attracting talent, but also in retaining it. Having invested in an up-and-coming leader, the last thing executives wants to see is that person leaving the company to join a competitor. Yet, as Berchtold observes, players in this industry who seek to recruit experienced staff tend to look first among the competition.

“In order to poach an employee, a

competitor would have to pay more,” he notes. “But is it a couple of bucks more that people value, or working for a company that looks after them and offers them a career perspective?”

Trelle figures that the career path that Lufthansa offers candidates will continue to serve the company well to bring in fresh recruits, but she sees no room for complacency, particularly with regard to longer-term developments. For one thing, the average age in the carrier is going up. “Lack of qualified staff and age structure are issues to look at for the longer term,” she says.

Vorwerk sees a challenge in regaining ground lost in the economic downturn. “There is always the risk of knowledge drain during a crisis period, although this is true of any industry, not only air cargo,” he says. “The challenge is to rebuild the knowledge base during an upswing. This can be difficult to do in an industry like air cargo that has had such dramatic cyclical swings over the past few years.” **ACW**