

# SECTORAL STUDY: Transportation, Warehousing & Logistics

In its Ready for the Job report on the Transportation and Logistics Industry, Heldrich Center researchers stated: “the transportation and logistics industry in New Jersey is an integral part of the state’s economy”.

- The transportation/warehouse industry employs 22,000 in Middlesex County
  - 8,000 truck drivers
  - 6,200 warehouse and storage workers
  - 2,000 support workers

- The needs of the industry are extensive in
  - fork lift drivers
  - customer service reps
  - support services
  - mechanics
  - inspectors
  - processing orders
  - production, planning and expediting clerks
  - storage and distribution managers
  - turnover rate can be 25% on the two late shifts

# CHALLENGES

- Increased skills required of its workers.
- Older workers may not have the technical or computer skills
- Younger workers are fresh on the technology, but lack practical knowledge and experience.
- Shortage of workers in specialized area
- Few students entering those academic areas
- Working in a warehouse is not a job with status.
- Challenge will be to convince young people that they need to, or should, take courses to work in a warehouse.

- Most common skills Middlesex County employers stated as lacking were interpersonal skills, work habits and other “soft” skills.
- Truck drivers need better on-road training and experience and a solid knowledge of geography, map reading and computer savvy.
- Projections are that there will be a need for an additional 500,000 heavy and tractor-trailer drivers and 250,000 light and delivery truck drivers over the next 6 years.

- Although entry level jobs in a warehouse can lead to promotions into supervisory “logistics” jobs, many jobs in Logistics require at least a Bachelor’s Degree and often a Master’s Degree in transportation, logistics or business management.

- Electrical and electronics installers and repairers show slow growth , except in commercial and industrial equipment because companies are becoming more automated.
- Diesel mechanics are in demand in this area. Diesel mechanic training in New Jersey is practically non-existent.

# ISSUES

- The industry itself needs to collaborate with the vo-techs and college to address the needs of the industry.
  - The Institute at Middlesex County College has a curriculum outline for a 60 hour Logistics Professional Program.
  - Current workers will have to keep up with these advances to remain employable.
  - Introductory “Ready for the Job” course for the industry should be developed.
  - Marketing efforts need to show there is a career ladder in this industry.

# RECOMMENDATIONS

- Work with the CDL training schools to establish minimum standards for the training program. These standards should be based on the Federal recommendations now being discussed for possible adoption by the U.S. Department of Transportation.
- Working with the County Department of Economic Development and the State of New Jersey, develop the locations of logistics clusters in Middlesex County to facilitate better outreach for job fairs, transportation, labor market information, training classes, etc.

- Working with the Business Service Representative, encourage logistics companies to apply for customized training grants for training for their incumbent workers to enable their employees to move up the career ladder to self-sustaining wages.
- Via the 9<sup>th</sup> grade calendar, provide information to students about the variety of occupations available within the field and the skills necessary (map reading, computer skills, etc.).
- Assist the youth programs funded through MCDWD to provide information to their participants about the occupations and logistics field.