



# Logistics & Warehouse

---

NESsT Empowers Industry Profile

# About the Research

High-growth industries of Poland – including the manufacturing, aviation, food processing, logistics and warehouse market, nursing and long-term care, and retail industries – will create thousands of jobs in the next five years. Many of the available positions in these industries provide dignified employment, yet do not require a university degree or long-term experience. Is this an opportunity for labour inclusion of underserved communities? NESsT believes it is.

NESsT conducted the following research as part of its NESsT Empowers initiative, which tackles the lack of quality, skilled jobs available for under-served communities in emerging market countries. The NESsT Empowers program invests in social enterprises that prepare people from these communities for dignified employment. Read all the NESsT Empowers industry profiles, at [www.nesst.org/nesst-empowers-poland](http://www.nesst.org/nesst-empowers-poland).

## CREDITS

**Research Leads:** Agnieszka Orzechowska and Gabriela Cichowicz

**Editors:** Nicole Etchart and Roxana Damaschin-Tecu

**Contributor:** Renata Truzzi

**Design:** Melanie Finke

# Europe

According to The World Bank's report, Poland is one of the leading markets in the logistics industry in Central and Eastern Europe. The logistics performance index (LPI) for Poland is 3.43, which positions the country as the 33th in the global ranking of logistics industry development. In CEE, only Czech Republic, Hungary and Lithuania are ahead of Poland.<sup>1</sup>

The logistics industry in Poland has experienced a re-growth since 2010, often exceeding the growth rates from before the general economic slowdown. There are various factors influencing this, but the most important relates to manufacturing and retail markets ascending trend – the two fastest growing markets in the sector.

According to the “Europe's Most Desirable Logistics Locations” – the report carried out by Prologis and Eyefortransport in 2016 – the following criteria drives the attractiveness of distribution locations: closeness to economic networks, low costs (labour, transport and real estate), availability of skilled labour, global trade related hubs, outsourcing and infrastructural improvements,

<sup>1</sup> The World Bank, International Global LPI Ranking 2016, <https://lpi.worldbank.org/international/global>. The Logistics Performance Index (LPI) is an interactive benchmarking tool created to help countries identify the challenges and opportunities they face in their performance on trade logistics and what they can do to improve their performance. It is the weighted average of the country scores on six key dimensions: efficiency of the clearance process (i.e., speed, simplicity and predictability of formalities) by border control agencies, including Customs; quality of trade and transport related infrastructure (e.g., ports, railroads, roads, information technology); ease of arranging competitively

economic development and consumption, sustainability and planning for e-commerce, access to technologies.<sup>2</sup>

Europe remains, globally, the most desirable and attractive location for logistic companies, with 34.4% based in the region.<sup>3</sup> Table 1 (below) presents the most desirable logistics location in Europe, in 2016 and 2013. In the past year, Central Poland entered the first top 10 locations in Europe. The major competitive advantages for CEE locations such as Poland are the low labour and real estate costs.

Nevertheless, despite these many advantages, finding qualified and experienced employees remains a huge challenge across the continent. As many experts highlight, in the future, the availability of qualified staff will be the most important consideration for choosing a logistics industry location.<sup>4</sup>

**Table 1. Europe's most desirable logistics locations**

Rank	2016	2013
1	Venlo	Venlo
2	Rotterdam	Antwerp-Brussels
3	Antwerp-Brussels	Rotterdam
4	Central Brabant	Rhein-Ruhr

Source: *Europe's Most Desirable Logistics Locations*, Prologis & Eyefortransport, February 2016.

priced shipments; competence and quality of logistics services (e.g., transport operators, customs brokers); ability to track and trace consignments; timeliness of shipments in reaching destination within the scheduled or expected delivery time. This measure indicates the relative ease and efficiency with which products can be moved into and inside a country.

<sup>2</sup> Europe's Most Desirable Logistics Locations, Prologis & Eyefortransport, February 2016.

<sup>3</sup> Garner H., 2017 Global Logistics Report, Eyefortransport

<sup>4</sup> [www.magazyny.pl](http://www.magazyny.pl), Jones Lang LaSalle JLL, 2017.

### Six Core Regions for Industry in Poland

1. Warsaw
2. Central Poland
3. Upper Silesia
4. Cracow
5. Wroclaw
6. Poznan



## Poland

Poland itself is very diverse in terms of logistics and warehouse development. There are six core regions for the industry: Warsaw, Central Poland, Upper Silesia, Cracow, Wroclaw and Poznan. They are located in the central and western parts of the country, where the majority of manufacturing and retail investors are based.

There are plans for new investments in other regions, (i.e. Amazon and Zalando plan to open their logistic centres in Zachodniopomorskie and employ there around 1000 persons each); however, they are minor when considering the whole industry's scale. According to the Central Statistical Office for Poland, there were 821,451 persons working in the transport, logistics and warehouse industries in 2016.<sup>5</sup> This number will grow in

the future, as the forecasts are very optimistic: 11% employment growth projected for the last quarter of 2017.<sup>6</sup> The industry is very masculine, only 22.26% of all employees are women, and usually they occupy less paid and low-skilled positions.

Chart 1 (on page 4) presents the number of people working in transport, logistics and warehouse sectors in Poland in 2016, as per the Central Statistical Office for Poland data. The six regions absorb the majority of the people working in the industry – and not by chance, as other economic sectors are also growing here (manufacturing, retail, food processing among others). Continued regional economy growth, will bring new investment and the need for more trained employees. Ensuring access to qualified and employable talent in these six most developed regions is crucial and represents a market niche for social enterprises that are

<sup>5</sup> Central Statistical Office for Poland, Employment in national economy in 2016, Warsaw 2017.

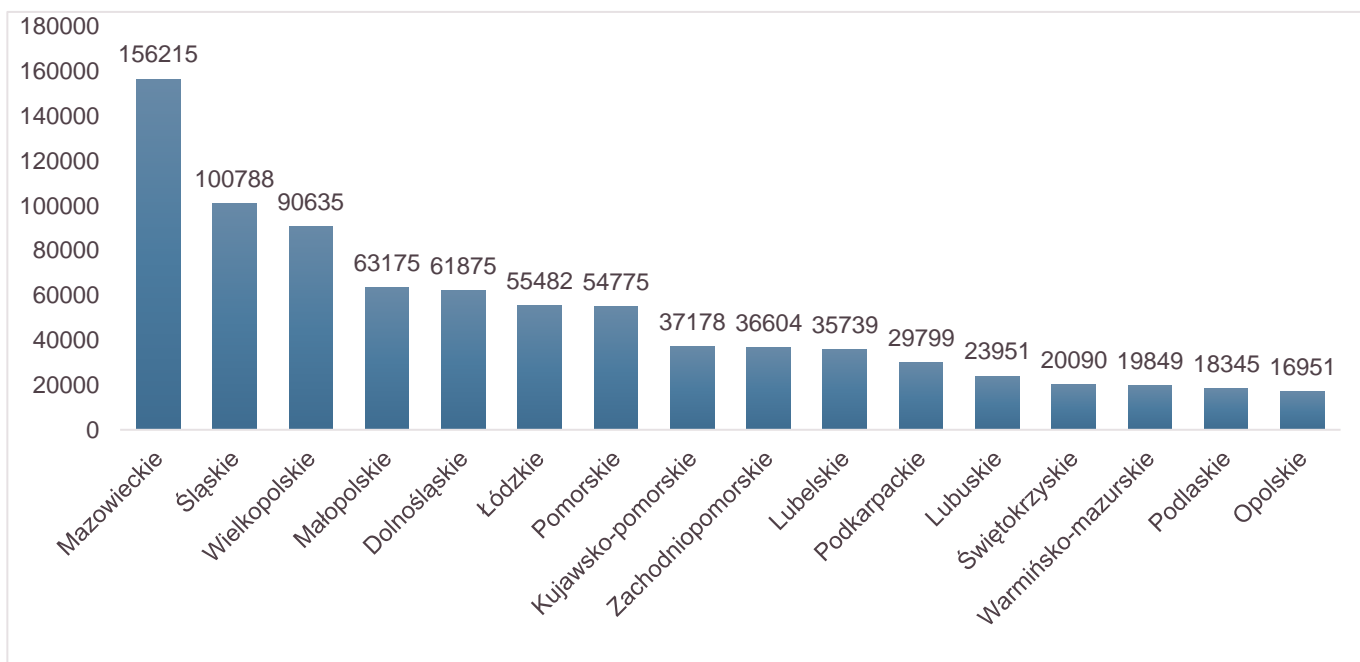
<sup>6</sup> Barometr ManpowerGroup Perspektywy Zatrudnienia Q4 2017, ManpowerGroup 2017.

working to prepare at-risk and excluded communities for employment.

There are specific challenges and opportunities in each of the above regions. It seems like Warsaw and Upper Silesia have the highest growth potential in logistics, due to the plots of land that are available for new investment (in eastern and northern parts of Warsaw region), availability of larger floor space and stable rent.

Additionally, Upper Silesia seems to be one of the most competitive regions in Poland, due to its significant population and size, relatively cheap and abundant land, and available labour force. Shortages of labour in Wroclaw and Poznan is a major obstacle to growth and may shift new industrial projects to other locations, like Central Poland, where the infrastructure has recently developed significantly, and the local government established several special economic zones to attract investors and boost economic growth. The regional capital's location by the junction of two major motorways (A1 and A2) is another advantage that makes it attractive for the logistics industry.<sup>7</sup>

**Chart 1. Number of people working in transport, logistics and warehouse in Poland in 2016, by region**



Source: Central Statistical Office for Poland, 2017

<sup>7</sup> Poland's industrial market in 2016, Jones Lang LaSalle IP, Inc. JLL, February 2017.

## TYPES OF SERVICES AND MAIN INDUSTRY PLAYERS

There are different types of services within the logistics industry: transport, shipping, warehousing, customs and consulting on logistic solutions. Most of the companies (96.5%) operating in Poland offer transport, shipping, warehousing.<sup>8</sup> This trend did not change significantly during the years.

The top 10 logistics companies in Poland are presented in Chart 2 (below) with their annual income in 2015. They represent significant employers. The top three together employ almost 12,000 people.<sup>9</sup> These companies offer their employees a spectrum of career opportunities: from simple low skilled jobs in warehouses or as couriers, to qualified jobs as drivers or forklift operators, and finally to managerial and director positions.

**Chart 2. Top 10 logistics companies in Poland by their annual income in 2015**



Source: 21. Edycja Rankingu Firm TSL, [www.gazetaprawna.pl](http://www.gazetaprawna.pl), June 2016

<sup>8</sup> Wojciechowski A., Rynek usług logistycznych w Polsce – analiza, perspektywy rozwoju, SGGW Warsaw, Logistyka 4/2012.

<sup>9</sup> Data estimated based on numbers provided by companies on their websites – as per November 2017.

# Employment Opportunities

The logistics and warehouse industry offers a wide range of jobs for candidates with different levels of knowledge and skills.

Working in logistics may be stressful, as this dynamic job environment requires keeping deadlines, high mobility, and mindfulness. Very often, a good physical and health condition is required from candidates, who are frequently required to lift heavy objects. The companies from the logistics sector offer dignified employment with fair wages, employment contracts, transportation to the workplace, and some benefits (i.e. private medical insurance, sport benefits, trainings).

The professions most in demand in the industry are listed in the table below, starting with those in highest demand. Table 2 (right) shows that most of these positions are for medium to higher skilled labour; however, the industry also offers employment for lower-skilled workers, such as couriers, warehouse workers, forklift operators, and packers, the latter being the lower-skilled position in highest demand.

**Table 2. The most in-demand professions in the logistics and warehouse industry in 2015**

Profession
Driver, international driver
Forwarding agent, international forwarding agent
Warehouse manager, warehouse administrator, warehouse administrator's assistant
Transport specialist
Logistician
Dispatcher
Mechanic
Accountant, office administrator

*Source: Bilans kompetencji w branży transport i logistyka. Raport z przeprowadzonych badań, Uniwersytet Jagielloński, Cracow, November 2015*



The majority of the employees have employment contracts (63% of employees); the others (37%) have other types of contracts (service contract, self-employed or other).<sup>10</sup> The service contracts are more common among low-skilled employees (couriers, packers and warehouse workers). Employee leasing<sup>11</sup> is also a very common strategy that is being used to fill in the personnel gaps in non-qualified positions. This strategy is becoming very popular especially during high seasons, such as Christmas, when the number of parcels and consignments that are being packaged and shipped increases significantly.

Wages paid by the industry depend on the requirements of the position, the employee's level of experience and competences, and the region where the job is located. Table 3 (right) presents the gross monthly salaries for chosen logistic roles.

**Table 3. Gross monthly salary ranges in PLN and USD for logistics positions**

	Minimum	Average	Maximum
International driver	PLN 4,000 USD 1,130	PLN 5,000 USD 1,115	PLN 7,000 USD 1,980
Logistics manager	PLN 8,500 USD 2,404	PLN 13,500 USD 3,818	PLN 18,000 USD 5,090
Logistics specialist	PLN 4,500 USD 1,273	PLN 6,000 USD 1,697	PLN 9,000 USD 2,545
Warehouse manager	PLN 6,000 USD 1,697	PLN 8,500 USD 2,404	PLN 13,000 USD 3,677
Transport manager	PLN 6,000 USD 1,697	PLN 9,500 USD 2,687	PLN 13,000 USD 3,677
Courier	PLN 2,200 USD 621	PLN 2,715 USD 767	PLN 3,750 USD 1,060
Warehouse worker	PLN 2,688 USD 759	PLN 2,900 USD 819	PLN 3,100 USD 875
Forklift operator	PLN 2,335 USD 675	PLN 2,768 USD 800	PLN 3,300 USD 954
Packer	PLN 2,000 USD 565	PLN 2,240 USD 633	PLN 2,920 USD 825

Source: Hays Poland Salary Survey, 2016 and [www.wynagrodzenia.pl](http://www.wynagrodzenia.pl), March 2017

<sup>10</sup> Bilans kompetencji w branży transport i logistyka. Raport z przeprowadzonych badań, Uniwersytet Jagielloński, Cracow, November 2015.

<sup>11</sup> Employee leasing (Small Business Encyclopaedia): workers who are officially employed by a professional

employer organization, which is responsible for overseeing all HR-related functions, but who actually perform all work for the company.

<https://www.entrepreneur.com/encyclopedia/leased-employees>.





The required key competences differ based on the position and the actual job to be done, but there are four main groups of skills and competences common among all industry branches:<sup>12</sup>

1. Knowledge and technical skills – knowledge about transportation, logistics processes design, Europe’s geography, customs regulations, budgeting, knowledge of international trade relations, warehouse organization and management, enterprise resource planning (ERP) software, lean management, procurement, AGILE methodology in management;
2. Business skills and knowledge – MS Office, building and maintaining client relationships, sales and marketing, knowledge about industry and new trends, general legal regulations, finances and accounting, business ethic, projects’ management, team management, public procurement and public tender;
3. Soft skills – honesty, stress resistance, scrupulousness, strong verbal and writing communication skills, innovation and initiative, high organizational skills, self-management, cognitive

4. Languages and other specific requirements – English and German languages (including technical vocabulary), driving license (B, C and E categories), availability and mobility, driver’s card, medical examination (good health condition), occupational health and safety certificates, no criminal records.

The employers from the logistics industry admit that their biggest challenge is to find candidates with soft skills, especially those with high attention to detail, innovation, initiative, and client orientation. The companies’ representatives highlighted the competences that are becoming more and more relevant for the industry within the next five years: technical skills in foreign languages (German, in particular), lean management, procurement, ERP software, team and project management, warehouse organization and management, organizational and intercultural skills.<sup>13</sup> The industry experts recognize that modern technologies and innovations will become more important for the sector in the future. Some of the companies already test autonomous vehicles in logistics, drones, customized

<sup>12</sup> Based on: Bilans kompetencji w branży transport i logistyka. Raport z przeprowadzonych badań, Uniwersytet Jagielloński, Cracow, November 2015.

<sup>13</sup> Bilans kompetencji w branży transport i logistyka. Raport z przeprowadzonych badań, Uniwersytet Jagielloński, Cracow, November 2015.

software, robots and also big data solutions to analyse information. It is very important for vocational training institutions to consider these trends while designing their curricula for their logistic industry.

PwC in its global report about the logistics industry identifies key industry changes that will impact specific jobs and that should be reflected in vocational education. For logistics professionals, analytical and e-skills will be more important as well as social and cultural skills. This is because of increasing automation of the industry. Truck drivers, due to increasing of traffic and congestion, will need to use new navigation systems that help them change their route while on the road. New technologies inside (e.g. driver assistance) and outside the vehicle (e.g. traffic management, car-to-infrastructure systems) will also call for a higher degree of e-skills and technical competencies.<sup>14</sup>

There is also a need to improve soft skills as the industry is very dynamic and is now global. More training on stress and time management will be important as well as on dealing with crisis situation (pilots, rail and truck drivers). In some cases, there might be a need to provide employees with support systems after a traumatic event.

There is a strong need for differentiated career development options in the transportation and logistics industry. In the transport sector, most employees have medium or low qualification levels. That's changing, as the sector's need for better-educated workers increases. It requires new vocational programmes, trainings and strong cooperation between companies and educational institutions. Research shows that there aren't sufficient numbers of courses offered or enough qualified faculty to train labour force for logistics and transportation industry. This niche might be fulfilled by social enterprises and private vocational training institutions that are flexible enough to answer market needs.

Traditionally, the transportation and logistics industry has provided relatively easy access to employment. But as technology changes the working environment, greater skills are demanded on entry-level and formerly low-skilled roles, so minimum education standards will need to be higher. There will also need to be a greater emphasis on technical skills development, including critical 'e-skills' (ICT-related skills and competencies). And the industry is getting more international, so strong language skills will be more important. In case of the Polish market it is crucial to train people in English, German and Russian.<sup>15</sup>

---

<sup>14</sup> Transportation & Logistics 2030. Volume 5: Winning the talent race, PwC 2012.

<sup>15</sup> Based on: Transportation & Logistics 2030. Volume 5: Winning the talent race, PwC 2012.

## AT-RISK GROUPS

Due to the need for candidates with good physical and health conditions – in many cases required to lift heavy objects – the industry has a number of limitations for some at-risk groups, like people with certain physical disabilities. However, this sector could offer career opportunities for at-risk youth, people from rural areas (as warehouses are located outside of the cities), migrants, and the long-term unemployed. One of the examples of social enterprises operating in the logistics and transportation industry that provides employment opportunities to disadvantaged young people is Brazilian Ecolivery Courrieros (see the case study at right).

Additionally, the industry offers opportunity for the thousands of homeless men (including former prisoners) that currently exist in Poland. Of the 33,410 homeless people currently living in Poland, 83.5% or approximately 28,000 are men. The highest numbers are in Mazowieckie, Pomorskie and Śląskie. Over 40% of all homeless people have a vocational level of education.<sup>16</sup>

## ECOLIVERY COURRIEROS

The package delivery industry in Brazil is valued at USD 24 billion per year and growing, powered by 1.5 million “motoboys” who deliver packages on motorbikes. Only 23% of motoboys work under formal contracts and with legal registrations, resulting in poor employment conditions. Their motorbikes also add to congested roads, noise levels and pollution in the cities.

Launched in 2013 in Rio de Janeiro, Brazil, [Ecolivery Courrieros](http://www.courrieros.com.br/) is a bicycle-based urban delivery social enterprise that trains, hires and professionalizes at-risk youth as deliverers. They provide services for the delivery of documents, items purchased through e-commerce sites and food. The delivery service is environmentally friendly, faster and cheaper than their competitors.

Courrieros currently employs 50 at-risk youth as bike messengers and has 200 clients in Rio de Janeiro. Most employees come from low-income backgrounds and have never worked before in the formal economy. A job with Courrieros gives them regular income, health care, social security and opportunities for further career development.

The company expands its operations, and with NESsT's support, plans to open in 2018 a new facility that will provide an additional 30 jobs for at-risk youth. According to projections, by 2020, the social enterprise will employ 140 people in total. Besides social impact, Courrieros has also significant environmental impact with 64 tons of carbon dioxide emissions conserved per year.

► <http://www.courrieros.com.br/>

---

<sup>16</sup> Ministry of Family, Labour and Social Policy, “Mniej osób bezdomnych”, March 2017.

<https://www.mpips.gov.pl/aktualnosci-wszystkie/pomoc-spoeczna/art,8681,mniej-osob-bezdomnych.html>





## Summary

- The logistics and warehouse industry is growing rapidly in Europe and Poland, in particular, in connection with the growth of retail and manufacturing industries.
- There are 10,500 vacancies in the logistics and warehouse market available in Poland as per Q4 of 2017.<sup>17</sup> Industry experts estimate that each year around 80,000 jobs are created in transport, shipping and logistics in Poland. The dynamic of the industry's growth is so high that companies are not able to fill talent needs.
- The three biggest logistics companies in Poland employ 12,000 people, from low skilled to managerial positions.
- The majority of the logistics companies offer dignified employment, with fair wages and employment contracts; some also provide additional non-financial benefits.
- Logistics companies in Poland are suffering shortages in the labour force due to the relatively low economic activity rate in Poland (below the EU average).
- It is crucial to find a way to activate 30% of Poland's population between the ages of 15 and 64 years old that are neither in employment, education nor training (including at-risk youth and homeless people) and help them to become active in the labour force.
- Men still dominate the transportation and logistics industry (around 80% of all employees), so there is a huge need to attract more women to the sector and to close the wage gap. Companies need to make sure that women can advance through the ranks too. That may mean taking a hard look at work-life balance.
- As per industry input, job candidates are missing most of the soft skills needed by employers.
- New technologies will become significantly more important, and this should be reflected in the vocational training programs for the sector.

---

<sup>17</sup> Monitoring Rynku Pracy. Popyt na pracę w III kwartale 2017 roku, Central Statistical Office for Poland, Warsaw, December 2017.

## ABOUT NESsT

NESsT has been working for 20 years to provide dignified employment to lift people out of poverty in emerging markets. NESsT achieves its mission by raising philanthropic capital to invest in and develop social enterprises that create employment and viable income opportunities for the poorest communities facing isolation, discrimination, lack of job skills and poor education. To date, NESsT has invited 176 social enterprises to enter its portfolio providing them with an average of four years of support and investing more than USD 14 million in capacity building and direct funding. Through this investment, NESsT has contributed to creating more than 49,000 dignified employment and sustainable income opportunities.

## SUPPORT

### J.P.Morgan

NESsT would like to thank the JPMorgan Chase Foundation for generously supporting the research and publication of this study, and our work to support social enterprises that provide dignified employment for at-risk communities in Poland.

While this report has been supported by the JPMorgan Chase Foundation, the contents and opinions in this paper are those of NESsT alone and do not reflect the views of the JPMorgan Chase Foundation, JPMorgan Chase & Co, or any of its affiliates.