New Beginnings are Overrated. Let 2018 be Your Turning Point.

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The industry slowdown from the past few years has indicated the best response to a crisis is neither abandoning ship nor refusing to change course. It is simply the ability to reevaluate your position and pivot if necessary in order to avert risk and minimize losses.

Welcoming the new year is always a bit more complicated than it seems. At first, there's a sense of unbridled optimism and excitement inspired by the cheerful fervor of the December holidays. However, once the mist from the fireworks has disappeared into thin air and it's time to return to business as usual, there's always the slightest hint of scepticism, if not outright dread – what's next?! And what will it mean for the industry bubble I inhabit?

The global logistics and supply chain sector has been struggling to reconcile mixed signals since 2015. The combined effect of falling oil prices, Brexit, the dawn of

NEWS

IATA FACE-UP Competition finalists to present at 2018 World Cargo Symposium in Dallas this March

The International Air Transportation Association’s FACE-UP Air Cargo Career Competition has selected its top three finalists from among several innovative theses on air cargo logistics. Finalists were selected based not only on the innovativeness of their ideas, but also their potential to transform the air cargo industry. The qualifying candidates will present their theses to an audience of current and aspiring leaders in global aviation at the 2018 World Cargo Symposium (WCS) that will be held between March 13 to 15 in Dallas, USA.

Space Autonomous Drones demonstrates innovation in action at LogiSYM Dubai 2018

Space Autonomous Drones, the first licensed commercial drone provider in the Middle East, orchestrated the delivery of roses via drone at LogiSYM Dubai 2018, which was held on February 13 and 14 at the Jumeirah Creekside Hotel. Presenting the technology at the event, CEO of Eniverse Technologies Mohammed Johmani further announced the launch of Doorbox, a door-to-door drone delivery service that will transform last mile delivery across the UAE and wider GCC region.
Trumponomics and a manufacturing slowdown in key Asian markets have caused the industry to exercise caution and shift gears in a bid to remain profitable and achieve targets for growth and expansion.

However, macroeconomic trends and forecasts for 2018 to 2020 indicate that many of these pressures are expected to ease somewhat starting this year, with rising economic and industry-level transformations providing new opportunities to overcome the challenges of previous years. For example, oil prices took off on the strongest note since mid-2015 this January 1st, while the rise of decentralized technologies such as blockchain offer the possibility to circumvent bureaucratic inefficiency and dramatically improve supply chain visibility. New emerging markets, particularly in the Middle East (Egypt, Oman) and Africa (South Africa, Nigeria, Kenya) have risen to prominence and opened up fresh avenues for growth. The hype around artificial intelligence (AI) is finally beginning to pay off with a range of new machine learning applications making it possible to overcome skill and labour shortages and optimize processes for significant gains in business performance.

With internet penetration rates rising rapidly across the developing world, vast untapped opportunities are fostering appetite for global expansion among both established players and fledgling entrants. Rising M&A activity in the logistics and supply chain sector across Asia and Africa indicates that there is opportunity for both types of players to work in tandem in the quest to conquer uncharted territories. According to PwC, 2017 saw a total of 248 transactions take place in the global transportation and logistics sector, a rise of 18% in volume and 5% in value compared to 2016. With the explosive rise of e-commerce across the globe, it comes as little surprise that e-fulfillment remains one of the most competitive, sought-after yet challenging avenues for growth and profitability. At the same time, rising infrastructure investments across Asia and Africa also provide attractive possibilities for the development of logistics and supply chain sectors in these regions.

These promising developments should be enough to cause one to breathe a sigh of relief and trust that the worst of this decade is past. However, the shake-up of the past few years, and the winners and losers that have emerged in its wake indicate that neither unbridled dread nor hopeless optimism is the key to robust business performance. Rather, it is a commitment to systemic adjustments and strategic realignments that allows a business to succeed in an industry that is highly vulnerable to both macroeconomic shocks and digital disruption. In other words, the best response to a crisis is neither abandoning ship nor refusing to change course. It is, very simply, the ability to re-evaluate your position and pivot if necessary in order to avert risk and minimize losses.

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LogiSYM partners with SCLAA to launch LogiSYM Australia 2018

LogiSYM and the Supply Chain and Logistics Association of Australia (SCLAA) will bring the LogiSYM conference series to Australia this year. The announcement was made by Mark Skipper, Director of SLCAA, and Dr. Raymon Krishnan, Director of LogiSYM and President of the Logistics and Supply Chain Management Society (LSCMS) at LogiSYM Dubai 2018 this February. LogiSYM Australia will be held in Sydney in November, 2018.
industry,” notes Darryl Judd, COO and Global Director of Corporate Advisory services for Logistics Executive Group. Judd notes that the use of business intelligence and market experts has become increasingly relevant to the logistics and supply chain industry as industry leaders world-over see these resources as crucial to keeping up with rapidly evolving markets. “Our clients are also increasingly recognizing the importance of drawing on benchmark data, such as those found in Ti reports, to understanding business performance in the context of the wider industry,” Judd further highlights.

Logistics Executive Group has been conducting supply chain audits, designing and equipping modern facilities and pioneering supply chain improvement and optimization programs for a variety of logistics and supply chain players across the world for the past three decades, using internal resources and expertise that are costly for organizations to acquire on their own.

Another instrumental piece of the equation that one can no longer afford to be sidelined is the strength, quality, productivity and agility of an organization’s workforce. “Technology in the hands of talent that is not adequately qualified, agile or equipped to succeed is akin to handing a Ferrari to a first-time driver – excessively risky and expensive,” asserts Kim Winter, Global CEO of Logistics Executive. “Disparities in business performance and success between overachievers and underachievers in the sector is strongly correlated with the talent attraction and management strategies of a firm,” he adds, citing the recently published World Bank special report on the human capital challenges facing the logistics and supply chain industry globally.

One of the key challenges noted in the report is the lack of capacity and capability to develop a targeted and successful talent strategy can be challenging for both large-scale multinationals with expansive geographic footprints and smaller LSPs. “This is the problem we saw nineteen years ago when we established our recruitment and human capital consulting division at Logistics Executive Group,” notes Winter, adding, “Today our specialist expertise in the area appears to be more relevant than ever, and we feel very well positioned to harness our own global experience and footprint to help our clients develop targeted and successful talent attraction and management strategies within a wide range of geographies and industry segments.”

Digital transformation is really only the tip of the iceberg when it comes to the changes, opportunities and threats that loom on the horizon for the global logistics and supply chain industry. Shifting socio-political dynamics and their interplay with economic factors, and even evolving cultural norms are inspiring moments for pause and reflection from board rooms to warehouses to cargo docks. Perhaps it’s time to take a look around the room and wonder about the ones still around, whether colleagues, well-wishers or competitors. Clearly, each of us is doing something right if we’ve survived recent storms, and perhaps in the coming few years if we were able to pool those strengths together through the right talent and strategic advice from known industry experts, we may even be doing significantly better.

Bushra Ali is a business intelligence specialist at Logistics Executive Group in the Middle East. She has a degree in Economics and Chinese from Williams College, Massachusetts, USA. She specializes in market research and economic analysis using qualitative and quantitative tools including STATA, R and Python. Her past research spans topics including behavioural economics, consumer behaviour, renewable energy markets, education and social entrepreneurship. Her research has been published by the London-based Overseas Development Institute (ODI). In addition to English, she is fluent in Mandarin, Arabic and Urdu/Hindi.

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