

No growth for logistics industry without safety and efficiency this silly season

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As momentum builds in transport and logistics across Africa post-Covid-19, the GDP contribution of the sector is expected to grow from R349bn in the first quarter of 2022 to R363bn by 2024.

This is an increase of 3.7%, making the logistics sector a driving force in contributing to the growth of South Africa's economy. As we approach the holiday season, the transport of goods will see its annual surge which will put immense pressure on the industry's human resource pool.



Image source: [Gallo/Getty](#)

Given current economic conditions, logistics businesses will be hard-pressed to upscale their staffing complement to service the festive period. At the same time, unemployed but qualified workers in this sector will be scrambling to find temporary placements to cash in on the lucrative silly season.

The increase in holiday buying results in a massive increase in demand for drivers and other workers to facilitate the movement of goods from supplier to buyer. A Temporary Employment Services (TES) partner can be instrumental in helping logistics companies upscale their staffing complement rapidly in response to seasonal demands.

'Tis the season to work harder

The problem with the holiday season is two-fold. Permanent employees usually want to take their annual leave to spend time with their families, but the surge in holiday buying leads to a pressing need for even more hands-on deck.

With consumers demanding ever-faster delivery times, and the high costs associated with servicing the last mile, retailers and logistics operators are pushing to improve their distribution models and reduce inefficiencies. Often businesses turn to their existing staff complement to improve efficiencies and reduce turnaround times. Placing increased workloads over peak periods on existing staff complement leads to worker fatigue, increases the risk of accidents causing financial losses and risks of reputational damage to the business.

For a logistics business to remain profitable, it needs to increase efficiency and output, and a TES partner is the most cost-effective and efficient way to meet customer demands without placing undue pressure on their internal resources.

Cost efficiency: Mission impossible?

Achieving efficient and reliable transport systems is becoming increasingly difficult for logistics companies, particularly in the face of deteriorating road infrastructure conditions that lead to higher vehicle maintenance costs, as well as strike action and unrest. Further costs to business include late delivery resulting in breach of contract penalties, rising fuel, levies, and toll prices, port, and cross-border delays - all of which severely hamper efforts to achieve growth and efficiency. Businesses are therefore forced to find ways to improve their own efficiencies that result in quicker turnaround times while trying to manage costs to ensure their operation can meet demand increases.

Temporary employment is the solution

In joining forces with an experienced and established TES provider, businesses can benefit from access to a pool of screened and vetted candidates with experience in the logistics sector in such a manner that facilitates not only their constant compliance with relevant labour laws but also their occupational health and safety requirements, working towards reducing the risk of road accidents due to fatigue.

This is particularly important where certain roles within the logistics sector, such as heavy motor vehicle drivers, who are strictly regulated. To ensure road safety, these drivers can only drive a specified number of hours per week after which they are legislatively compelled to take a break.

Increased compliance, cost-efficiency, and performance

Such service comes with the reassurance that all staffing-related processes are fully compliant with relevant labour laws as well as bargaining council rules and regulations. Not only will the TES partner take care of compliance and recruitment which is, in itself, a laborious and time-consuming process, but they will also handle the full payroll process along with all HR and IR procedures, including disciplinaries, terminations, dismissals, and disputes, to mitigate the risks associated with a scaling staff complement.

This makes it easier for businesses to tap into a skilled, experienced, and competent labour force that has been expertly recruited to contribute to increased productivity, loss reduction and an increase in company performance.

The right resources for the season

A poorly sourced labour force that is required to provide a high output over a short period can work against company objectives and inadvertently increase costs whilst impacting growth. Having a TES provider take care of their temporary staffing needs quickly and efficiently allows businesses to focus solely on operations with the peace of mind that comes from knowing that the labour they require to meet the silly season rush is provided with full compliance and in adherence to

labour law and transport regulations.

In this way, expanding the staffing force to meet seasonal fluctuation should not be seen as a business expense. This is because a temporary labour force that is highly competent and experienced will work towards fulfilling business objectives - moving more goods, faster.

Meeting customer expectations over the holiday season is particularly important as there is little room for error at this time, The more demand is met, the more growth the business can achieve.

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