

Creating a talent pipeline is key to ramping up manufacturing and logistics beyond the festive season

By [Viren Sookhun](#)

8 Nov 2023

Ahead of the peak season that begins in November, enterprises in the manufacturing and logistics sectors need to ramp up to meet increased demand and compressed timelines. They need flexibility with an additional staff component and the ability to scale as necessary, as demand tends to taper off after the first quarter of the year. However, these sectors are also growing industries in South Africa, which means that future demand should increase, and this could provide economic relief and much-needed employment in the country.

To capitalise on this opportunity, it is critical to prioritise skills development and the development of a talent pipeline to fill the growing number of available positions. Partnering with the right recruitment partner that offers this holistic service is key.



Source: [Drazen Zigic](#) via [Freepik](#)

Growth sectors

Manufacturing has long been a cornerstone of the South African economy and contributes significantly toward the country's Gross Domestic Product (GDP). According to the [South African Reserve Bank](#), in 2019 the sector contributed 12% to the GDP, 12% to formal sector employment and 42% of the rand value of exports. While it has been declining for a few years, recent statistics show that manufacturing is once again growing thanks to significant focus from various parties.

The latest from [Statistics South Africa \(Stats SA\)](#) shows that the country's GDP grew at 0.6% in Q2 2023, compared to 0.4% in Q1, and that manufacturing was one of the main drivers of this upward momentum. Investment in South Africa's automotive sector as well as increased production of metals, metal products, machinery, and equipment, among others, have helped to uplift the sector, which is positive news for both the economy and employment prospects. With alternative energy solutions, component manufacturing and other areas poised to take off in the country, this represents an important opportunity.

Leveraging the opportunity to address social challenges

To meet increased demand, whether this is over peak periods or with a more long-term view, it is important to align job opportunities and create the flexibility and agility needed.

A recruitment partner that specialises in a full, people-centric solution from Temporary Employment Services (TES) to relevant training and upskilling, is an invaluable ally. If we can work toward creating a talent pipeline, focused specifically on getting younger people on the first rung of the career ladder, we will be able to cater for demand while addressing a major social challenge in South Africa – that of rampant youth unemployment.

[While the Stats SA Quarterly Labour Force Survey \(QLFS\) – Q2:2023](#) showed a decrease in unemployment across the board and a decrease in youth unemployment by 1.1%, the youth are still vulnerable, and the youth unemployment rate remains high at 45.3%. The same survey showed that the manufacturing sector experienced job losses over the period – at odds with the fact that this is an important growth sector. The right recruitment partner can help to address these issues to align employable people with appropriate skills development to meet the needs of sectors that are providing more employment in the future.

Sustainability is essential

Within the manufacturing sector, there is an opportunity for hiring young unemployed individuals to help give the youth a foot in the door. Giving them experience in the industry with on-the-job training can help create a talent pipeline that fuels the predicted future growth across manufacturing and subsequently in transport and logistics. Well-structured skilling programmes and appropriate certifications help create the necessary pipeline of talent and help build pools of employable individuals with a career path toward future growth.

This is not just about catering for increased demand over peak seasons, it is about creating sustainability and continuity, addressing challenges as a society, specifically around unemployed youth, and growing the economy. The right talent partner can help to achieve all of this to position manufacturing to take advantage of future growth.

ABOUT THE AUTHOR

Viren Sookhun, MD at Oxyon People Solutions.

For more, visit: <https://www.bizcommunity.com>